

# Generosity: 30 years of giving

by Paul Reed

This article has been adapted from *Generosity in Canada: Trends in personal gifts and charitable donations over three decades, 1969-1997*. This is the second article in a series of reports on giving and volunteering from Statistics Canada's Nonprofit Sector Knowledge Base Project to mark the International Year of Volunteers.

Generosity — giving freely to others — is a complex and multifaceted behaviour, one that is highly susceptible to social judgement. Though it is treated extensively in major religions, in works of philosophy and in literature, it has received little empirical examination in the social sciences. Because a very large part of generosity in contemporary societies is expressed through household spending behaviour, broad features of Canadians' generosity can be learned from surveys of household expenditure.

From 1969 to 1996, the Family Expenditure Survey (FAMEX) provided such data in Canada. In 1997, FAMEX was redesigned and renamed the Survey of Household Spending, with several changes made in the gifts and contributions category; for example, expenditures on non-monetary gifts other than clothing were no longer being identified. The following analysis is based principally on FAMEX figures for the 1969 to 1996 period because of the continuity and consistency of subcategories; selected statistics are provided, however, for 1997, 1998 and 1999. This 30-year statistical series contains a rich array

## CST What you should know about this study

### Definitions:

**Persons outside household:** individuals (family, friend or other) who do not live in the same household as the respondent.

**Charitable contributions to organizations:** can be either direct financial donations or in-kind donations. *Financial* donations involve giving money directly to organizations, depositing spare change in cash boxes, or leaving a bequest to a charitable, religious or spiritual organization. *In-kind* donations include giving clothing, household goods or food to a charitable organization or food bank.

**Non-monetary gifts to individuals:** gifts of flowers, clothing, household goods or food items.

**Income quintile:** division of the population into five equally-sized groups from the lowest to the highest income. The lowest quintile contains those 20% of households with the lowest income, while the highest quintile contains the 20% with the highest income.

of patterns that reveal Canadian households' diverse and changing giving habits. While overall expenditures on gifts and charitable donations have been rising slowly for many years, the manner in which Canadians give has been undergoing significant change.

### Total giving to individuals and charitable organizations

- The proportion of households that reported giving gifts and charitable donations declined from a peak of 92% in 1982 to 87% in 1996.
- From 1969 to 1999, average annual total giving by all households — both gifts to individuals outside the household and charitable

contributions — rose from \$986 to \$1,700 per year.<sup>1</sup> This increase, however, amounted to a rise from 3.3% to 3.5% of disposable income. This small change is understandable in light of the fact that the disposable income of Canadian households has remained flat for the past two decades.<sup>2</sup>

1. All dollar values are presented in constant 1996 dollars.
2. It is possible that there has been a net decline in total giving by households because the expenditure category "gifts of money and contributions" includes spousal and child support payments and the incidence and magnitude of such payments has been rising.

## Gifts and contributions to individuals

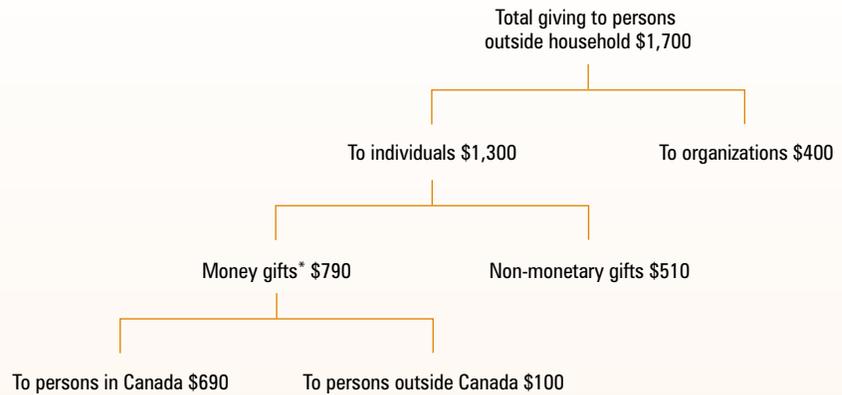
- In 1996, 76% of all giving was to individuals, up from 62% in 1969. A significant portion of this involved spousal and child support payments, however. In 1998, support payments amounted to 30% of total gifts and contributions to individuals.
- Money gifts (averaging \$790) made up 61% of all gifts to individuals in 1996, a large increase from 38% in 1969.
- Of every dollar given to individuals in 1996, only 12 cents went to people living outside Canada, down from 34 cents in 1969.
- Non-monetary gifts to individuals, which accounted for 39% of all gifts in 1996, included items such as flowers, clothing and toys. The proportion of households receiving non-monetary gifts declined from a national average of 67% in 1969 to 51% in 1996.

