

BNP

INSPIRE

EMPOWER PHILANTHROPY



Our Mission

At BNP Inspire, our team brings extensive experience and a diverse set of skills to organizations dedicated to making a **positive impact on society**. We continuously innovate to provide philanthropic strategies that are both **effective and profoundly inspiring**. We are committed to supporting each organization with **enthusiasm and care**, helping them achieve their goals and create meaningful, lasting results that benefit our communities.

Our Values

Ethics
We act with transparency, honesty and integrity in all our actions.

Commitment
We dedicate ourselves fully, with passion and determination, to supporting the causes that place their trust in us.

Innovation
We adopt innovative and agile approaches to maximize the impact of our actions, and therefore of your organization.

Humanity
We place people at the heart of our actions, valuing every act of generosity for a more just and equitable world.

Impact
We aim for tangible, lasting results that transform lives and strengthen communities.

Dynamism
We are consistently proactive, full of energy, and driven by initiative to help our partners succeed.

Tariffs: What Is The Impact On The Canadian Philanthropic Sector?

Introduction and Webinar Objectives

Webinar Objectives:

Understanding the impact of tariffs on Canadian philanthropy

Identifying risks for philanthropic organizations

Discover practical strategies to limit the impact on organizations' revenues

Introduction and Webinar Objectives

Tariffs: What are they?

- A tax imposed by one country on goods from another
- In March, the U.S. imposed tariffs of **25%** on aluminum and steel, and **10%** on Canadian energy. Another round of tariffs could be added on April 2
- Canada retaliated with tariffs on various U.S. products, and another round of tariffs could be added on April 2
- Canada imposed tariffs on Chinese electric vehicles in March
- China retaliated with tariffs on canola oil (100%), pork and aquatic products (25%)

Economic Context

Impact of tariffs on the Canadian economy:

- Imposition of tariffs of more than **25%** on Canadian exports to the United States
- Initial growth forecast: **+2%** (2025)
- Risk of recession: potential drop in GDP of up to **2.5%** to **6%** if trade war escalates
- Comparison with past recessions: **1981-1982** (-5% GDP) and **2008-2009** (-13.2% philanthropic contributions)
- Inflation created by rising costs resulting from tariffs
- Likely reduction in corporate and household incomes, leading to lower donations

Source: [Statistical analysis of the impact of U.S. tariffs on the Quebec economy | BCF Avocats d'affaires, \[How To Strategically Engage In Philanthropy During Crisis, Slowdowns during periods of economic growth\]\(#\)](#)

Economic Context

Sectors most affected:

- Automotive (Ontario): Layoffs and falling exports
- Manufacturing (Quebec - including Saguenay-Lac-Saint-Jean, Côte-Nord, Chaudière-Appalaches, Centre-du-Québec): Job losses and drop in production
- Agri-food: Rising import costs
- Retail: Reduced purchasing power
- These impacts could reduce the ability of individuals and companies to support philanthropic causes.

Source: [Statistical analysis of the impact of U.S. tariffs on the Quebec economy](#) | [BCF Avocats d'affaires](#), [How To Strategically Engage In Philanthropy During Crisis, Slowdowns during periods of economic growth](#)

Direct Impact of Tariffs on the Philanthropic Sector

Consequences for organizations:

- Decline in private and corporate contributions
- Reducing public subsidies
- Increased pressure on programs and services

Direct Impact of Tariffs on the Philanthropic Sector

Areas most at risk:

- Organizations heavily dependent on individual donations and annual campaigns
- Local causes and associations

Direct Impact of Tariffs on the Philanthropic Sector

Historical example: Recession 2008-2009

- Philanthropic contributions down **13.2%**
- Two-year drop in donations, followed by a gradual recovery
- Major impact on small local organizations, with reduction or cessation of services
- Partial compensation from private foundations
- Highlighting the importance of communication and transparency

Worrying Trend: Decline of Generosity in Canada

Decline of Generosity in Canada

Alarming findings:

- Decline in donations to registered charities (**30%** of donors in 1990 and **17%** in 2022)
- Decline in volunteering and in-kind donations
- Strong **11%** dependence on the most generous donors (\$1,000+), who account for **90% of total contributions**
- Yet **51%** of Canadians admit they could be more generous
- Donations declared by OBEs **of \$22B** in 2022 and **\$11B** by Canadians (50%)
- While the Canadian population remains generous overall, the intensity, strength and conviction of giving is waning

Source: Generosity in Canada - Survey #2. - February 2025. Permission to use and publish study insights has been granted free of charge by GIV3 and Sector3Insights.

