

Women and Philanthropy

In 2016, Canadian women controlled 35% (\$1.4T) of financial wealth. By 2026, they are expected to control close to 48% (\$3.3T). Looking forward, these numbers are expected to keep growing, with most of the private wealth changing hands expected to go to women.¹

With more wealth in the hands of women, there's a lot for the charitable sector to look forward to as studies show affluent Canadian women donate a higher proportion of their investable assets to charity. According to the article, *Unlocking the Potential in Women's Philanthropy*, the following facts are shared¹:

- In general, the preferred charitable causes women support are linked with poverty, health, children, women's rights, and education. Married women donate more to support children and the elderly, while single women tend to support animal welfare and the arts.
- Women demonstrate more support for corporate involvement in causes associated with poverty, mental health, and domestic violence issues.
- Female retirees believe success in their retirement is defined by giving vs. attaining great wealth. This notion is supported by higher giving and volunteering rates among retired women vs. men.
- Women tend to value long-term and open relationships with charities they support rather than episodic or restrictive interactions.
- Most female philanthropists do extensive research before committing to provide funding. Many women make gifts that are intentional with the goal of having measurable impacts.
- Women are 15% more likely than men to have had a conversation with a financial advisor before donating.

Why women give differently

An in-depth study, *How and Why Women Give*, explored the gender gap when it comes to giving and established four possible reasons why women give the way they do²:

1. **Socialization:** Women have been socialized to be the caregivers of their families.
2. **Morals:** Women view philanthropy as a way to show they care and express their values.
3. **Compassion:** Women tend to experience and share emotions individually and collectively.
4. **Equity:** Historically women have supported egalitarianism.

Further, the following different types of women investors have also been identified according to how they approach philanthropy:

- **The Wife/Mother :** Makes decisions about amounts to donate, which charities to support, tends to support family-related and community issues, donates money as well as time to causes, and cares about involving children in giving.
- **The Widow :** Has inherited significant wealth and wants to honour their late partner by supporting issues of interest to them or relevant disease-related organizations.
- **The Professional :** Has earned their wealth, has less time to volunteer than others, tends to support global causes and women's issues, is concerned with charity transparency, and aims to drive change through giving.
- **The Socialite :** The spouse/partner of a successful businessperson who feels that philanthropy is their contribution to society — she often raises large amounts of money for major arts, healthcare, and educational institutions, and makes the social element an important part of her fundraising efforts.

From “she-cession” to “she-covery”

The pandemic was particularly detrimental to people living in low-income situations, older persons, persons with disabilities, youth, and Indigenous peoples. For women within these groups, evidence showed increased inequality, exclusion, discrimination, and unemployment. As a result, the term “she-cession” was born. According to an article, *The Facts: Women and Pandemics*, the following was shared³:

- In a matter of months, the crisis reduced women’s workforce participation to its lowest level in three decades. Women accounted for 63% of the 1 million jobs lost as of March 2020, and 70% of losses by workers aged 25 to 54.
- Closures of schools and daycares shifted the burden of caregiving, and one third of women in Canada considered leaving their jobs to better manage childcare and other domestic work.
- Single-parent mothers were more likely than mothers in two-parent families to have experienced job loss or reduced hours.
- Women, who make up the majority of Canada’s minimum-wage and part-time workers, were more likely to lose hours during the pandemic.
- The pandemic intensified economic barriers women already faced throughout Canada, and research suggests that long term, pandemics take a higher toll on women’s incomes.
- Women make up 60% of those in Canada who are economically “struggling”, meaning that they report difficulty covering basic expenses and may need pay day loans or food banks to get by.

While statistics show that some women may be wealthier than ever, the pandemic has pulled back the curtain on how marginalized women are increasingly vulnerable to crises and disproportionately affected. Philanthropic investments in programing to support girls and women is more urgent, more needed, and makes more sense than ever before to help fuel the “she-covery”. As such, the pandemic punctuates the need to review wealth plans, from a cash flow, estate planning and philanthropic giving perspectives.

Instilling philanthropic values in the next generation

The realities of the pandemic have exposed the inequities that exist in our country, and a commitment from many to do their part to remedy the issues behind it. The growing spirit of giving back can come in many forms. In addition to donating money, we can also dedicate our skills, time and social networks to organizations that contribute to meaningful change.

Philanthropy can be a highly rewarding experience for family members and an excellent way to strengthen family bonds and reaffirm shared values. Giving with purpose can also educate the next generation about financial literacy and complex societal issues.

This attitude can be fostered in the next generation of philanthropists by asking them their thoughts on issues that impact the community and the issues that concern them. Have regular conversations with young people and engage them with the family’s philanthropic decisions. When exposed to issues that resonate with their family, their idea of having an important role becomes much stronger, and hopefully the work their family does can be carried forward in even more impactful ways.

Seek advise

If you’re interested in developing a strategic plan for your charitable giving, please speak with your BMO financial professional who can introduce you to a member of the BMO Philanthropic Advisory Services team.

For more information, please speak with your BMO financial professional.



¹ Unlocking the Potential in Women's Philanthropy: <https://kci philanthropy.com/unlocking-the-potential-in-womens-philanthropy/>

² How and Why Women Give: Current and Future Directions for Research: <https://scholarworks.iupui.edu/handle/1805/6983>

³ The Facts: Women and Pandemics: <https://canadianwomen.org/the-facts/women-and-pandemics/>

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