

Canada's Evolving Demographic and Economic Landscape and the impacts on Legacy Giving

FOR THE PAWS – The Global Fundraising Summit

Mitchell Hillier

Director, Business Development – NFP Lead

Environics Analytics



Agenda

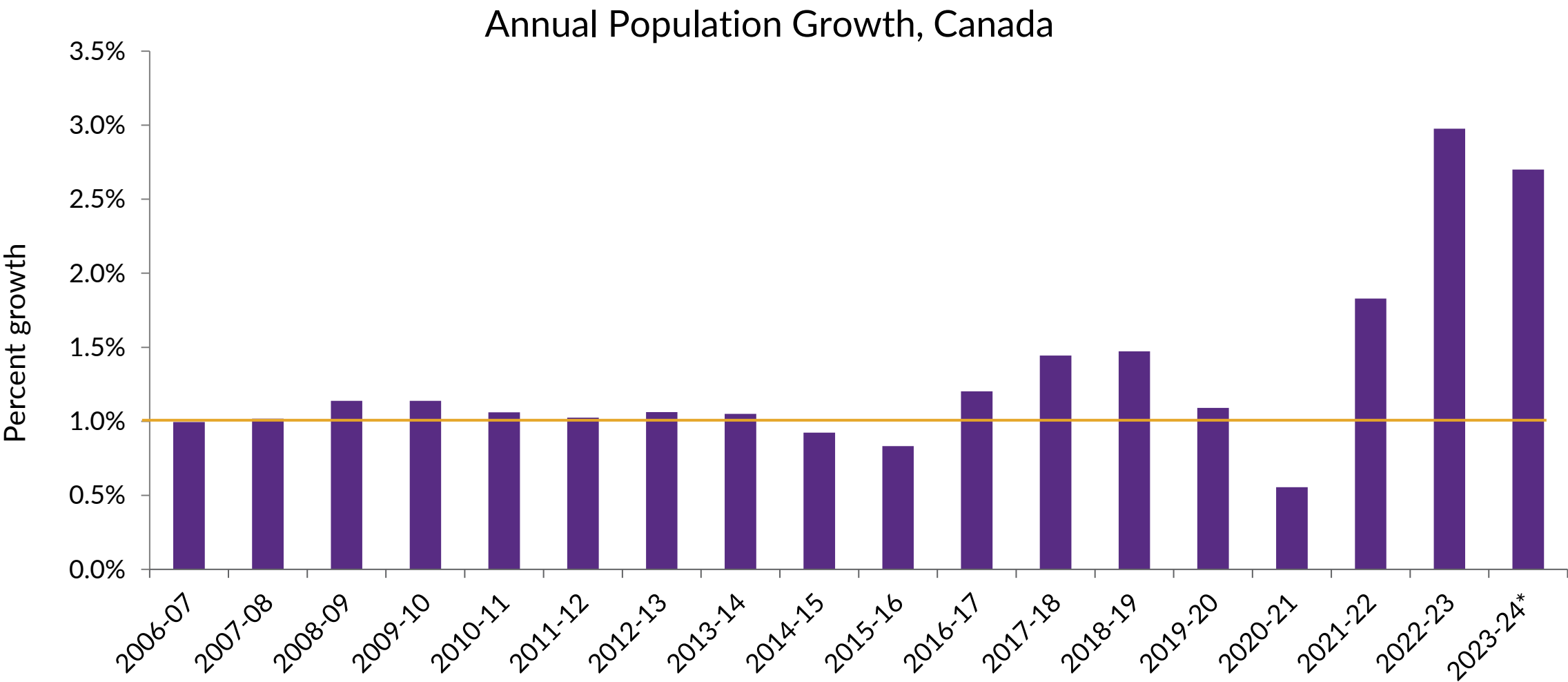
1. Population Growth, Immigration & New Canadians
2. Generational Change
3. Economic Landscape in Canada
4. Who are Legacy Donors in Canada?



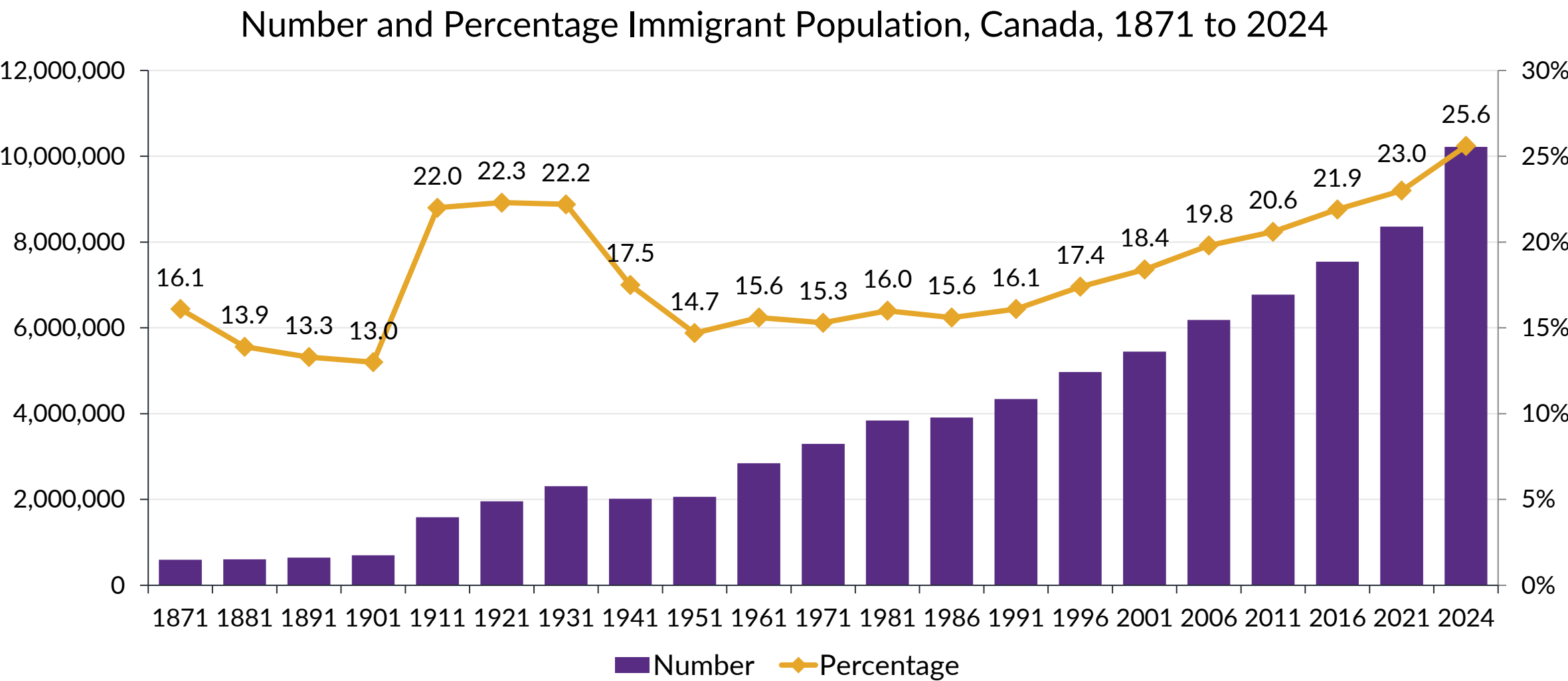
Population Growth, Immigration & New Canadians



