

# A Comparative Study of The Current Charitable Giving Landscape in Canada and the USA



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# I. Introduction

As the dynamics of global philanthropy evolve, the importance of understanding the landscape of charitable donations within specific regions cannot be overstated. Canada and the United States present unique pictures of non-profit giving – while both nations are characterized by a rich tradition of private and public charity, the scale and areas of focus of these charitable endeavors vary significantly.

In this whitepaper, I will look to achieve two goals. Firstly, I seek to provide a comprehensive overview of the current state of charitable donations in both nations, touching upon donor insights, organizational scales, and the major players shaping the fundraising fields – by drawing a parallel between these two countries, I aim to highlight both the shared challenges and unique distinctions that characterize their philanthropic environments.

Secondly, while recognizing the multitude of worthy causes that merit attention and support, I narrow the focus to address two pressing issues predominantly affecting the United States – homelessness and opioid addiction. With a growing number of individuals affected by these crises daily, there has never been a better time to consider the potential impact of redirecting charitable efforts and resources toward these areas.







## II. Donor Insights in Canada and the USA

A deep dive into charitable donations necessitates an understanding of the key actors driving this philanthropy – the donors. In both [Canada](#) and the [USA](#), the profile of a typical donor has undergone notable shifts over the past years, driven by socio-economic changes and evolving societal values.



### Primary Motivations for Giving

Canadian and American donors often cite personal satisfaction, altruism, and social responsibility as primary motivations. [In the USA](#), there's also a pronounced culture of giving influenced by religious beliefs and tax incentives – Canada, meanwhile, has seen a rising trend of impact-driven donations, where donors actively seek measurable outcomes from their contributions.



### Methods and Platforms for Donations

The digital revolution has left its mark on philanthropy. Online giving platforms and crowdfunding campaigns have gained immense traction in both nations, especially among younger donors. Still, traditional methods, like direct mail or event-based fundraising, hold their ground, especially for community-centric or local charities. Mobile giving and peer-to-peer fundraising are other emerging avenues.



### Trends and Shifts over the Past Decade

The last decade has seen a surge in the number of high-net-worth individuals, particularly in the USA, directing substantial sums to charitable foundations and trusts. On the other hand, Canada has experienced a [slight dip](#) in the percentage of individuals donating but an increase in the average donation amount. There's also a growing emphasis on informed giving, with donors in both countries actively researching organizations before making contributions.

While Canada and the USA share some similarities in donor demographics and motivations, the nuances in their giving cultures and recent trends underscore the need for tailored strategies to engage and motivate potential donors in each country.



### III. Comparing Big Charities vs. Small Charities

The scale and operational structure of charitable organizations play a pivotal role in determining their impact and public perception. Categorizing these organizations as "big" or "small" often goes beyond mere numbers, encapsulating their approach and influence, among other factors.

#### Definition of "Big" and "Small" Charities

For the purposes of this analysis, 'big' charities refer to those with substantial revenue, often running into millions or billions, employing a large staff, and having a nationwide or even international presence. 'Small' charities, on the other hand, typically have a more localized footprint and leaner operations – as a result, they may function predominantly on volunteer efforts.

#### Operational Models, Efficiency, and Areas of Focus

Big charities, with their abundant resources, often have the capability to address broader issues and engage in expansive campaigns. Their operational models are more complex, with established hierarchies and specialized departments.

In contrast, small charities tend to be more agile, adapting swiftly to localized needs and often operating with a tighter focus. While big charities have the advantage of scale, small charities often boast a higher degree of operational efficiency, directing a larger percentage of donations directly to the cause.

#### Public Perception and Trust Levels

Large charities, with their prominent branding and visibility, often gain significant public trust – with that though comes the downside – scandals or administrative inefficiencies can tarnish their reputation on a larger scale. Small charities, while less visible, often enjoy deep-rooted trust within their communities due to direct, tangible impacts.

#### Advantages and Challenges

Big charities benefit from access to influential networks and the ability to influence policy. Their challenges often lie in bureaucracy and potential detachment from grassroots realities. Small charities, while enjoying close community ties and operational nimbleness, face challenges in fundraising and gaining visibility.

