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À propos du PhiLab | About PhiLab

Le **Réseau canadien de recherche partenariale sur la philanthropie** (PhiLab) a été créé en 2014 dans le cadre d'une demande de financement « développement de partenariat » obtenue du Conseil de recherche en sciences humaines du Canada (CRSH). Ce financement a été reconduit en 2018 pour six années par l'obtention d'une subvention « partenariat » du CRSH. Depuis 2024, PhiLab profite de financements octroyés par différentes fondations dont la Fondation Lucie et André Chagnon et la Fondation Mirella et Lino Saputo. Le Réseau pancanadien constitue un lieu de recherche partenarial, de partage d'information, de mobilisation des connaissances sur la philanthropie subventionnaire et de formation à la recherche. Les activités de recherche conduites en partenariat valorisent les connaissances auprès d'une diversité d'acteurs sociaux, d'agences gouvernementales, milieux universitaires et petits et grands médias. La valorisation des connaissances, via des outils de communication novateurs et accessibles, permet une diffusion élargie des connaissances produites ou déjà existantes. Le Réseau regroupe des chercheurs, des décideurs et des membres de la communauté philanthropique à travers le monde afin de partager des informations, des ressources et des idées.

The **Canadian network of partnership-oriented research on philanthropy** (PhiLab) was created in 2014 as part of a "partnership development" funding application obtained from the Social Sciences and Humanities Research Council of Canada (SSHRC). This funding was renewed in 2018 for six years by obtaining a "partnership" grant from SSHRC. Since 2024, PhiLab has benefited from funding granted by various foundations, including the Fondation Lucie et André Chagnon and the Mirella and Lino Saputo Foundation. The Pan-Canadian Network is a hub for partnership research, information sharing, knowledge mobilization on grantmaking philanthropy and research training. Research activities carried out in partnership promote knowledge among a wide range of social players, government agencies, academics and small and large media. The valorization of knowledge, via innovative and accessible communication tools, enables a wider dissemination of the knowledge produced or already existing.

Social Sciences and Humanities Research Council of Canada
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PHILANTHROPIE ET ZONES DE CONFLIT | PHILANTHROPY AND CONFLICT ZONES

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PHILANTHROPIE ET ZONES DE CONFLIT
PHILANTHROPY AND CONFLICT ZONES

Cost of Conflicts drive Charity Appeals

By Peter R. Elson , *Former Co-director of PhiLab*

Peter R. Elson PhD, is a PhiLab Collaborator. Recently retired from the University of Victoria, his research has focused on voluntary sector–government relations, social enterprises, and the policy impact of grantmaking foundations. In 2019, he completed a two-year graduate certificate in Indigenous Nationhood at the University of Victoria.

Conflicts cost. One need to look no further than the current war in Ukraine. A report by the Washington Post in February of this year outlined the three-year cost in dollars, lives lost and people displaced. The Post worked out that over three years nearly $300 billion (US) has been spent, more than 150,000 lives have been lost, and more than 10 million people have been displaced. The financial, human and societal cost of war is no stranger to the battlefield. Medieval nation-state conflicts, 16th to 19th century imperial conflicts and 20th century world wars have all taken their toll.

The cost to Canada of the First and Second World Wars was no exception. Billions of dollars were spent to equip, train and support troops, both in Canada and abroad. More than 110,000 Canadians were killed in WW1 (65,000) and WW2 (45,000). At the same time, from 1942 to 1949, Canada forcibly relocated and incarcerated over 22,000 Japanese Canadians as well as Italians, Germans and others deemed to be foreign aliens.

These two conflicts not only drove the Canadian government to re-purpose industry and mount recruitment and domestic security campaigns, but also drove appeals to support war related charities.

World War I

Rod Watson in his 1985 article in The Philanthropist Journal outlines the rationale for support for WW1 war efforts. In 1914, in a special war session, a bill to incorporate the Canadian Patriotic Fund (an organization with origins in the Boer War) was introduced. According to Watson its purpose was to raise and distribute funds to the families of servicemen and servicewomen. Later, in the hope that men and women would be more likely to enlist in the military service if they knew their families would be taken care of when in need, the government tried to see that other necessary charitable organizations were well supported, while at the same time ensuring that government itself would not have to become directly involved with providing funds.

Instead of providing direct relief, when the Income War Tax Act was first introduced on September 20, 1917, Parliament provided unlimited income tax

deductions for "amounts paid by the taxpayer during the year to the Patriotic and Canadian Red Cross Funds, and other patriotic and war funds approved by the Minister". The funds were not administered by the government but by a widespread network of private relief [i.e., charitable] organizations.

