



Charitable giving in Ireland 2020

Charitable giving as a proportion of household expenditure has been steadily declining over the last 30 years. Although the quantum given has increased, this is only because the number of households has nearly doubled from 1.2m to 2m.

- **Charitable giving as a proportion of household expenditure has been steadily declining over the last 30 years. The data show that in 1987, 79% of all households surveyed donated within the 2-week HBS survey window. By 2015, this had declined to 38% of households surveyed.**
- **The average amount donated grew between 1987 and 2004 but has declined sharply since then.**
- **The amounts donated grow proportionate to the level of total household income, but relative to their disposable income, the poorest are significantly more generous than the richest.**
- **Older people and those with higher levels of education and disposable income are all more likely to donate**
- **People living in rural locations, married people and women are both more likely to give, and also give considerably more.**

Charitable giving in Ireland

This is the first Benefacts report on Charitable Giving in Ireland, using 30 years of high quality survey data derived from the Household Budget Survey (HBS) of the Central Statistics Office (CSO). The latest available data is from 2015. We plan to update this report when work on the 2020 survey (deferred because of the pandemic) resumes and the next HBS is published.

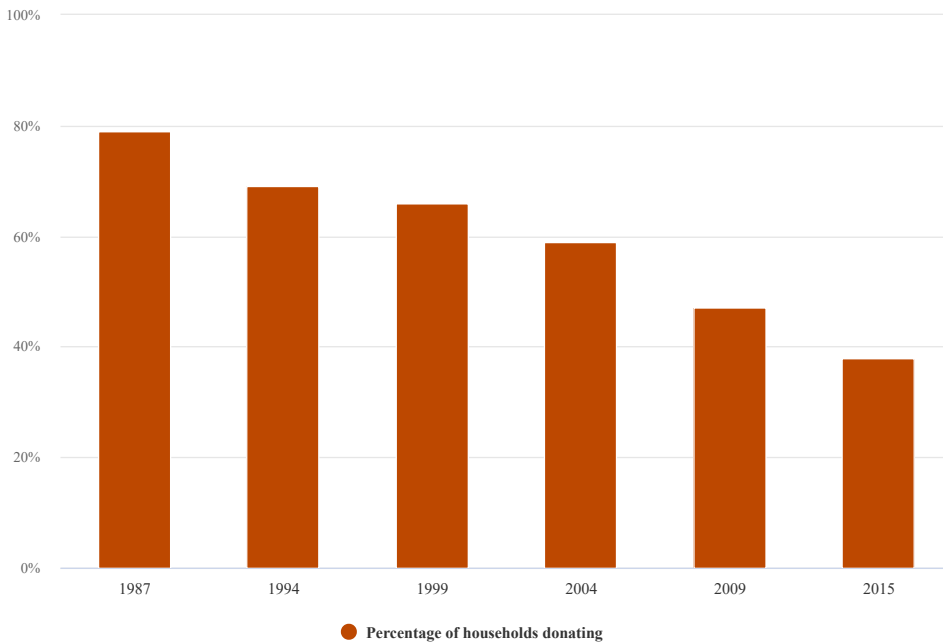
This report is a benchmark against which future trends in charitable giving can be measured. It also can be used to compare the profile of giving in Ireland and elsewhere in Europe, since surveys like the HBS are carried out at regular intervals across the EU.

[Read more about the data](#), the methodologies used to produce this report, and the report's authors.



Trends in household giving

The share of households making donations has declined



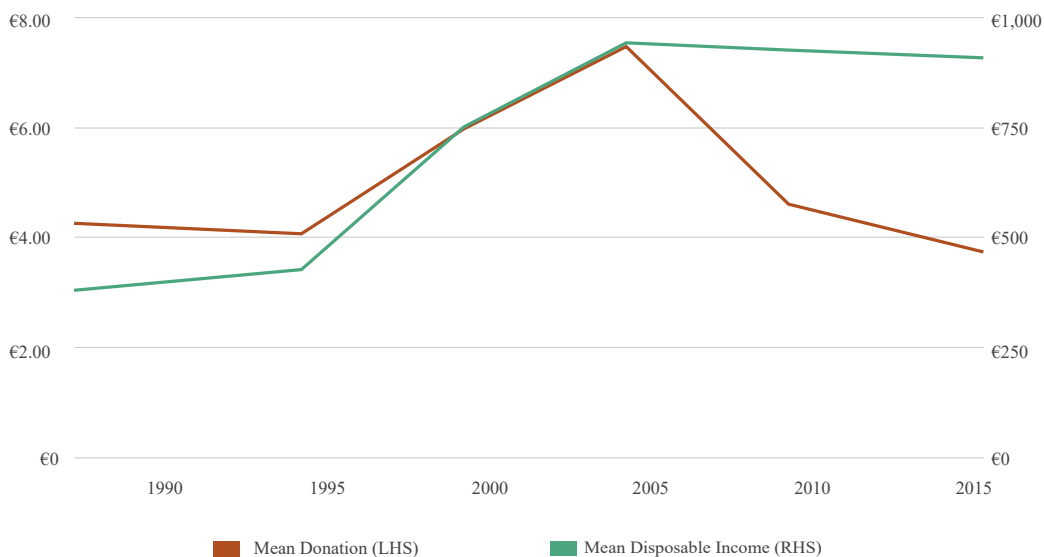
Percentage of households donating

Source: Benefacts using HBS data

The value of charitable donations has contracted sharply as a proportion of disposable income across all income types

The average value of weekly household donations rose from €4.25 in 1987 to a high of €7.50 in 2004 – in line with high economic growth – then fell to about €3.75 in 2015.

In proportional terms, charitable donations fell from 1.6% of disposable income in 1987 to 0.6% in 2015.



Average Donation Versus Average Disposable Income

Source: Benefacts using HBS data

Charitable giving has declined steadily across all income groups.

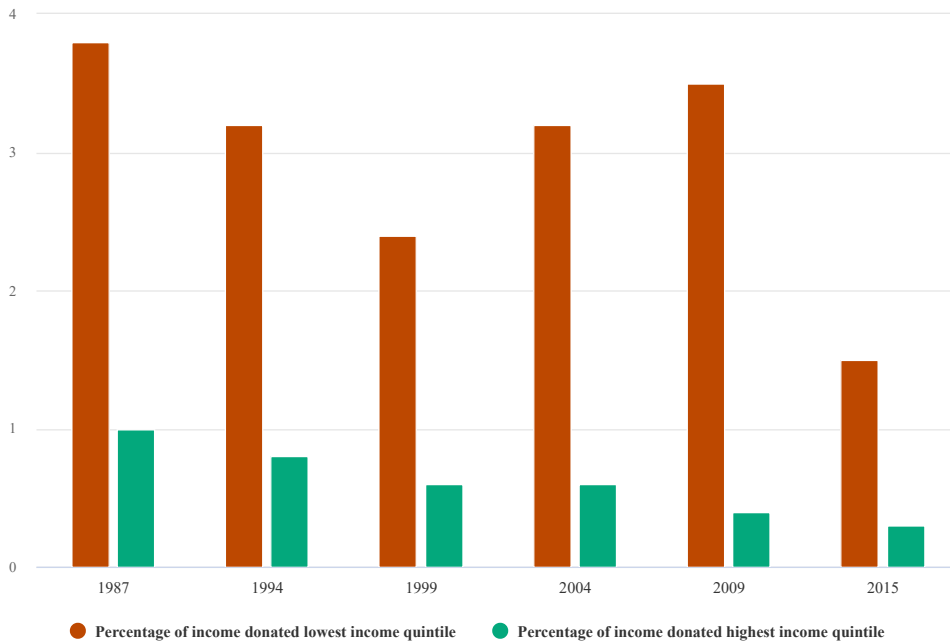
Weekly household disposable income (after taxes) is divided here into five equal groups (“quintiles”) for analysis.

In the lowest income group, charitable donation shares fluctuated between 2.4% and 3.7% of disposable income between 1987 and 2009, but then declined in 2015.

In the highest income group, the decline in charitable giving has been fairly steady, from 1% of disposable income in 1987 to 0.3% in 2015.

Notwithstanding this, relatively speaking lower income households give more to charity.

Comparing the disposable income (after taxes) of the lowest and highest income groups, it is clear that the lowest income group have always given a higher share of their income to charity.



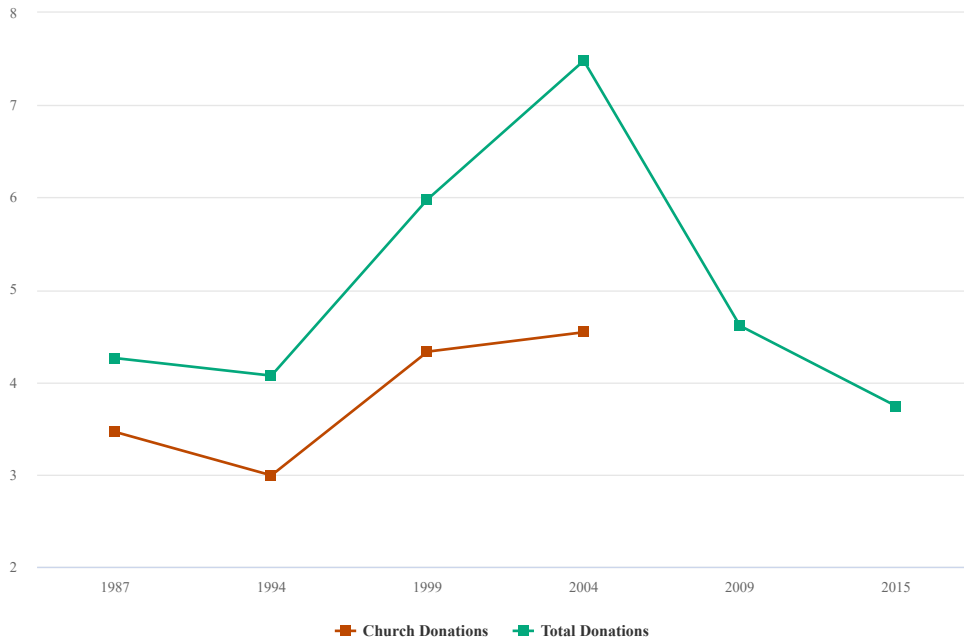
Share of disposable Income donated by lowest and highest income quintiles

Source: Benefacts using HBS data

Giving to religion has declined as a share of total donations

While this data is only available up until 2004, a declining trend is evident, with church donations representing 81% of total donations in 1987 and 61% in 2004.

This could be due to changing demographics, and/or a fall away from religious affiliation – a factor borne out by a comparison of census data for 2011 and 2016 which sees almost a two-fold increase in the number of people professing no religion.

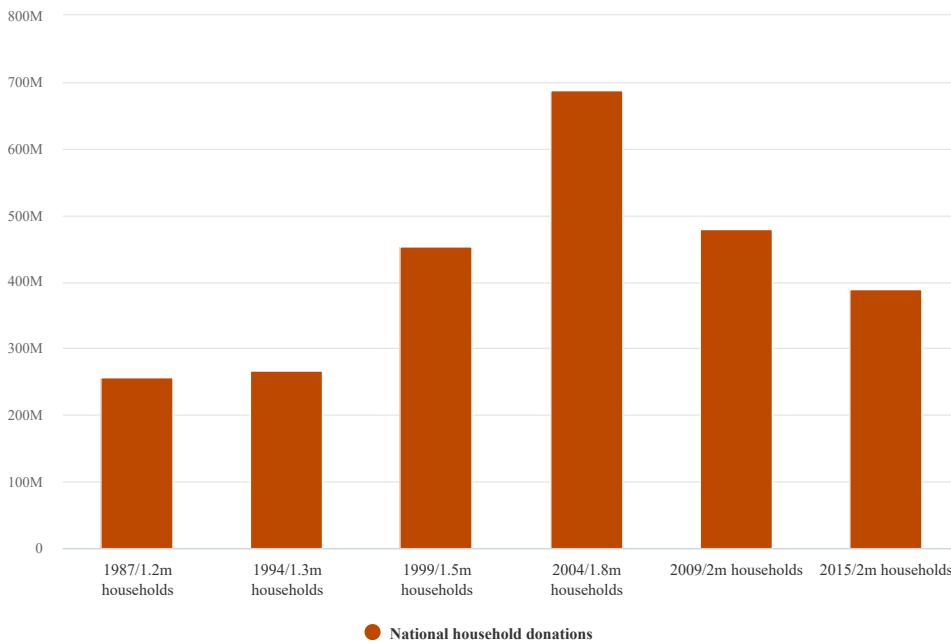


Profile of average donation and average church donation

Source: Benefacts using HBS data

The total value of donations has declined despite the growth in the population

Even though the number of households has almost doubled over thirty years, there has been an absolute decline in the value of donations.



Thirty year trends in household donations

Source: Benefacts using HBS data

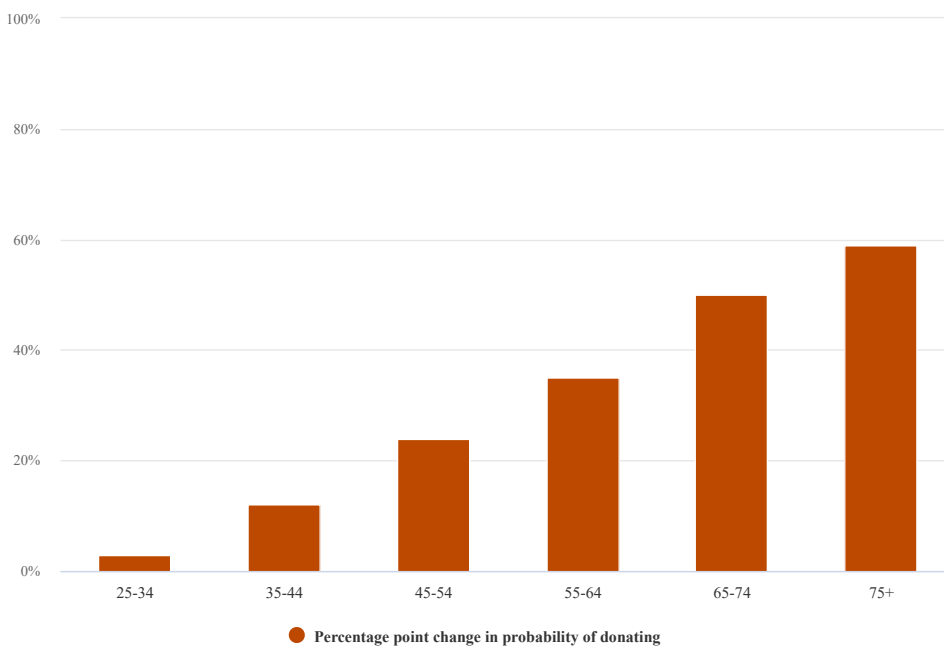


Charitable giving today – who is most likely to give

In 2015, 38% of households donated to charity. This section explores how this likelihood of donating differs according to household type.

Relative to the youngest age category (18-24 years), those aged 45-54 years are 24 percentage points, and those aged 75 and over are 59 percentage points more likely to make charitable donations.

Older households are considerably more likely to donate

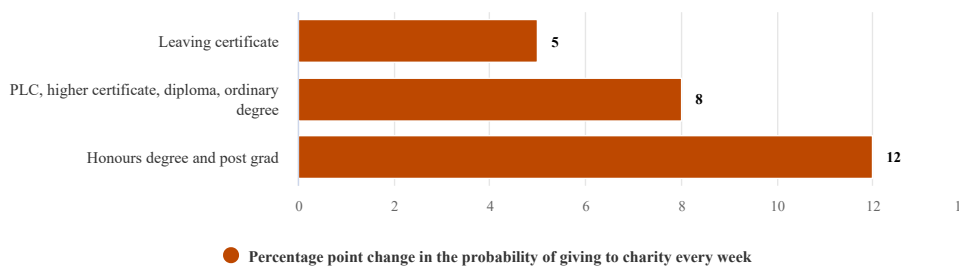


Effect of age on the probability of donating (Baseline group: 18-24 years) “%” describes the percentage point change in the likelihood of giving to charity every week.

Source: Benefacts using HBS Data

There is a clear correlation between educational attainment and charitable giving

Relative to the baseline group – those with less than Leaving Certificate – people with a higher university degree 12 percentage points more likely to donate to charity.



Correlation between educational qualifications and the probability of giving to charity (Baseline group: less than Leaving Certificate.)

Source: Benefacts using HBS Data

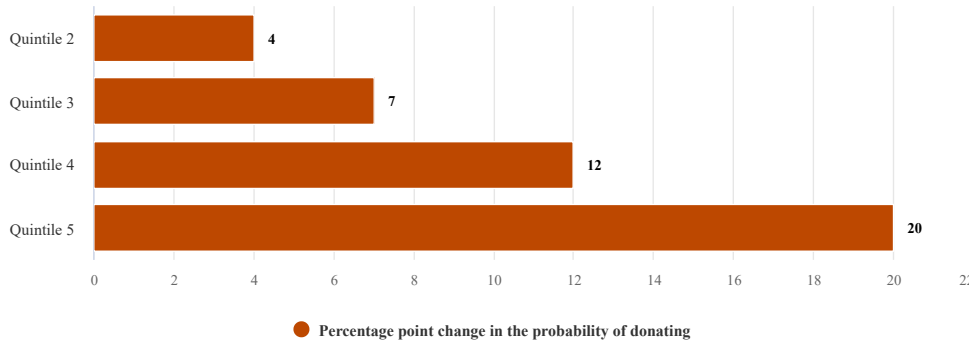
“%” describes the percentage point change in the likelihood of giving to charity every week.

The propensity to donate grows as income rises

Weekly household disposable income (after taxes) is divided here into five equal groups (“quintiles”) for analysis.

Relative to the lowest income group – with weekly disposable income of up to €400 – there is a steady increase in the likelihood of charitable donations being made, with the probability of giving in the highest income group – weekly disposable income of €1,300 or more – 20 percentage points higher than the lowest.

Notwithstanding this – as noted elsewhere – the value of donations from the lowest income group is higher as a proportion of disposable income than the value of donations from higher income groups.



Effect of disposable income on the probability of donating

Source: Benefacts using HBS Data

People living in rural locations, married people and women are more likely to make charitable donations

In 2015 -after controlling for income and other household differences – there are some other marked trends.

- Households in rural locations are about 8 percentage points more likely to donate to charity than their urban equivalents.
- Women are 6 percentage points more likely to donate to charity than men.
- Married people (with or without children) are 11 percentage points more likely to donate

8%
Households in rural locations are about 8 percentage points more likely to donate to charity than their urban equivalents.

6%
Women are 6 percentage points more likely to donate to charity than men.

11%
Married people (with or without children) are 11 percentage points more likely to donate

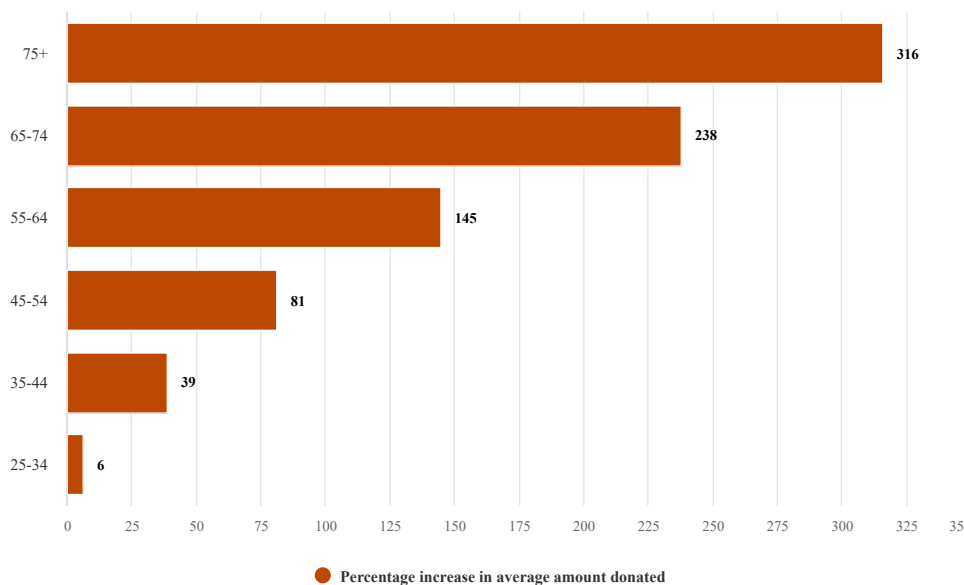


Profile of giving – