

# Getting the most bang for your charitable buck isn't easy

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Dec. 22, 2022

Between Giving Tuesday (a day unofficially designated for charity donation following American Thanksgiving and Black Friday) and the Christmas season, we are bombarded by pleas from charitable – on social media, TV, billboards, by earnest young people knocking on doors and even old-fashioned snail mail.

So how do you choose where to donate your hard-earned dollars?

There are those who go with their gut or base it on previous experience. Perhaps a loved one has been through cancer, so there is a desire to give to one of many cancer charities. Maybe a local group that feeds the homeless has been particularly visible in your neighbourhood, so that becomes the charity of choice.

Other donors are more focused on the bottom line – wanting to get the best bang for their philanthropic buck. Or a tax write-off.

Some make a deliberate decision to support a smaller charity with almost no profile instead of adding to the riches of a big one with a splashy advertising campaign. There are donors who prefer supporting groups that work internationally; others, nationally, or locally. Then there are those who balk at the notion of giving, insisting that health and social services should be provided by governments, through taxation.

And we can't forget the skeptics, convinced that health charities are in the pocket of Big Pharma, or an exercise in feeling good without having any real impact.

Whether you sit down and carefully map out your planned giving, or hastily stuff a few bills into the Salvation Army kettle, and whether you spread your giving across a number of charities or give to a single organization, the choices can be overwhelming, especially when you consider that there are more than 86,000 registered charities in Canada.

Thankfully, there are some tools out there to help you choose, or at least provide information that can help you narrow down your choices. One of them is [Charity Intelligence Canada](#), an independent body that produces reports on more than 750 charities across the country.

The organization analyzed the impact of 300 Canadian charities, big and small, and singled out those that deliver the best return: almost seven dollars for every dollar donated, when the average is usually one or two dollars. To assess impact, Charity Intelligence uses what is known as Social Return on Investment, which is a ratio that measures the amount of value created per dollar donated.

Here are the top 10 (in alphabetical order):

- Against Malaria Foundation, Toronto
- Canadian Foodgrains Bank, Winnipeg
- The Citizens' Foundation, Oakville, Ont.
- Effect Hope, Markham, Ont.
- Fresh Start Recovery Centre, Calgary
- Indspire, Ohsweken, Ont.
- **Lifewater Canada, Thunder Bay**
- Moisson Mauricie, Trois-Rivières
- Operation Eyesight Universal, Calgary
- Partners in Mission Food Bank, Kingston

Of course, measuring “impact” is just one yardstick donors can use to make their choices.

Charitable groups are an important contributor to the Canadian economy, accounting for about 7 per cent of the country's GDP, with annual revenues of more than \$279 billion.

What we don't always realize is that most of that money – about two-thirds, or \$183 billion – comes from various levels of government, mostly the provinces. The balance comes from events, grants, sponsorships, the sale of goods and services, and of course, from private donations, which alone total about \$18 billion annually.

Charities have struggled mightily during the pandemic, and now many are being asked to do more with fewer resources.

There are a lot of well-meaning groups out there, some more impactful than others, and for well-intentioned donors, it's not always easy to sort out. But with inflation soaring and money tight for most, charitable donations have never been more important.