A rollercoaster of population growth in recent years



Immigrants now at highest level since confederation



Generational Change



Today four generations are similar in size

Generation	Born	Age in 2024	Population in 2024 (millions)
Gen Z	1996-2012	12-28	8.2
Millennials (Gen Y)	1980-1995	29-44	9.4
Gen X	1966-1979	45-58	8
Boomers	1946-1965	59-78	8.4
Pre-Boomers	1945 or earlier	79+	2.1



Clear differences in demographics between generations

Gen Z (12-28)



- Most still in school
- Most live at home with parents
- Most culturally diverse
- Many second generation

Millennial (29-44)



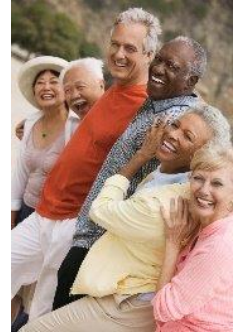
- Early-Mid Careers
- Young Families
- Culturally diverse
- Highly educated (especially women)

Gen X (45-58)



- Established in labour market
- Peak earning years
- Older children
- Transitioning to empty nesters
- Possible Retirement on the horizon

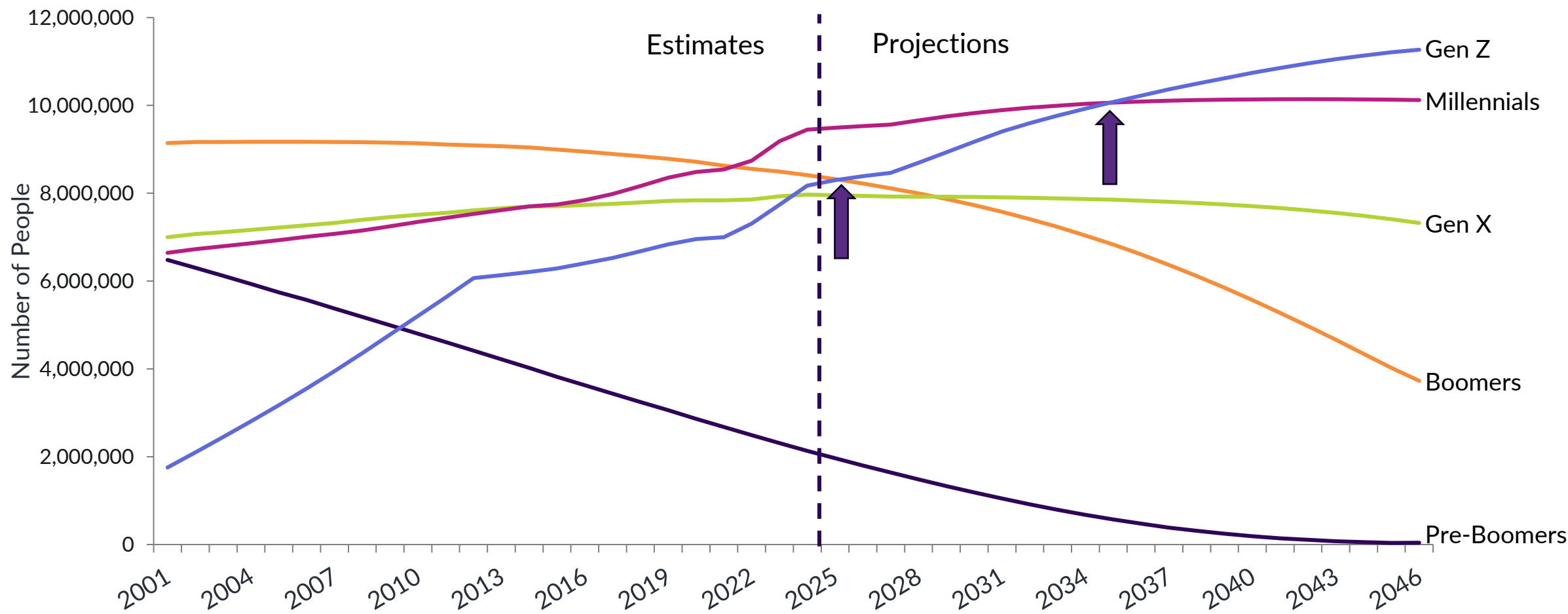
Boomers (59-78)



- Many retired but some continue working
- Relatively healthy
- Incomes drop post-retirement
- High assets and wealth
- More Leisure time
- Home renovations or possible residential move

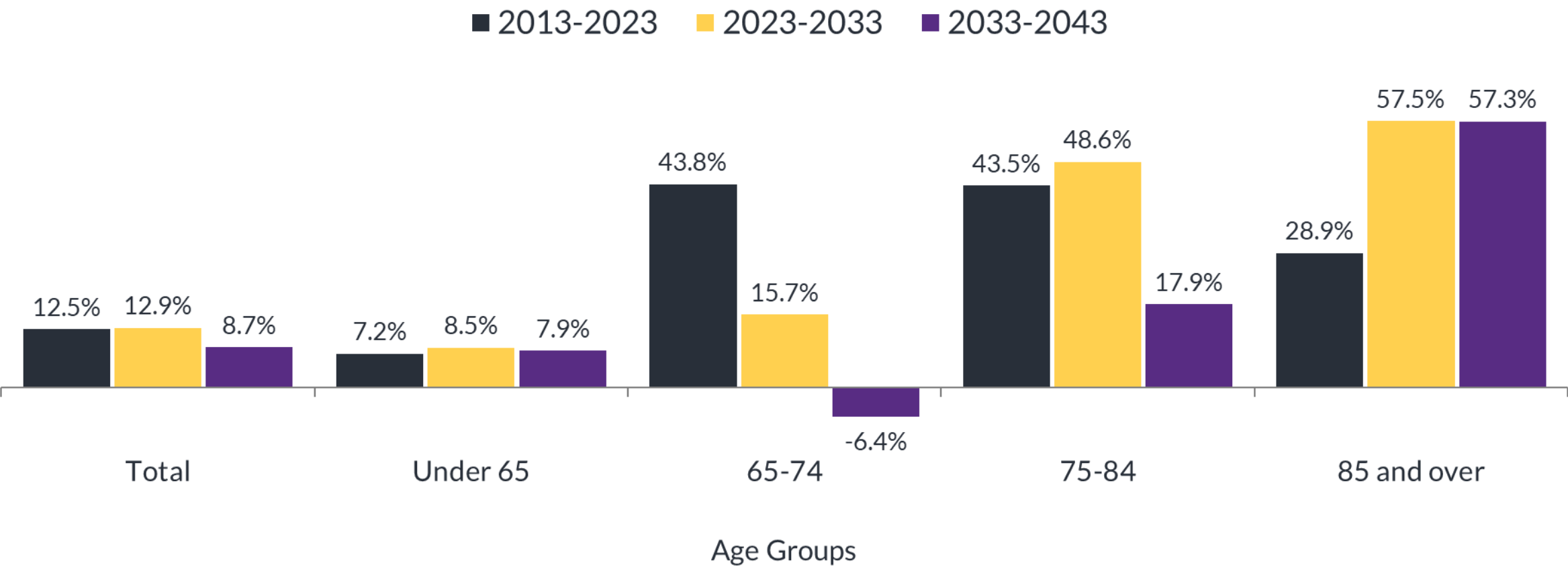
Millennials are now larger than Boomers and soon Gen Z will also surpass Boomers and later Gen Z will surpass Millennials

