



SUBMISSION TO THE HOUSE OF COMMONS STANDING COMMITTEE ON FINANCE
IN THE CONTEXT OF A STUDY ON CHARITABLE GIVING IN CANADA

SUBMITTED BY: CONCORDIA UNIVERSITY, MONTREAL, QUEBEC
JANUARY 17, 2012

Introduction

Concordia University, located in Montreal, Quebec, is one of Canada's most innovative and diverse, comprehensive universities. With almost 46,000 students, over 7,000 faculty members and support staff and an annual operating budget of close to \$400 million, Concordia is a major educational and economic catalyst in Canada.

Donor revenue enables our institution to meet the growing challenges in the field of higher education and is vital in advancing the mission of Concordia. By raising funds for student scholarships, for books and electronic databases, for laboratories and research facilities, for state of the art teaching tools, and for enhancing the overall student experience, charitable donations make a demonstrable difference in the quality of education that Concordia can deliver.

In its December 2009 Report, "A Prosperous and Sustainable Future for Canada: Needed Federal Actions", the Standing Committee of Finance wrote:

we believe that Canadians who are well and adequately educated are in a better position to make the contributions needed to assure prosperity and sustainability for themselves and their family, their employers and community, and the nation.

With the federal and provincial governments forced to make difficult financing decisions in the face of deficit reduction measures, post-secondary institutions in Canada are becoming more reliant than ever on donations for their activities. In fact, as part of the last provincial budget, the government of Quebec recently instituted a new program to encourage universities to seek charitable donations.

Concordia University welcomes the House of Commons' Standing Committee on Finance study of charitable giving incentives and related matters. As noted in the *Canadian Bar Association Charities and Not-for-Profit Law Section* ("CBA") submission, the charitable and not-for-profit sector is an important contributor both to Canada's prosperity and to the quality of life enjoyed by Canadians.

As outlined in the *Canadian Association of Gift Planners'* ("CAGP") submission, Concordia believes that whatever measures the Committee might recommend to encourage greater philanthropy and support for the work of Canada's charities should be created with a cooperative approach with the charitable sector.

Recommendations

Concordia University is pleased to make the following recommendations:

1. Concordia University endorses *Imagine Canada's* (supported by the CBA and CAGP, as well) stretch tax credit recommendation which would involve an increase in the charitable tax credit rate to 39% for incremental annual increases in giving, provided that annual giving is more than \$200 and less than \$10,000.
2. Concordia University endorses the CAGP proposal for the elimination of the capital gains tax on donations of real estate to charities. As outlined in the CAGP submission to the Committee, there are many Canadians who would welcome the opportunity to donate their real estate (or the proceeds therefrom) to their favourite charity. Receiving a substantial gift of real estate means sustainable revenue for a university – whether by its use for our own charitable educational purposes or for revenue purposes by selling the donated real estate. Real estate is one of the most widely held asset classes in Canada but rarely donated to charity.

We are available to elaborate on these recommendations and would be pleased to attend one of the hearing sessions if invited.

For further information, please contact:

Maître Bram Freedman

Vice-President, Institutional Relations and Secretary-General

Concordia University

1455 de Maisonneuve Blvd. West, GM 801-29

Montréal, Québec H3G 1M8

Email: bram.freedman@concordia.ca

Tel: 514-848-2424 ext. 4806

Facsimile: 514-848-4550