



Remarks to the Senate Special Committee on the Charitable Sector

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Association of Fundraising Professionals, Greater Toronto Chapter Chairman Mercer, Vice Chair Omidvar and Committee members:

Thank you for the opportunity to speak with you today. My name is Juniper Locilento.

I am a senior fundraiser for the YMCA of Greater Toronto, and am here today in my volunteer capacity as Vice President, Public Affairs for the Greater Toronto Chapter of the Association of Fundraising Professionals.

As a global network of more than 31,000 members, AFP works to advance philanthropy through advocacy, research, education and certification. An ethical fundraising code has been AFP's cornerstone since its earliest days: we aim to foster a greater understanding of the value of charitable fundraising and the structures that are essential to enabling effective, ethical and professional practice.

Others have spoken about changing giving patterns, the looming social deficit and the importance of an enabling environment. Ultimately, we all share the goal of making Canada as vibrant, safe and successful as it can possibly be.

With an estimated \$14B annually in receipted and unreceipted contributions, philanthropy plays an essential role in the strength of the charitable sector and in strengthening Canadian society.

As former Governor General David Johnston conveyed in his recent book *Trust*, philanthropy is a key mechanism through which Canadians express their core



values. Philanthropy and fundraising go hand in hand, and professional fundraisers are the link between Canadians and the causes they care about.

There is a well-documented connection between asking for and securing charitable contributions. The power of the ask has been demonstrated in experimental studies: asking not only increases the probability of donating, but also the amount that people give.

AFP's own biennial study, *What Canadian Donors Want*, finds that 75% of those specifically asked to give will do so, compared to 53% of those who are not asked. That 22% differential represents hundreds of millions in incremental revenues that could enable charities to better address urgent needs.

Realizing this growth, however, may require a change in public perception.

In the Muttart Foundation's *Talking about Charities*, Canadians acknowledge that fundraising is important while also illustrating their concerns.

For example:

- from 2000-2013, the percentage of Canadians who believe charities are honest about how they use donations dropped 14 points from 84 to 70%.
- 52% think charities spend too much on fundraising
- 34% expect all funds to go to the cause. So while Canadians' trust in charities is strong, I think it is fair to say that their trust in charitable fundraising is less so.

And even though donors might say that they don't like being asked in a particular way, it is the essential nature of the act of fundraising, rather the execution that is at the heart of the issue.



In fact, research suggests a conundrum in that the practice of fundraising is seen on one hand as too professional (and by that I mean too slick, too costly, and ethically questionable) and on the other as not professional enough (by which I mean not adequately efficient or effective, reliant on volunteers and lacking formal educational requirements).

Because fundraisers' ability to secure gifts is influenced by how they are perceived, I suggest that it is in the public interest to accept professional fundraising as a legitimate practice.

But it is not about educating the public to think differently.

Rather, it is about changing underlying beliefs and attitudes. We need to ask, "What is it about fundraising that we value, and how can we get other people to value these things too?"

The link between effective, ethical asking and generous giving is especially relevant in a time of demographic change: as the Committee has heard, 30% of tax-receipted contributions are being made by those 70 or older, and it is estimated that as much as \$4B annually will leave the sector if donations from younger generations do not increase substantively.

Building relationships with donors and asking for charitable support will become even more essential, although our methods must continue to evolve to include new platforms and channels.

In summary, fundraisers have a responsibility to ask for donations on behalf of our beneficiaries.

Guided by a code of ethics and by appropriate regulation, we will always aim to balance our duties to donors – such as respecting their privacy, or not asking in



ways they don't like – with our duty to our beneficiaries to ensure that their needs can be met.

And, having secured support from generous Canadians, we must make sure we put these funds to best use, which means that charities need to be professional and able to utilize the best talent, tools and technologies to effect change.

So, what *can* Government do to increase trust in charitable fundraising?

1. Foster a greater understanding of the value of charitable fundraising by ensuring appropriate representation on the recently announced permanent Advisory Committee on the Charitable Sector
2. Allocate \$1M annually to Statistics Canada to collect comprehensive data that will support evidence-based decision-making about giving patterns and preferences
3. Establish a home in government to ensure that policy decisions are made in consideration of the sector's significant economic contribution, including revenues secured through fundraising

If Canadians can come to see fundraising as the thoughtful, ethical and effective practice that it is and aims to be, they will be more likely to respond favorably when invited to support the worthy causes in their communities. This will ultimately lead to a stronger sector and a stronger Canada.

Thank you.