Estimated and Projected Population by Generation



Highest Growth Projected to be at Oldest Ages

Projected population growth, Canada

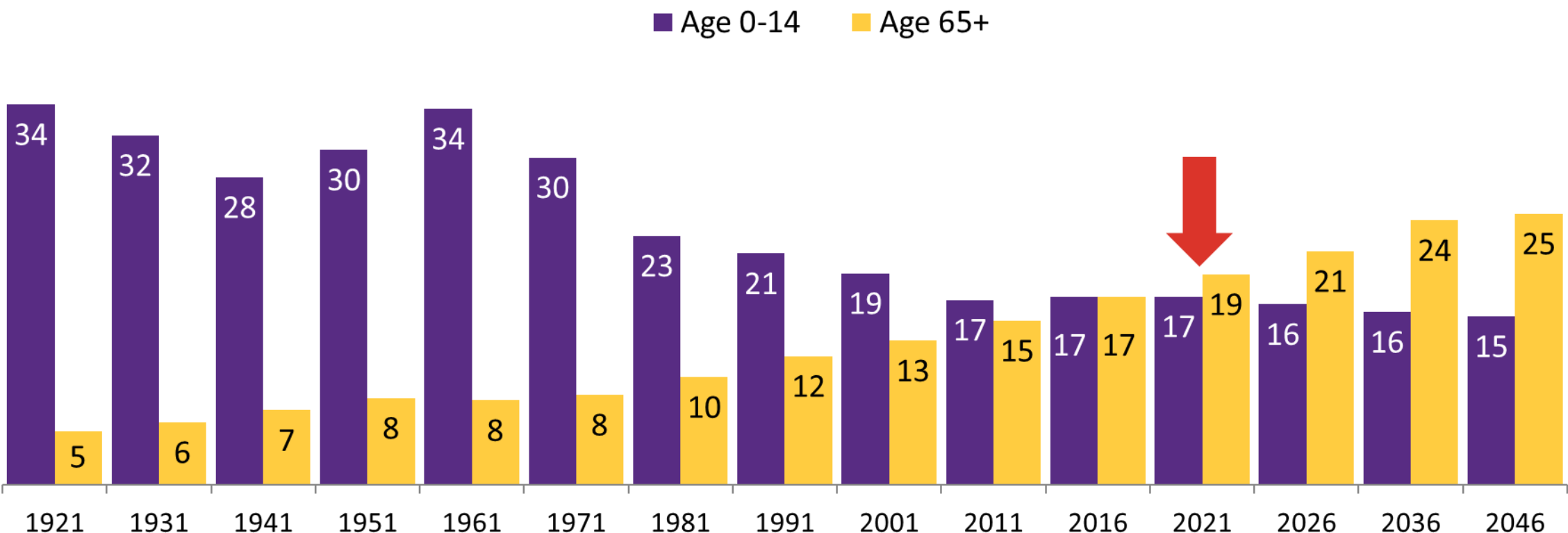


Source: Environics Analytics based on Statistics Canada projections prepared for EA



