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**REMARKS TO
WOMEN'S CANADIAN CLUB OF HAMILTON
Wednesday, October 10, 2007**

Good afternoon, Ladies and Gentlemen.

Let me first of all say how much I appreciate the opportunity to speak with you today, and especially about the future of philanthropy.

But before I begin, I would like to take a moment to express, on behalf of Hamilton Community Foundation, our admiration for the commitment that you have made to this community for almost a century. From your first philanthropic endeavour to raise money for Titanic victims, to your ongoing support for arts, culture, heritage, education and encouraging citizens to have an informed and balanced view of today's issues, you hold a unique and very special place in the history and future of this city. I must also say how honoured I am to sign my name in your speaker's book today and join the ranks of Prime Ministers, explorers, artists, authors and members of the diplomatic corps, to name just a few. It's not always I find myself in such good company! .

I'm here to speak to you as fellow Hamiltonians about the future of philanthropy for our city and beyond. In my experience at the Hamilton Community

Foundation, I have had the extraordinary opportunity to witness first-hand the power of caring citizens, combined with the response of a committed charitable sector and the rallying of a community when the chips are down. I've learned a lot and I'd like to share some of my thoughts with you.

To begin with, I think that philanthropy is a word that can mean different things to different people, but for today I'm thinking about philanthropy as the way people give back to their community – whether that giving back be in the form of money or of time. Philanthropy, for me, is the act of giving to help someone else and to enrich the common life. Sometimes that act of giving takes the form of financial support, and sometimes it is skill, effort, talent and inspiration that we give. The Women's Canadian Club is a wonderful example of both.

Here in Hamilton, people are extraordinarily generous and we have a proud philanthropic tradition. Here are some interesting statistics:

There are 161,000 charitable and non-profit organizations in Canada with revenue of \$112 billion, employing more than 2 million Canadians. So the importance of the sector really can't be stressed enough. We may tend to take it for granted, but I think that you would agree with me that our country would not do very well without our charities. Just think about it - where would we be without the institutions and activities that philanthropy makes possible? Imagine Hamilton, for example, without our arts sector, our universities and college,

without scholarships and bursaries, our hospitals, without programs and facilities; the absence of organizations that care for our most vulnerable – our homeless, at-risk youth, the medically fragile, and the list goes on.

Is that a community that would prosper? Would anyone want to live here without those essential components of our common life? We need a strong and responsive charitable sector and, happily, Hamiltonians rise to the challenge.

The National Survey of Giving, Volunteering and Participating, carried out by Statistics Canada in 2004, tells us that Hamiltonians surpass national averages in individual giving. Hamiltonians give more than other Canadians, and more of us give. 88% of Hamiltonians made financial donations to charities, compared with 85% of Canadians and 80% of Ontarians. And, we gave more: an average of \$295, compared to \$239 for all Canadians. The total of our donations here in Hamilton was more than \$136.5 million in the year 2004.

Average Hamiltonians are generous, and some of those with above-average means have been exceedingly generous. Several local gifts – from Mrs. Joyce Young and from David Braley, for example – have raised the bar for philanthropy in Canada. And Hamiltonians from all walks of life and all ages have outdone themselves in support of world crises. We are indeed blessed with a generous spirit.

Hamiltonians are also generous with their time. 32%, or 1 in 3, Hamilton residents volunteer, compared with 31% of Canadians. Our local volunteers each give an average of 187 hours per year – the equivalent of 16,400 full-time jobs. Although we have seen a slight increase in participation, we have a challenge ahead of us to consider new and innovative ways to adapt volunteer opportunities to lifestyles that have changed dramatically over the past decades.

Now, what about a world perspective on philanthropy? Foundations are the field that I know best, through my participation in international community foundation networks, and I can tell you that there has been an explosion of philanthropic foundations in the United States and around the world. In the US, thanks in part to dotcom money, the number of charitable foundations has tripled since the early 1980s. In Germany, about 800 charitable foundations are being established per year. And in Canada, private charitable foundations continue to grow, often led by successful young entrepreneurs who are highly engaged in their philanthropy as they use their networks and talents, in addition to their financial assets, to get at some of the root causes of our societal problems. And we've seen an explosion of community foundations around the world.

So philanthropy at the moment is robust. But what does the future have in store?

I think the future of philanthropy is very exciting indeed. To borrow a phrase from an article in *The Economist*, “a new golden age of philanthropy may be dawning”

- like the one that gave us the Ford Foundation and the Rockefeller Funds, and that built Carnegie Libraries all across this continent decades ago. Like the last one, this new golden age of philanthropy has the potential for huge impact on our communities in the decades ahead. We are already seeing evidence of this with the Bill and Melinda Gates Foundation and the partnership with Warren Buffet amounting to some \$31 billion in assets, a sum that exceeds the budgets of governments around the world.

Economists tell us that we are facing a huge transfer of wealth from one generation to the next – the largest in history. In Canada, \$1 trillion is expected to pass from one generation to the next as an estimated 3.5 million Canadians die between 1990 and 2010. In addition, the generation over 50 years of age either own or control over 75% of all personal wealth in Canada and they are making plans for those assets upon their death.