Decline of Generosity in Canada

Alarming findings:

- A trend towards one-off donations rather than long-term commitments is emerging, complicating charities' financial planning
- Younger generations are showing lower levels of giving than previous generations (a drop from **17%** to **13%** in the value of donations for those aged 35 and under between 1990 and 2022), raising concerns about the sustainability of the philanthropic sector
- People with a religious affiliation are giving more, but religious commitment is declining (**90%** in 1990 and **65%** in 2022 in Canada)
- Quebec has lower generosity (**0.3%** of income), correlated with lower religiosity (2 times less), despite one of the highest levels of charitable tax credits in the country

Source: Generosity in Canada - Survey #2. - February 2025. Permission to use and publish study insights has been granted free of charge by GIV3 and Sector3Insights.

Decline of Generosity in Canada

Key factors in the decline :

- Economic uncertainty and financial pressures
- Decline of religiosity
- Weakening of community ties
- Aging baby boomers
- Individualistic values vs. community values
- Reduced prosocial motivation in young people

Source: Generosity in Canada - Survey #2. - February 2025. Permission to use and publish study insights has been granted free of charge by GIV3 and Sector3Insights.

Decline of Generosity in Canada

Recommended solutions:

- Promoting prosocial values and social norms of generosity (Giv3, Mouvement les Philanthropes 5%)
- Encouraging community involvement
- Strengthening the culture of giving and recognition of donors

Source: Generosity in Canada - Survey #2. - February 2025. Permission to use and publish study insights has been granted free of charge by GIV3 and Sector3Insights.

Strategies and Recommendations

Strategies and Recommendations

Communicate with your stakeholders:

- Regularly monitor revenue forecasts and compare these forecasts with the amounts actually received
- Inform your teams and donors on the scale of your financial challenges, and encourage transparency and the search for solutions
- Explain to your current donors the impact of economic difficulties on your services and the need for their support
- Use messages of urgency and solidarity to mobilize donors
- Highlight the impact of donations on your community through emotional stories and testimonials
- Be transparent about the use of funds and the effectiveness of your programs

Strategies and Recommendations

Engaging donors:

- Thank your donors in a personalized way (notes, calls, visits)
- Organize recognition events to strengthen relationships with donors and volunteers

Strategies and Recommendations

Donor stewardship – personalization and digital tools:

- Prioritise stewardship to maintain support when acquisition slows
- Use donor data to personalize communication and outreach
- Automate thank-you emails, giving updates, and impact reports
- Segment donor lists to tailor messages to interests and history
- Combine digital platforms with authentic, human connections

Strategies and Recommendations

Human resources and succession planning:

- **39%** of EDs and **74%** of Board Chairs plan to leave in 3 years
- **65%** of charities have no succession plan for leadership roles
- Train and mentor internal staff for future leadership transitions
- Retain staff through flexibility, well-being support, and professional development
- Advocate for funder flexibility on salaries and core HR investments

Strategies and Recommendations

Volunteers – recruitment and retention strategies:

- Volunteer rates have declined significantly post-pandemic
- Offer flexible, short-term, or remote roles to attract more help
- Modernize sign-up and communication with user-friendly tools
- Recognize volunteers publicly and share their impact stories
- Collaborate with businesses for employer-supported volunteering

Strategies and Recommendations

Database analysis and segmentation strategies:

- Monthly giving strategy
- Soliciting intermediate donations: Personalized calls
- Solicitation of major gifts: The most affluent will be the least affected

Strategies and Recommendations

Calls for solidarity:

- Using proven strategies during the COVID-19 pandemic

Diversifying sources of financing:

- Soliciting private foundations, crisis-resistant companies and wealthy donors
- Explore government subsidies
- Launching participatory financing campaigns

Strategies and Recommendations

Collaborate with other organizations:

- Create partnerships with organizations that have similar missions to maximize impact and funding opportunities

Use technological tools:

- Automate thank-you notes
- Customize communications
- Segment donors to tailor messages

Summary

Key points:

- Tariffs threaten economic stability and philanthropic contributions
- Falling donations, reduced subsidies and the vulnerability of community organizations
- Worrying trend: Decline in donations, volunteering and gifts-in-kind
- Strong dependence on large individual donors and decline in regular donations
- Intergenerational decline and weakening of prosocial motivations
- Diversifying funding sources and strengthening communication
- Engage and retain donors to maintain support

QUESTIONS?

Together, let's elevate philanthropy!

1 888 528-8566 - info@bnpinspire.com