



Charitable Giving in Canadian Wills

CURRENT TRENDS & OPPORTUNITIES IN
LEGACY GIVING



About the CAGP Foundation

The CAGP Foundation's mission is to financially support the development, and promote the excellence of, strategic charitable giving in Canada. We work in partnership with the Canadian Association of Gift Planners (CAGP), a national professional association that brings together charitable fundraisers and professional advisors advancing strategic charitable giving in their communities.

Both organizations believe that we can build a better world by putting the power of philanthropy in the hands of many more Canadians, through gifts in Wills and other types of strategic giving.

Introduction

Canadians give. They give significantly in their lifetimes — with 82% reporting that they give to charity each year¹. Yet, only 5% of Canadians currently choose to create a gift to charity in their Will. This 77% drop off between people who support causes during their lifetimes, and those who include those causes in their final act of philanthropy, highlights the fact that Canadian charities are missing out on a huge opportunity to dramatically increase their ability to do social good.

Why does this fall-off occur? How do we encourage more Canadians to choose to make charitable gifts in Wills?

The CAGP Foundation undertook a comprehensive study with Environics Analytics to explore these questions, and to better understand the factors influencing Canadian charitable giving in Wills.

The pages following provide the beginnings of a map: a map that outlines the current lay of the land, where the precipices lie, and where we can forge new paths forward for the benefit of our organizations, and the Canadian charitable landscape as a whole.

MOST CANADIANS eventually write a Will

Fundraisers do not need to focus on the importance of writing or having a Will.

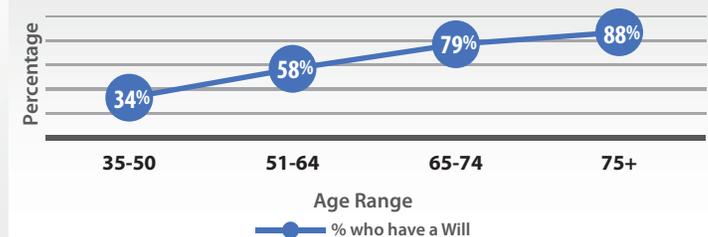
Will Writing in Canada

Is it possible that there are simply not enough people writing a Will in Canada? Could this be the cause of the dramatic drop between a donor's lifetime giving to a legacy gift in their Will?

The data does not bear this out. Canadians are more likely to have a Will than counterparts in comparable countries. Our research shows that 56% of Canadians have a Will, while research from other countries shows this figure is 39% in the UK², 48% in Australia³, and 42% in the United States⁴.

It is worth noting that the finding that 56% of Canadians have a Will is based on Canadian adults from the ages of 35 and up. When factoring in that people are more likely to write a Will as they age, we see that once Canadians are age 65 and older, the vast majority have a Will. **By the time Canadians are 75 years of age or older nearly 90% will have made a Will.**

% of Those Who Have a Will by Age Group



Once Canadians write their Wills, are they open to revising them? Or, is it that once their Will is created, a donor would likely not consider changing their Will to include a legacy gift? Our research shows that Canadians **are** willing to revise their Wills — once, or twice at most — but after the age of 75 they are less likely to plan to do so. So it is key to be communicating with them about the power of legacy giving at the right time for them.

Legacy Giving in Canada

AWARENESS OF ABILITY TO CREATE A CHARITABLE GIFT IN A WILL

Could the cause be that people are unaware of the option to make a charitable gift in their Will? Does there need to be more education or awareness on this point?

The numbers definitively show that is not the case. **86% of Canadians are aware that they can leave a charitable gift in their Will**, and 60% of those say “they’ve always known”. Clearly this possibility has been well embedded in Canadian culture.

INTEREST IN CHARITABLE GIVING IN A WILL

Since it is widely known by Canadians that they have the option of creating a gift in their Will to charity, the study sought to narrow in on who would be interested in creating such a gift. **These findings are of key importance.**

Just under one third (31%) of Canadians surveyed said they were interested in creating a charitable gift in their Will. Their primary motivation? “I want to help the charities I care about continue their good work.”

Close to two thirds (63%) of Canadians surveyed said they were **not** interested in creating a charitable gift in their Will. The main obstacle is their desire to leave their entire estate to loved ones. **In fact, most don’t even consider the option because they do not believe it possible to support both charity and family in their Will!**

WHO IS MOST INTERESTED?

While those aged 35-50 are most interested in leaving a gift in their Will to charity, they are also least likely to have been giving it any serious thought. Ages 65-74 are also interested in leaving a gift in their Will, and more likely to have been seriously considering it. So which group should we focus our efforts on?

Research conducted in the US has shown that charitable bequests made at an earlier age are most stable. Of those Americans under the age of 55 who made a gift in their Will, nearly 75% were found to have never revised their bequests (those that did mostly increased the amount of their bequest).⁵ On the other hand, research also shows that charitable bequests are most often written into Wills around the age of 68⁶.