By 2036 Close to One In Four Canadians will be 65 Years or Older

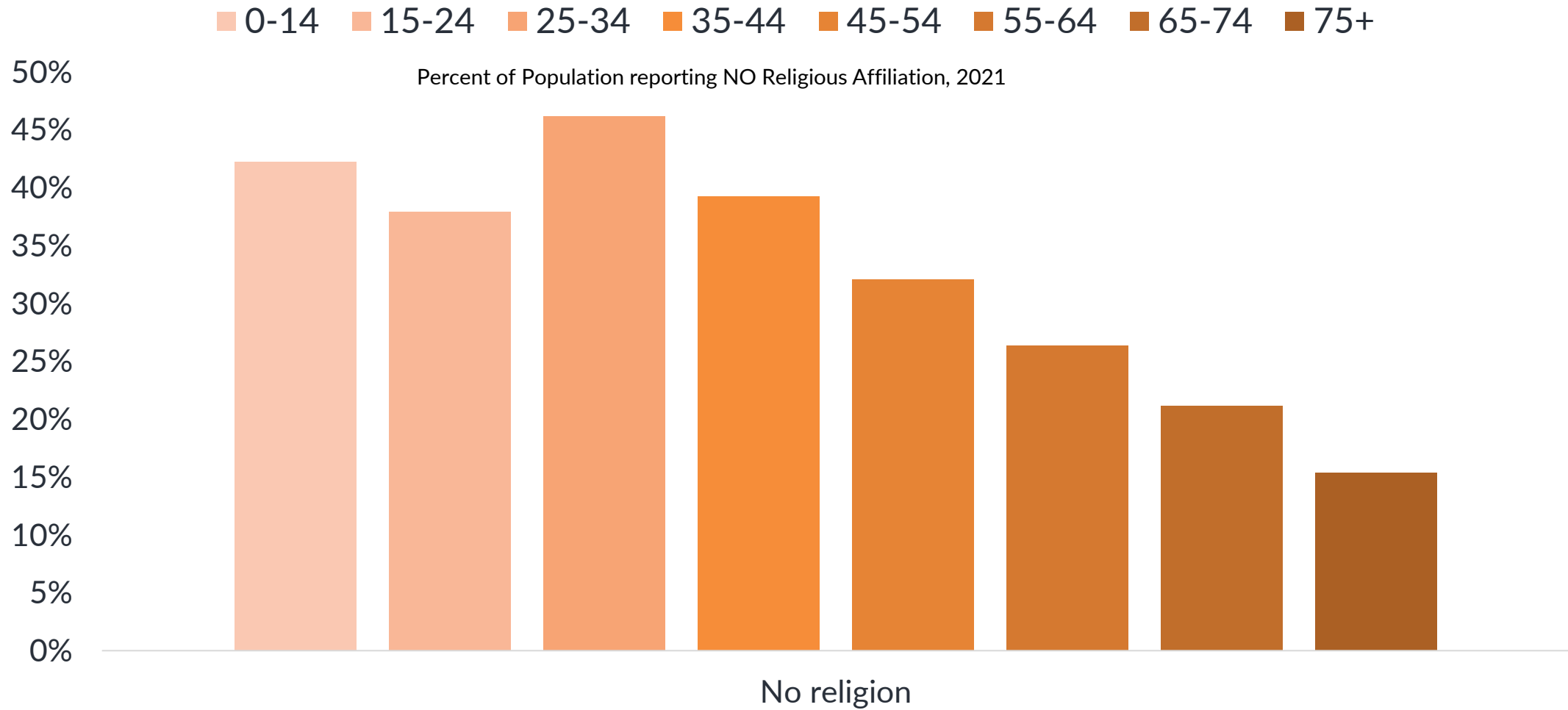
Percent of population



Source: Statistics Canada, Population estimates and projections



A Generational Change in Religious Affiliation

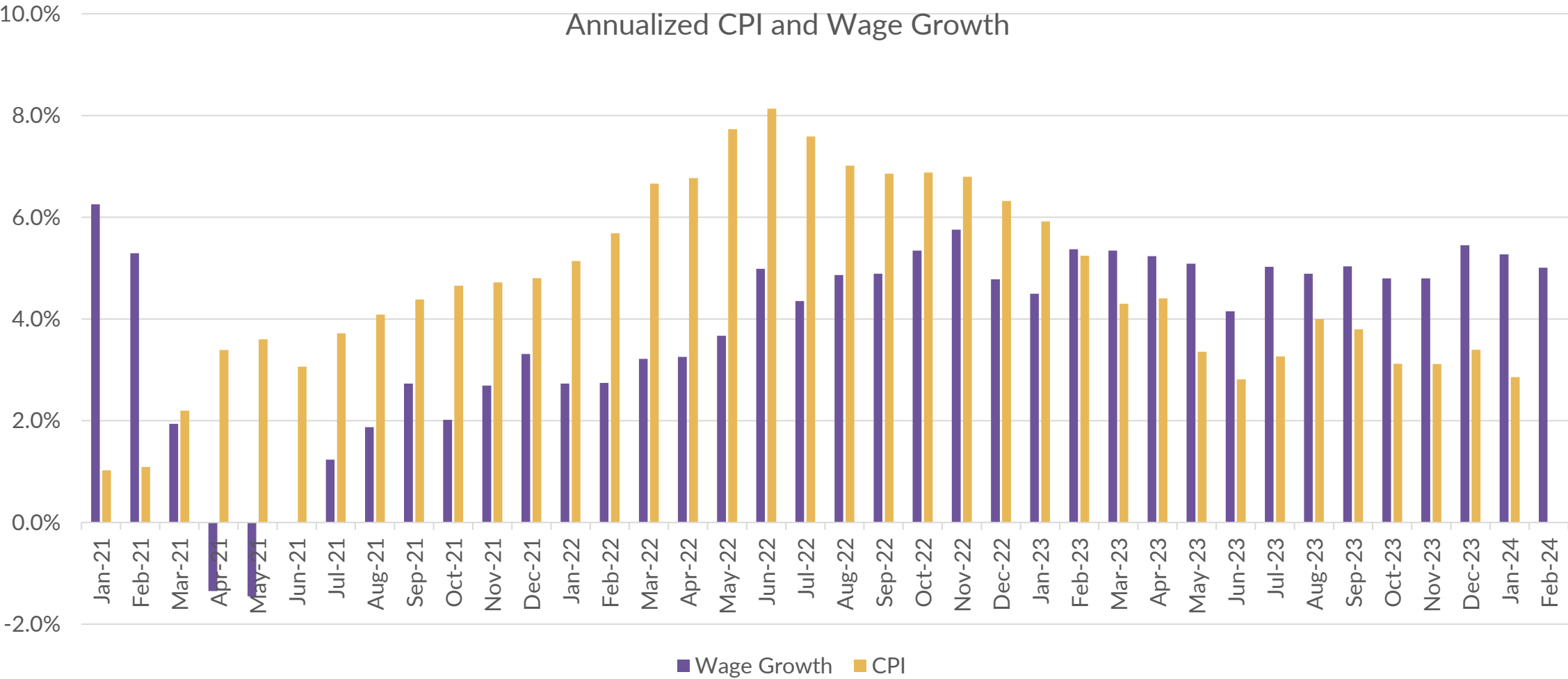


Economic Landscape in Canada

Canadian households are feeling the effects of a rapidly changing economy

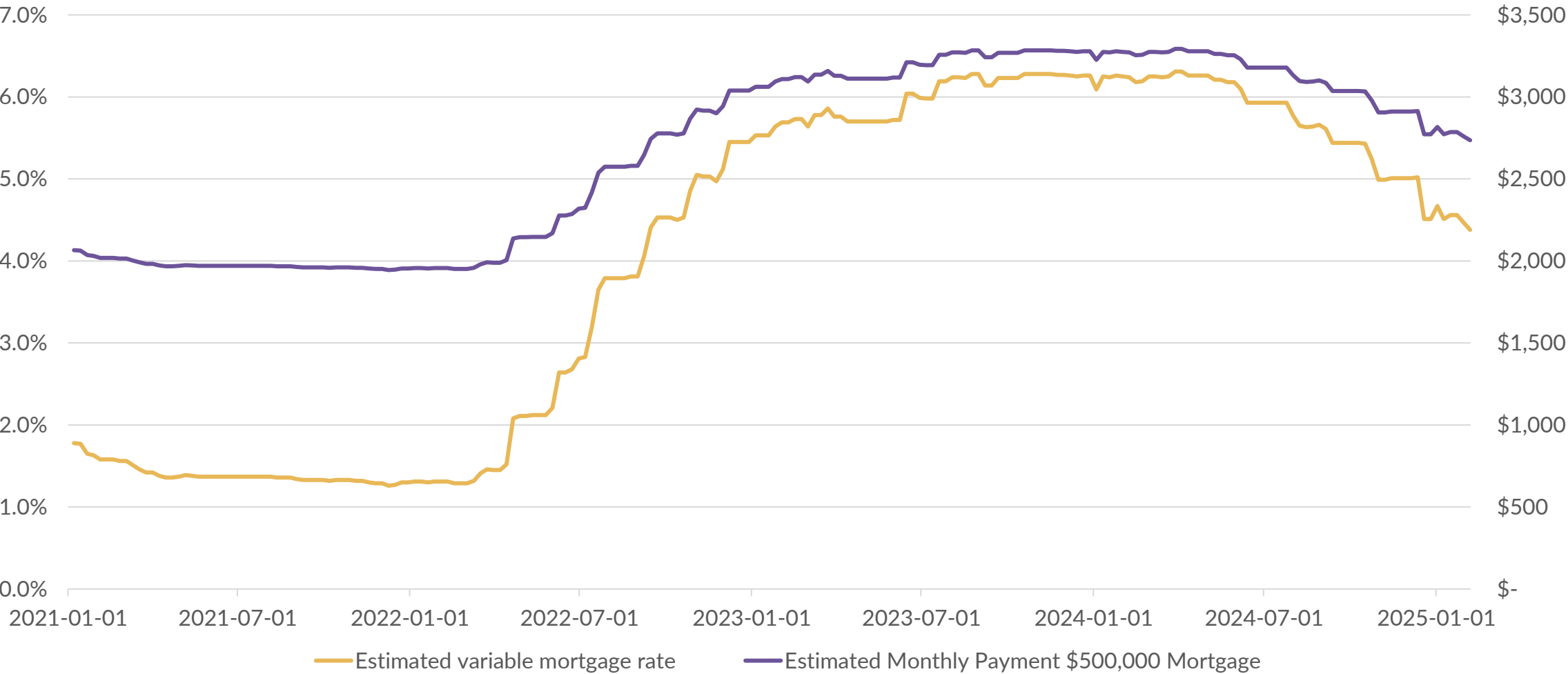


Wages Catching Up with Inflation



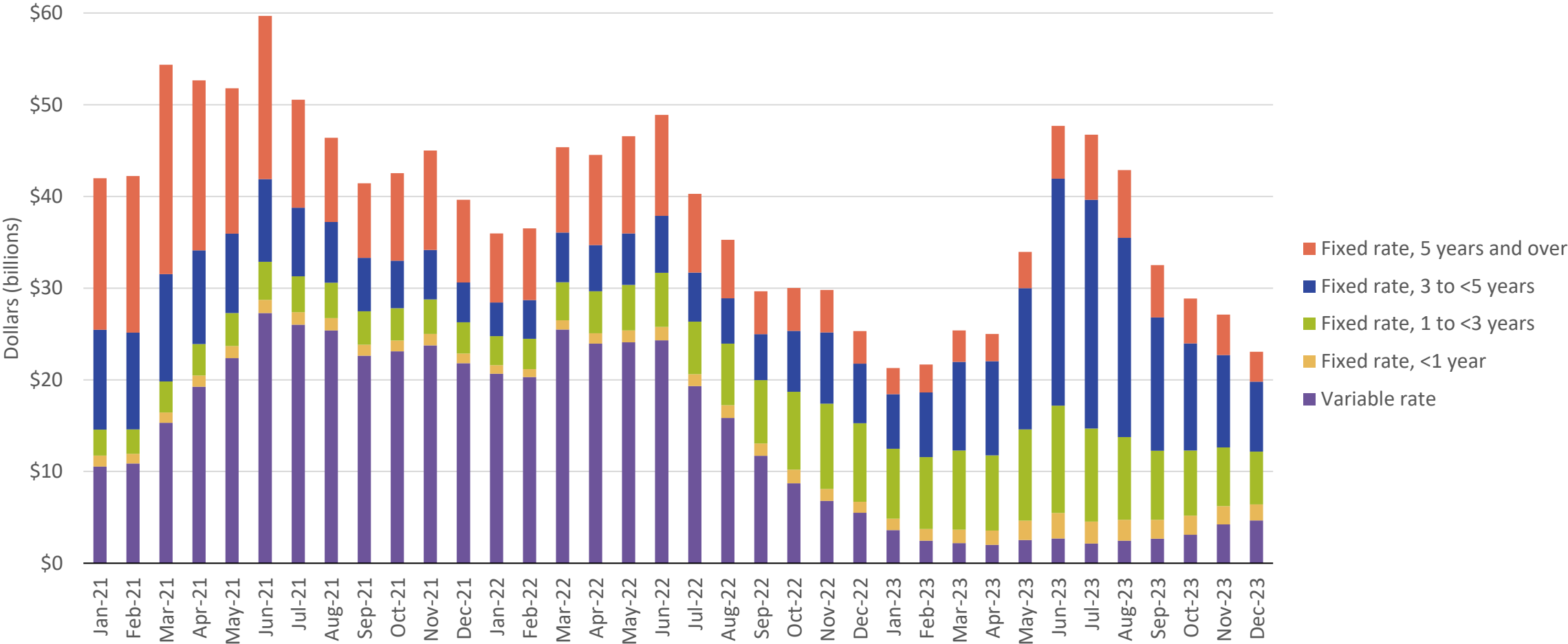
Interest Rates and Mortgage Servicing Costs

Variable Mortgage Rates and Servicing Costs



Unprecedented Variable Rate Mortgage Originations

Chartered Banks – New Mortgage Funds



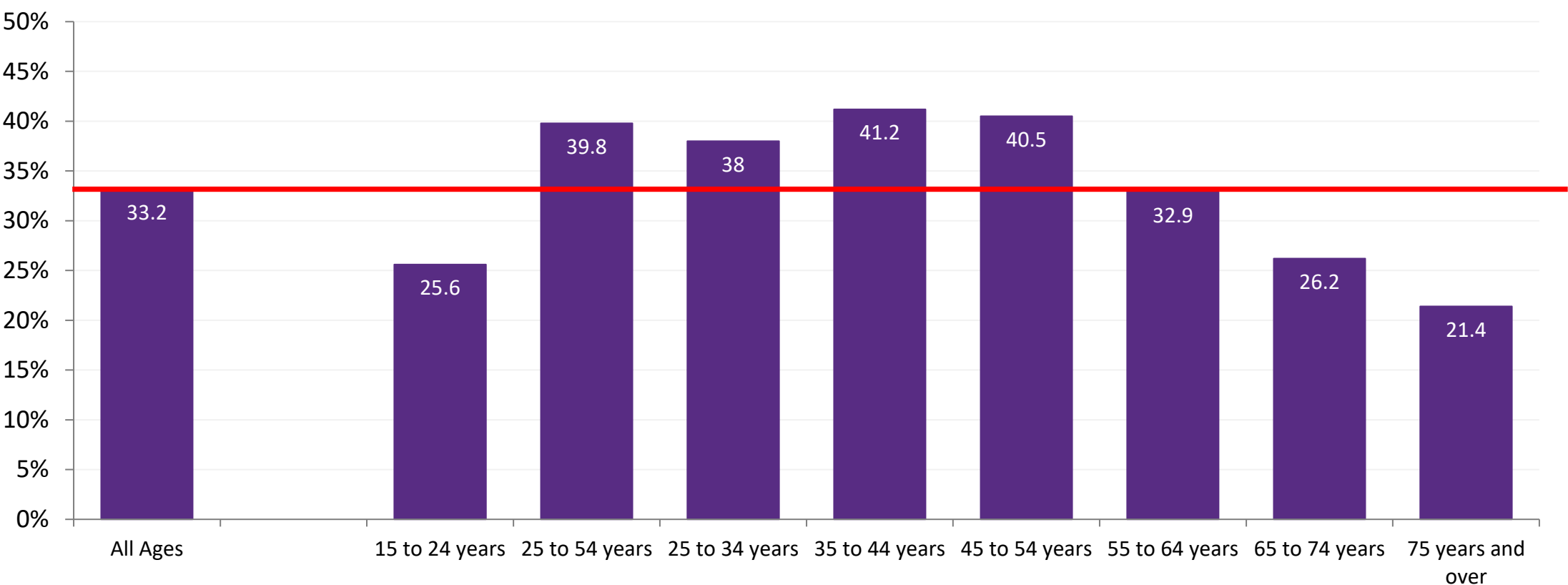
The Average Rent in Canada is \$2,100

Average Asking Rent
All Property Types, Canada

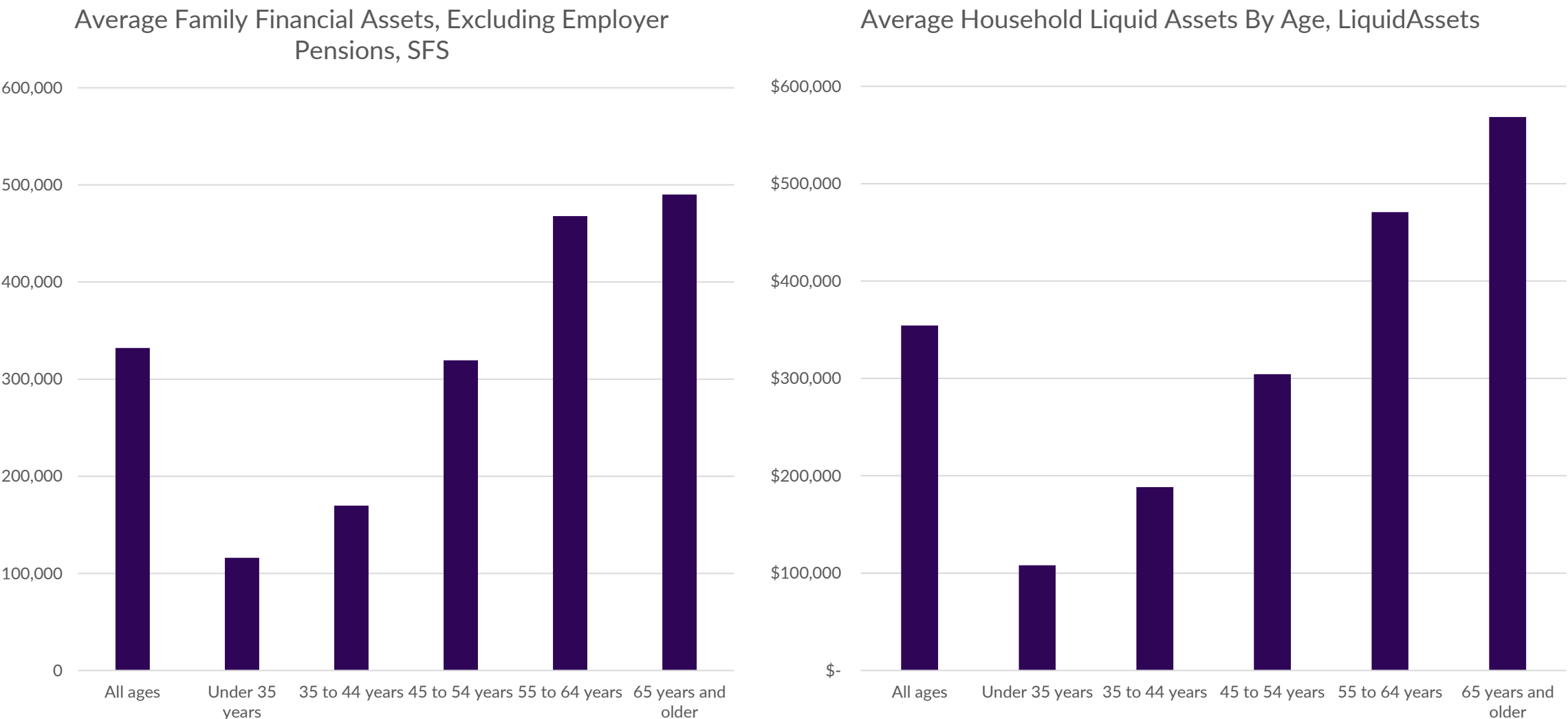


Increase in financial difficulty in recent years

Percent of households reporting very difficult or difficult to meet financial needs

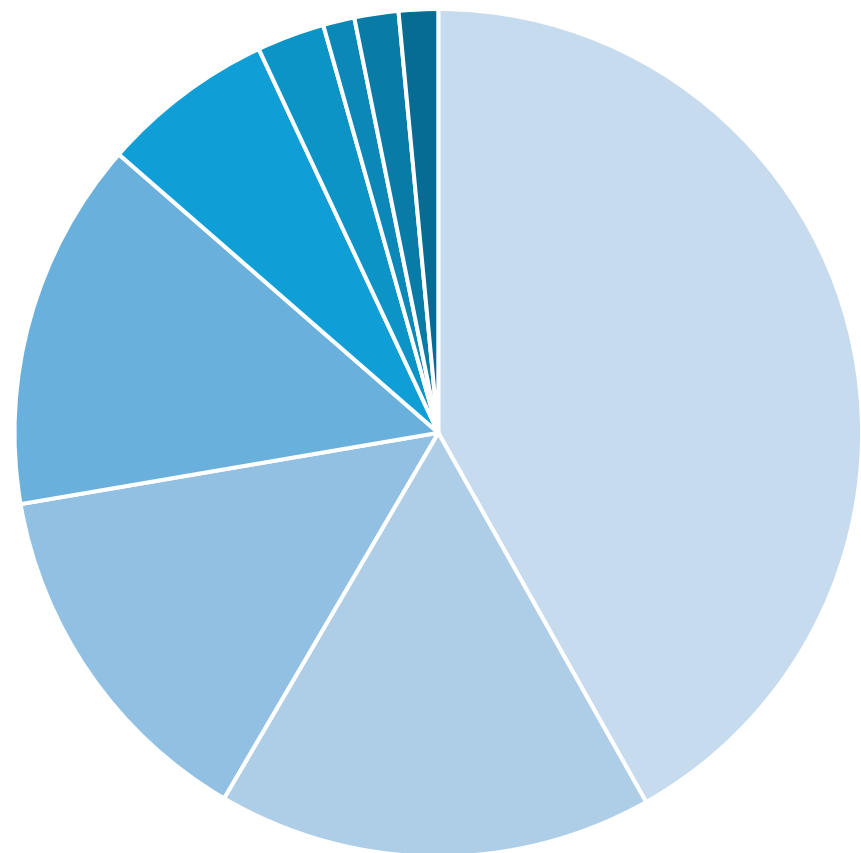


Distribution of Financial and Liquid Assets Across Age Groups



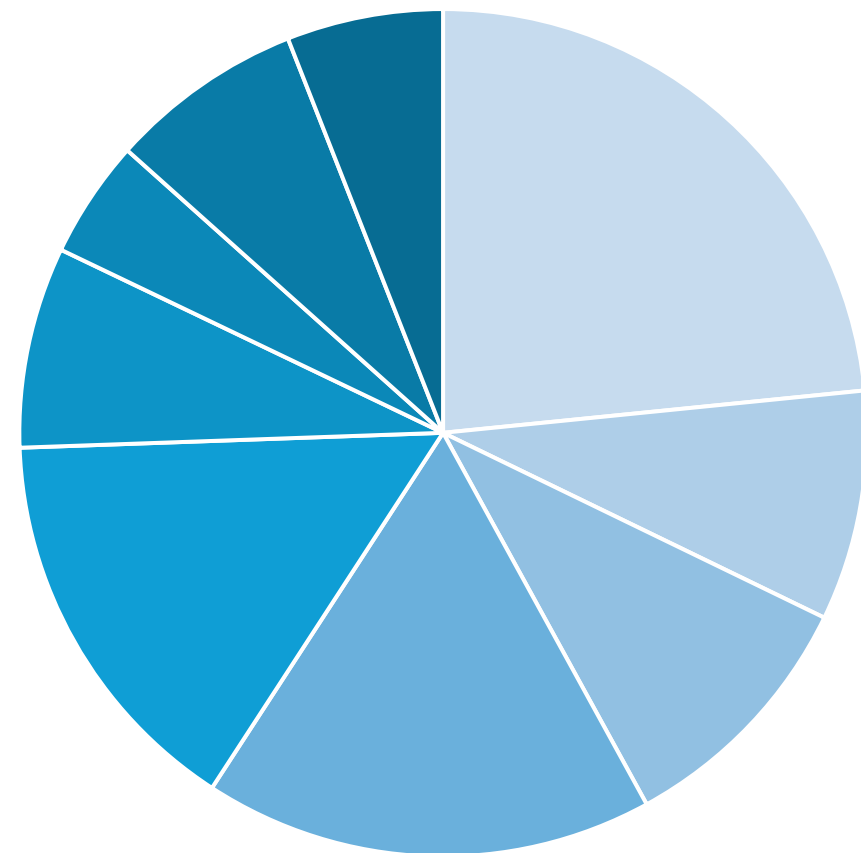
Exploring the distribution of Liquid Assets Within Age Groups

Liquid Assets, Household Age 35 to 45



<20k 20k to 50k 50k to 100k 100k to 250k 250k to 500k
500k to 750k 750k to 1mil 1mil to 2mil >2mil

Liquid Assets, Household Age 65 to 75



<20k 20k to 50k 50k to 100k 100k to 250k 250k to 500k
500k to 750k 750k to 1mil 1mil to 2mil >2mil



Implications on the Current Economic State

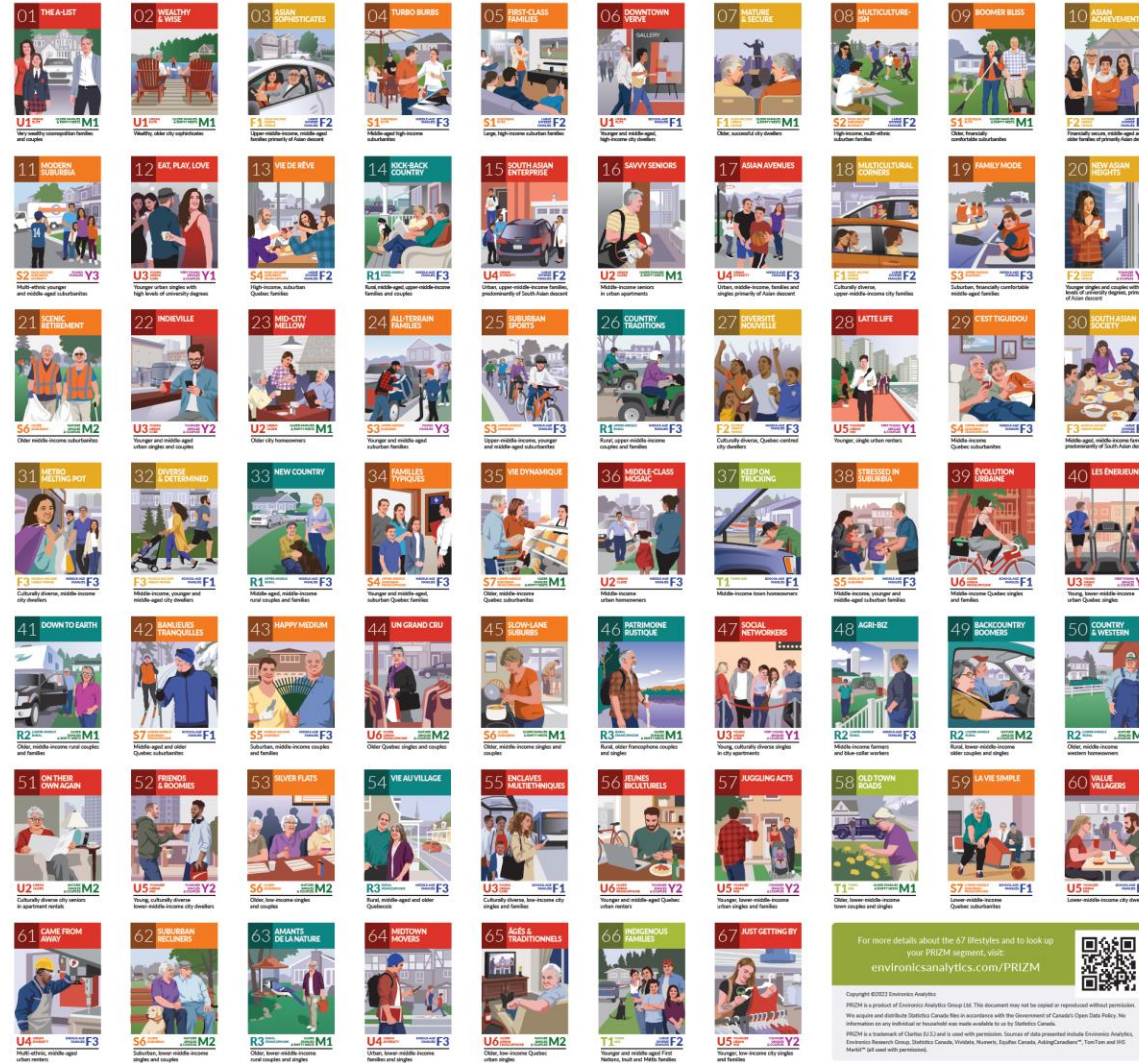
- Mortgage holders and renters are feeling the pinch the most as interest rates impact on both sides of the coin. Not great for annual programs, or older renters.
- Nest eggs have largely remained untouched – Good, we hope, for legacy giving!
- With Millennials entering their peak earning years and the anticipated Boomer wealth transfer, a unique opportunity for philanthropic organizations may present itself



Who are Legacy Donors in Canada?