It's clear that both big and small charities offer unique value propositions. While the former brings influence and the resources of scale, the latter offers agility and often a more direct pathway from donation to impact. Recognizing the strengths and weaknesses of each can aid donors and policymakers in making informed decisions about supporting and collaborating with these entities.



## IV. Major Players in the Fundraising Fields

The philanthropic landscape in both Canada and the USA is dotted with a myriad of organizations, each striving to make a lasting impact in their chosen field. A recognition of the major players can provide clarity on the directions and priorities set in charitable endeavors in both nations.

### In Canada



**1. Canadian Red Cross** – With its roots dating back to the late 19th century, the Canadian Red Cross has been at the forefront of humanitarian aid, disaster response, and community health programs. Their extensive network ensures a swift and effective response to emergencies.



**2. WE Charity** – Founded by Craig and Marc Kielburger, WE Charity is dedicated to international development, primarily focusing on children's rights and empowerment. Their model integrates both community building overseas and youth empowerment initiatives within Canada.



**3. Terry Fox Foundation** – A testament to the indomitable spirit of Terry Fox, this foundation perpetuates his legacy, channeling funds towards cancer research and ensuring transparency and efficient use of donations.

## In the USA



1. **United Way** – Renowned for its community-driven approach, United Way focuses on education, financial stability, and health, addressing the root causes of pressing societal challenges. With a presence in over 1,200 communities across the nation, its reach is vast and impactful.



2. **The American Red Cross** – Providing disaster relief, blood donation, health and safety training, and countless services to the armed forces, the American Red Cross remains a paragon of humanitarian assistance.



3. **St. Jude Children's Research Hospital** – Devoted to treating and curing pediatric catastrophic diseases, St. Jude's revolutionary approach ensures no family receives a bill for treatment, travel, housing, or food. Funded primarily through donations, its focus on research and treatment has changed the narrative around childhood cancer.

The dominance of these major players, both in Canada and the USA, is underpinned by their enduring commitment to their causes and the trust they've fostered over the years. It's essential to remember that alongside these giants, numerous smaller organizations also contribute immensely to the philanthropic fabric – addressing niche issues and serving specific communities. The amalgamation of these large and small entities forms the backbone of charitable giving in North America.



## V. Areas of Most Significant Need

Addressing societal challenges requires understanding where the needs are most acute. Both Canada and the USA, while economically prosperous, wrestle with a set of challenges demanding immediate attention.

### In Canada

**Indigenous Communities** – Indigenous populations in Canada often grapple with socio-economic disparities and limited access to quality healthcare and educational opportunities. A history of systemic discrimination has left lasting scars, necessitating reconciliation and empowerment initiatives.

**Mental Health** – While Canada boasts a comprehensive healthcare system, mental health services often remain underfunded and inaccessible. Rising rates of depression, anxiety, and other disorders underscore the urgent need for robust interventions.

**Climate Change and Environmental Conservation** – Given Canada's vast natural landscapes and resources, there's an inherent responsibility to address climate change and conservation. The melting Arctic, deforestation, and water conservation are areas demanding immediate focus.

### In the USA

**Healthcare Accessibility** – Despite advances in medical research and facilities, many Americans face challenges accessing affordable and quality healthcare. With the specter of chronic diseases and healthcare inequities looming large, this remains a significant concern.

**Income Inequality and Poverty** – The gap between the wealthiest and the poorest has widened over the years. Addressing systemic poverty and providing safety nets for the underprivileged is paramount.

**Education** – While the USA has world-renowned educational institutions, many public schools, especially in marginalized communities, struggle with funding, resources, and achieving equitable outcomes for all students.

It's worth noting that while the aforementioned challenges are pressing, they merely represent the tip of the iceberg. Each nation has its unique matrix of concerns intertwined with socio-political dynamics. As we dig deeper into the USA's specific challenges in the subsequent sections, it becomes clear that issues like homelessness and opioid addiction, though not unique to the country, demand urgent attention given their escalating scale and societal impact.

In recognizing these needs, donors, charities, and policymakers can join hands to craft solutions with lasting legacies.