Watson provides specific details on the charitable contributions made during the WWI. While there is no indication of how much of the following amounts of money that were raised by approved charities were claimed as tax deductions, the total is considerable, particularly as substantial funds, voluntary services and goods were raised informally at a local level. Knitting socks for troops, for example, was a staple part of contributions by school children and community groups.

Fund	Amount Raised in Dollars
Canadian Patriotic Fund	46 187 763
Donations of Dominion and Provincial Governments to the Imperial Government	5 469 320
Manitoba Patriotic Fund	3 957 042
Canadian Red Cross (cash)	7 771 083
Canadian Red Cross (supplies)	13 500 000
British Red Cross	6 100 000
Belgian Relief (cash)	1 642 104
Belgian Relief (supplies)	1 512 800
YMCA (for military work)	4 574 821
Miscellaneous	8 000 000
Total	98 714 933

The War Charities Act itself was repealed in 1927. While 846 associations had been licensed during the war, 671 had left the national registry by 1925.[1] For example, the patriotic fund had simply run out of funds. The government felt that there was no longer a need for charitable licensing or a need to provide tax deductions for charitable giving. This was likely due to the post-war dept recovery efforts, rather than any acknowledgement that people in need had suddenly disappeared. In fact, as is well known, the 1930s brought on an economic depression where the number of unemployed and families in need mushroomed. The widespread poverty that was experienced across the country was addressed, first and foremost, by local faith and community social welfare organizations. It was only in the 1930s that there was a reluctant recognition by governments of the relationship between economic downturns and structural unemployment. Previously, unemployment was seen as a moral failure. This social and moral reform was undertaken by groups such as the Women's Christian Temperance Union, the Dominion Enfranchisement Associations, and other social gospel movements that promoted moral as well as physical well-being.

The 1930 amendment to the Income War Tax Act established the foundation on which all charities in Canada continue to operate. Before this amendment was passed, charities[2] were approved at the discretion of the Minister of Revenue. The 1930 amendment collectively introduced a universal tax deduction for charitable donations; defined the statutory term for charity; established a designated ceiling on income tax deduction for donations [ten percent]; and assigned the Department of Revenue as the designated regulator. This designation was defined by the four pillars of charity[3]. Thus, while war related charitable giving was actively encouraged for economic as well as patriotic reasons, it was widespread poverty backed up by statistics generated by social support agencies that finally tipped the scale in favour of the 1930 amendment to the Income War Tax Act to register charities and put limits on tax-supported charitable giving.

World War II

In 1939, with the outbreak of another war, charity once again became a priority of the federal government. Both the War Charities Act and the Canadian Patriotic Fund were re-enacted in a special session. There were many approved war charities such as patriotic organizations like the I.O.D.E., (Imperial Order Daughters of the Empire); the Canadian Red Cross Society Fund; the Canadian Legion War Services Fund; the YMCA, and the Salvation Army War Services Fund. These charities also provided overseas relief. Initially they were overseen by the Secretary of State, and later (1940) by the Department of National War Services. Since the government had a vested interest in the work of war charities, 50 per cent of donations to those they approved could be deducted in 1939-1940; and 40 per cent in 1941. The same year,

corporate donations became a separate category for the first time. Individuals continued to be able to claim tax deductions for other [non-war related] charitable donations of up to 10 per cent of their incomes while corporations were limited to five percent.

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Conclusion

There are numerous contemporary examples of how the governments actively support donations to specific causes. Both domestic and international disaster and humanitarian relief efforts in specific circumstances are often matched by government funds. War-related appeals for both humanitarian aid and indirect conflict support for wars in Gaza, Ukraine and elsewhere continue. Charitable funds can also be heavily scrutinized if they are supporting humanitarian efforts for those displaced by Western-backed forces. World wars have morphed into worldwide conflict zones that continue to extract exorbitant costs in terms of dollars, lives lost and people displaced. It is in this context that charities always have and always will make a difference. It's up to everyone to support both their legitimacy and capacity to do so.

Notes

1. Note that this data only applies to federal government recognition as there was no universal registration of charities unstil 1967. Community organizations registered at a local or regional level.

2. While all charities are incorporated as nonprofit organizations, only organizations recognized by the Canada Revenue Agency can be registered as charities.

3. The four pillars of charity are: the relief of poverty, the advancement of education, the advancement of religion, or other purposes that benefit the community in a way the courts have said are charitable.

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