With that enormous opportunity comes the challenge: How much of that vast inherited wealth will be used to benefit the community? What philanthropic provisions have we made for that transfer of wealth? Today, only about 7% of Canadians leave a gift to charity in their wills. But many more of them would, if they were asked. Just imagine if each of us considered our community to be another friend or family member that could benefit from our life's work. You can see the potential.

And what about the young people who will inherit this vast wealth? Have we managed to teach our children and grandchildren the same charitable impulse that is so meaningful in our lives?

A recent Canadian study, by the research firm d-Code, investigated the views of youth about philanthropy and community engagement. They surveyed young people between the ages of 15 and 34. The results are mixed, but hopeful. Here are some highlights:

- ◆ A vast majority of youth (71%) made financial donations in 2000, accounting for 22% of all donations made that year.
- ◆ Young people want their donations to count and they are interested in solutions rather than band-aids. Like many entrepreneurs, they want to be involved in how their donations are spent.
- ◆ 26% of young people volunteer – both to support a cause they believe in and to gain employment skills. But they want a voice in the organizations they support.

One finding particularly struck me: that young people who give were much more likely than non-givers to have been involved in organized sports, youth groups, student government, or other supportive community activities in their early years. And they were more likely to have parents who volunteer. The influence of early life experience was striking.

That finding made sense to me and echoed my conversations with older donors. Many of them who grew up in the Great Depression of the 1930s tell me the same story from their youth. They remember the times their mother asked them to answer a knock at the door, only to find a hungry and homeless person asking for work or food. They tell me that they will never forget looking into the eyes of those desperate individuals. They trace their philanthropic impulse to that formative childhood moment.

At Hamilton Community Foundation, we hear regularly from donors working to pass the philanthropic “gene” on to their families and we work with them to engage their children and grandchildren in meaningful philanthropy. I know other organizations – like yours -- are also working to engage youth. Research, and our experience with youth at the Foundation, has now proven what we always suspected: youth are interested in community and philanthropy – if they are given a chance to learn about it and participate in meaningful ways.

So we are facing a future of vast potential wealth, donors that are increasingly engaged in their philanthropy, and a rising generation that cares about philanthropy. But perhaps our most valuable asset for the future of philanthropy is trust. Canadians trust the charitable sector.

A recent Ipsos Reid poll tells us that 94% of Canadians believe that charities have an important role to play. Over three-quarters of Canadians feel that charities understand the needs of Canadians better than government does, and 70% feel that we generally do not have enough resources to do the charitable work we're engaged in.

Canadians trust our sector but -- and here is the challenge -- they also question some of our practices (particularly in fundraising) and they are demanding better accountability. Half of Canadians would like more information about the work we do and only 29% say we are good at providing information about our fundraising costs.

Canadians are demanding more accountability from us, and so they should. We must continue to earn the public's trust. We must act openly and ethically and in the best interests of the community at large.

We in the charitable sector are about to inherit a tremendous opportunity of wealth and trust. I believe the future of philanthropy is bright indeed, if we can

meet the challenges that come with those opportunities – the challenges of accountability, succession and inclusion.

As I conclude, I'd like to ask each of you to think about those opportunities and challenges. All of us are here today because we understand and appreciate the value of the philanthropic impulse. We know what the voluntary sector does. We know how important giving and volunteering are to our own souls and to our families and to our community. We "get it" about philanthropy.

And it's precisely because you do "get it", that I ask you to think about the challenges of accountability, inclusion and succession. Many of you are part of charitable and community organizations beyond the Women's Canadian Club. Can you or your organization be more open and accountable to the public? In your organizations, are there ways you can better engage youth in your decision-making and your program planning?

Mums, grandmothers, aunts and those of you who are special friends to young people are you prepared to mentor these children and involve them in your philanthropic decisions? What about the citizens in our city who don't usually have a place at the table? Can we better involve them in creating the future of our community? Can we find ways to bring new Canadians or people living in poverty into our circles of influence and leadership?

As we anticipate a new golden age of philanthropy, and the opportunity to do almost unlimited good, let's be sure that Hamilton has opened its arms and its heart to everyone who has a skill or talent, or an hour or a dollar, a life experience or a point of view to contribute.

I'm by nature an optimist, and this special gathering makes me even more optimistic about the future of this great city.

I just have to stop and think about the very innovative community problem-solving table – the Hamilton Roundtable for Poverty Reduction – to remind myself of the leadership, determination and commitment now amongst hundreds of people to make Hamilton the Best Place to Raise a Child – what an extraordinary aspiration!

We are a caring community by nature, and we are of a size that we can come together to create our preferred future – a future where youth will play a predominant role and take philanthropy to its next level, thanks to the guidance and opportunities provided by mentors. A future where our voluntary sector is strengthened and sustained by the careful planning of charitable gifts and where we will come together to create community problem-solving tables. And ultimately a city that is known world-wide as the Best Place to Raise a Child.

Ladies and Gentlemen, Hamilton is a city of firsts – the list is long. Perhaps we could be the city in Canada that opens that door to the new golden age of philanthropy. What do you think?

I think that the future of philanthropy depends on us – the opportunity has presented itself. Let's not miss it?

Thank you for your attention, and enjoy the rest of your day.