Fundraisers would do well, then, to **focus on both age groups**. Inspiring the 35-50-year-olds who are most keen to leave a gift in their Will to seriously consider the option; and motivating those aged 65-74 who are seriously considering a gift in their Will to take action.

Another important distinction to make is between English and French Canada — 41% of English respondents indicated an interest in charitable gifts in Wills, compared to only 18% of French respondents. This highlights the need to increase efforts to reach francophone audiences in Canada and to further understand cultural differences around philanthropy in francophone communities. Similarly, there is an equally critical need to increase efforts to reach other groups often excluded from the legacy giving conversation. In all cases, it is key to be communicating with supporters about the power of legacy giving when the time is right for them — and our research shows this is **before** they are 75.

CANADIANS KNOW they can make a charitable gift in their Will

Fundraisers do not need to focus on awareness of this option.

THERE IS a critical mass — 31% of Canadians — interested in charitable gifts in Wills

The biggest barrier preventing more Canadians from being interested is a desire to leave everything to loved ones.

AGES 35-50 ARE MOST interested in charitable gifts in Wills. Ages 65-74 are most seriously considering

Fundraisers should focus their efforts on these two age groups.

THE CONCERN that a charitable gift in a Will takes away from loved ones far outweighs any other concerns about legacy giving

Fundraisers should take care to address this one barrier in their messaging.

27% OF THOSE considering a gift in their Will say they haven't taken action because they still need to decide on their charities

And 26% say they still need to discuss the option with family

WHAT ABOUT THOSE WHO ARE NOT INTERESTED?

Those who said they would not (23%), or are not very likely (40%) to leave a gift to charity in their Will, are also those who say they have not done much thinking about it. So, while it is a large percentage, it may also be a highly amenable group if we address their concerns.

By far, the biggest concern identified was a desire to leave everything they have to their loved ones (67%).

Our research shows that this concern significantly outweighs other barriers such as the preference to give during one's lifetime (29%), the belief that one has nothing to give (20%), the belief that this type of giving is only for the wealthy (9%), the need for more information (4%), or the perception that this type of giving is too complicated (1%).

This is the one area where creating awareness may be helpful.

It is important to widely share that you can leave a gift in a Will to charity and still take care of loved ones. Efforts should be made to communicate that this type of giving can be a win-win situation.

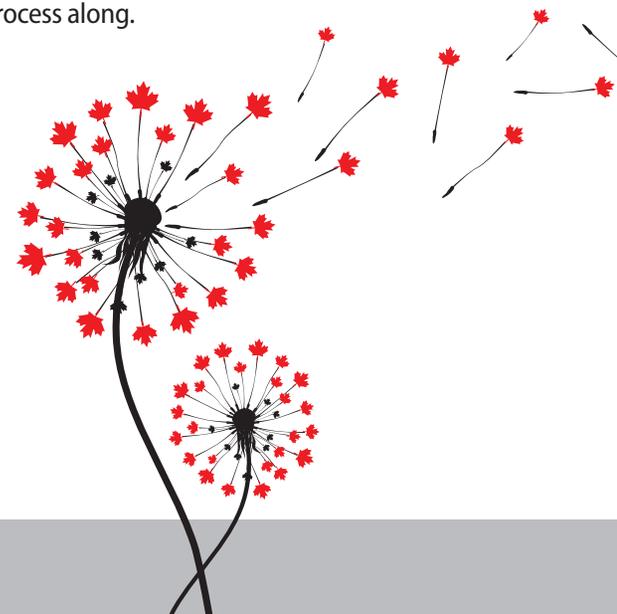
Sharing this message need not be through tax illustrations and technical details but simply the clear idea that there are ways for people to both give to charity and still meet their desire to provide for their loved ones. This can be done, for example, by communicating that a bequest may be a percentage of an estate. People might then view a gift of perhaps 2%, or even 5% of an estate, as an acceptable amount to give to charity.

CONSIDERING A CHARITABLE GIFT IN A WILL

Of the 31% of those surveyed who said they were interested in creating a gift in their Will, 62% had given it serious consideration. This segment is most likely to be between the ages of 65-74, and likely to have either had a life event such as a birth or death in their circle or have been prompted to consider the idea by a conversation with a friend or family member.

What is holding them back? **Most say either they are still deciding which charity to create a gift for (27%) or still need to discuss it with their family (26%).** We know as well, that general inertia, a feeling that there is no rush, or a perceived lack of time, are often cited as reasons people give for having not yet taken action on their interest⁷.

Needless to say, the charities that provide donors with emotionally compelling reasons for **why** legacy giving is a meaningful act, and help donors to envision the impact their gift could have, are more likely to factor into the decision-making process. Creating opportunities for donors to discuss a charitable bequest with their loved ones — to articulate what is important to them, and what their desired impact in the world will be — may also help move the decision-making process along.



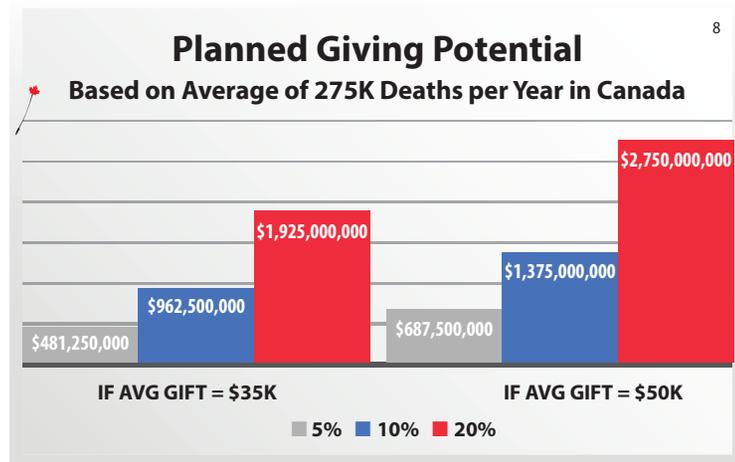
A Vision for Our Future

MAKING CHARITABLE GIFTS IN WILLS A SOCIAL NORM IN CANADA

Knowing that nearly one third of Canadians are interested, with nearly 62% of those interested actively considering a charitable gift in their Will, it is important to recognize that **we are leaving a lot on the table if we are satisfied with only 5% of Canadians leaving a gift as the norm.**

This one third of Canadians — a critical mass — already have some level of interest. If we could motivate this group alone to take action, then we would firmly establish leaving a gift in a Will as a social norm. What might we envision this future norm to be? 10% of Canadians leaving a gift in their Will? Even 20%?

This may seem like fanciful thinking, but by focusing in on the right strategies, this is a future that fundraisers, charitable organizations, and associations like CAGP can influence.



Conclusion

At present, 5% of Canadians create a gift in their Will to charity. However, now knowing that nearly one third of Canadians are interested in this type of giving, **we see potential to dramatically increase Canadian gifts in Wills if we focus our efforts more specifically on the barriers supporters have identified.**

Imagine what we can do if we mobilize as a sector to communicate the power of legacy giving, to our most interested and ready constituents, in the most compelling ways. Together we could transform the numbers of Canadians giving through their Wills, and dramatically increase the resources available to create social good in the future!

This sort of shift will certainly not happen overnight, but there are numerous ways to significantly improve the percentage of Canadians leaving a gift in their Will to their favourite causes, and positively impact charities and non-profits across the country.

This study's findings demonstrate that many more Canadians are interested in creating a charitable gift in their Will than the prevailing wisdom suggests. We know Canadians give in their lifetime, and now we more deeply understand where some of the barriers to charitable gifts in Wills lie. They are not insurmountable, in fact, many are relatively simple to address. We view this as the strongest possible indicator that while only 5% of Canadians presently give in their Will **this should not be viewed as an upper limit, but as a leaping off point.**

We know Canadians give. Help them move past the obstacles they face when deciding to create a gift in their Will for charity. When we do, we'll help countless individuals achieve the impact they desire in the world — and help Canadian charities to do more social good.

Want to tap into more from CAGP?

- Become a member and get access to resources and experts
- Take a CAGP course to learn more about gift planning and how to structure your program
- Become a partner in the Will Power campaign to increase your exposure to new audiences considering gifts in wills

Visit cagp-acpdp.org for more!



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14 Chamberlain Ave, Suite 201A,
Ottawa, ON, K1S 1V9
www.cagpfoundation.org

Laurie Fox, MBA, Clare Levy & Aimée Lindenberger, CFRE

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ENVIRONICS
ANALYTICS

Research conducted October 2019

ENDNOTES:

- 1 Spotlight on Canadians: Results from the General Social Survey, Charitable giving by individuals, <https://www150.statcan.gc.ca/n1/pub/89-652-x/89-652-x2015008-eng.htm>
- 2 A changing landscape, The Will writing industry in 2017, Kings Court Trust, UK; <https://www.kctrust.co.uk/partners/will-writer-research>
- 3 10 million Australians don't have a Will; <https://www.finder.com.au/press-release-oct-2018-10-million-australians-dont-have-a-will>
- 4 More Than Half of American Adults Don't Have a Will, 2017 Survey Shows; <https://www.caring.com/caregivers/estate-planning/wills-survey/2017-survey/>
- 5 NCPG (2001) Planned Giving in the United States, National Committee on Planned Giving, Indianapolis, Indiana
- 6 The State of Legacy Giving in 2015 <https://www.cagp-acpdp.org/sites/default/files/media/radcliffe-report.pdf>
- 7 Radcliffe, R. & MacDonald, L.; The State of Legacy Giving in 2015; <https://www.cagp-acpdp.org/sites/default/files/media/radcliffe-report.pdf>
- 8 Statistics Canada, Deaths and Mortality Rates by Age Group; <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1310071001>