Get to Know Your Neighbourhood Through a PRIZM® Lens

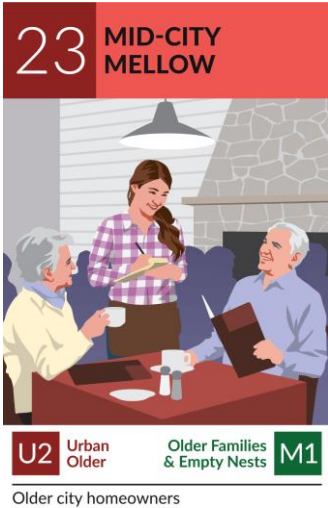


Enter your postal code

<https://prizm.environicsanalytics.com>



Key Demographics



Total Charitable Give (per Household)	\$3804	\$1,096	\$782
Leaving a Bequest	4.2%	3.2%	5.3%
Avg. HH Income	\$261,369	\$135,980	\$80,891
Lifestage	Older Families & Empty Nesters	Older Families & Empty Nesters	Mature Singles and Couples

Key Wealth Indicators



U1 Urban Elite Older Families & Empty Nests M1

Wealthy, older city sophisticates



U2 Urban Older Older Families & Empty Nests M1

Older city homeowners



U2 Urban Older Mature Singles & Couples M2

Culturally diverse city seniors in apartment rentals

Avg. Liquid Assets	\$1,273,960	\$389,492	\$272,673
Home Ownership	89.2%	86.4%	27.8%
Real Estate Value	\$1,660,759	\$722,995	\$233,626



Giving Behaviours

Source: GivingBack 2024




Made a Donation in the Past Year	73.3%	70.5%	65.6%
Top Cause	Development and Housing	Development and Housing	Hospitals
Top Channel	Work	By sponsoring someone	Online
Reason for Giving	Tax Credit	Asked by someone they know	Community Contribution
Reasons Not to Give	Request Method	Request Method	Too Many Requests

Media Preferences

02

WEALTHY
& WISE



U1

Urban
Elite


Older Families
& Empty Nests

M1

Wealthy, older city sophisticates

23

MID-CITY
MELLOW



U2

Urban
Older

Older Families
& Empty Nests

M1

Older city homeowners

51

ON THEIR
OWN AGAIN



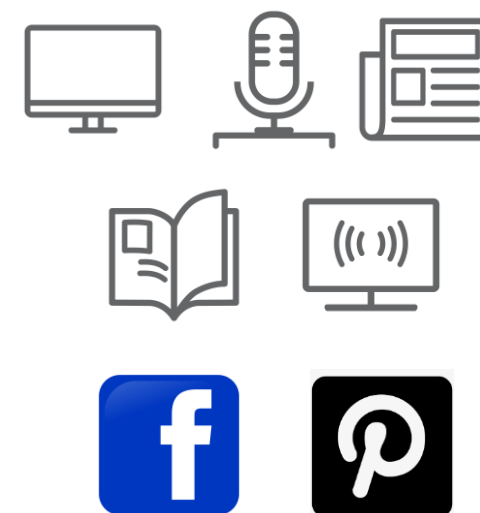
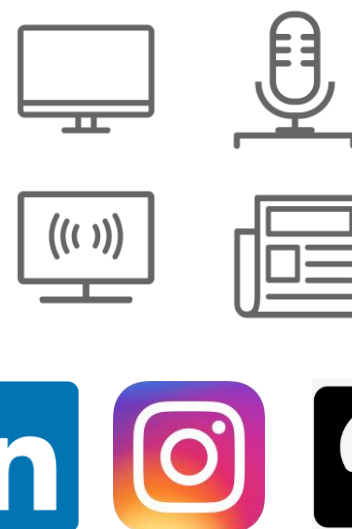
U2

Urban
Older

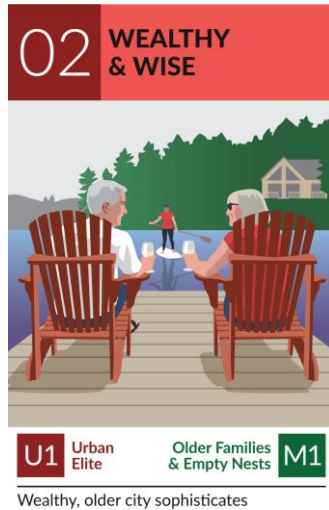
Mature
Singles
& Couples

M2

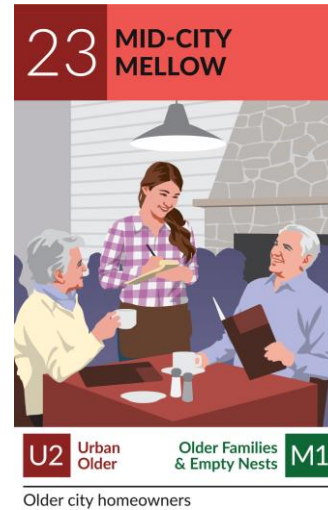
Culturally diverse city seniors
in apartment rentals



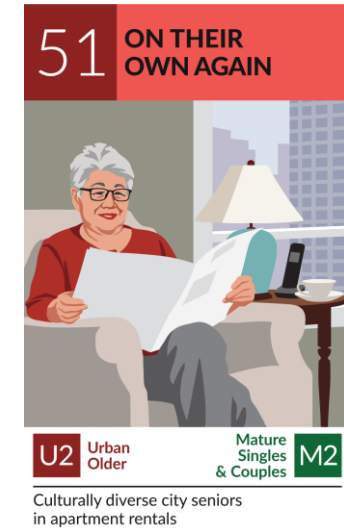
Values and Beliefs



- Legacy
- Effort Towards Health
- Social Learning



- Social Learning
- National Pride
- Pursuit of Originality



- Introspection & Empathy
- Financial Concern Regarding the Future
- Culture Sampling

Key Takeaways

- It's not just you, Canadians are feeling financial constraints!
 - Larger mortgages / newer homeowners, and renters feeling the pinch the most
- A significant concentration of Canada's wealth resides among older residents
 - Wealth Transfer is coming
 - Legacy Giving
- Focus on your people
 - Who they are
 - How to communicate with them
 - Where they are

Thank You

Mitchell Hillier

Environics Analytics

Mitchell.hillier@environicsanalytics.com