## Charitable contributions to organizations

- The proportion of households that contributed to charitable organizations declined from 78% in 1969 to 73% by 1997. Averaged over all households, charitable contributions stood at \$428 in 1997.
- Over the same period, charitable contributions as a proportion of total household giving also fell, from 38% to 24%. This was due mostly to a marked drop in donations to religious organizations, from 28% to 15% of total giving and from 74% to 64% of total charitable contributions. Both the incidence of donating to religious organizations and the total amount donated to them has declined.
- Contributions to charitable organizations accounted for 1.2% of households' disposable income in 1969; after declining to a low of 0.8% in 1978, the proportion returned to 1.2% in 1997.

CST

## Average annual expenditures on gifts and contributions, all households, Canada

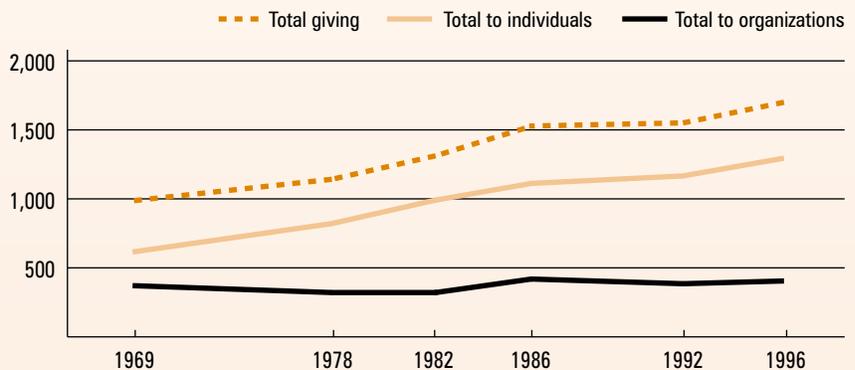


\* Includes spousal and child support payments.

Source: Statistics Canada, Family Expenditure Survey, 1996.

## Average annual giving, all households, Canada

Constant 1996 \$



Source: Statistics Canada, Family Expenditure Survey, 1969 to 1996.

## Total giving as a % of disposable income, all households, Canada

% of disposable income



Source: Statistics Canada, Family Expenditure Survey, 1969 to 1996.

### Highest and lowest income quintile households

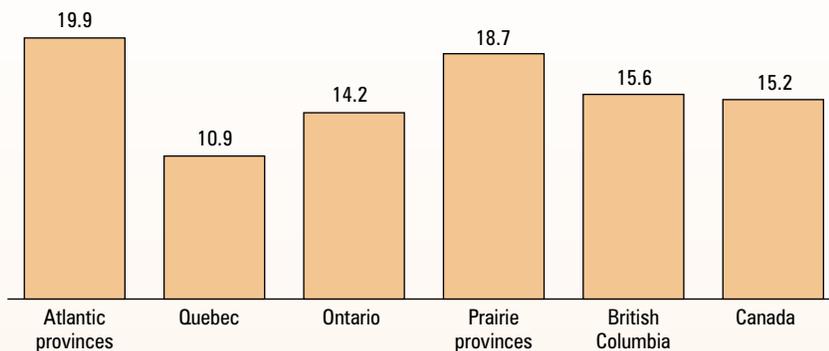
- In 1996, 96% of households in the highest income quintile reported giving and donating, compared with 72% in the lowest quintile.

However, those households in the lowest quintile that did contribute spent an average of 6.8% of disposable income on those gifts and donations in 1996; the highest quintile spent 4.5%.

- The percentage of disposable income spent on gifts and donations declined for all income quintiles between 1969 and 1978 but has been rising since then. Not surprisingly, the rate of giving has shown more variability for lowest-income quintile households than for those in the highest quintile.

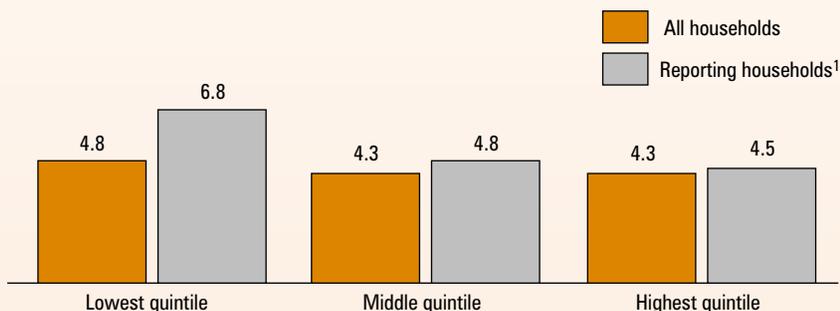


### Religious contributions as a % of total giving, all households



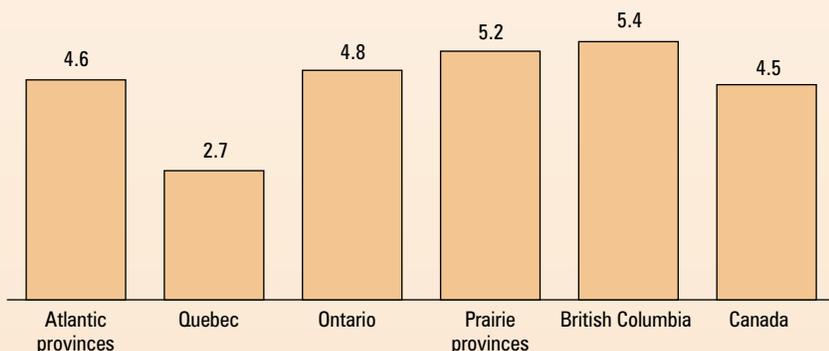
Source: Statistics Canada, Family Expenditure Survey, 1996.

### Total giving as % of disposable income, by income quintiles



1. Includes only those households that reported expenditures on giving.  
Source: Statistics Canada, Family Expenditure Survey, 1996.

### Total giving as % of disposable income, all households



Source: Statistics Canada, Family Expenditure Survey, 1996.

### Distinctive regional patterns

- The percentage of households that give to individuals and charitable organizations varies across the country. In 1996, the highest incidence of giving was reported in the Atlantic and the Prairie provinces (over 93%), and the lowest was recorded in Quebec (74%).
- Expenditures on giving as a percentage of disposable income were close to the national average of 4.5% in the Atlantic Provinces and Ontario. Notable divergence from the national average was recorded in Quebec (where the proportion was 2.7%), the Prairie provinces (5.2%) and British Columbia (5.4%).
- Donations to religious organizations as a proportion of total giving were highest among Atlantic households at 20% and lowest in Quebec at 11%.
- In 1996, the value of non-monetary gifts, as estimated by the recipients, averaged \$379 for all Canadian households; it was \$239 for Quebec, and it ranged from \$408 to \$455 for all other regions.



**Paul Reed** is Senior Social Scientist in the National Accounts and Analytical Studies Field, Statistics Canada and Associate Professor in the Department of Sociology and Anthropology, Carleton University.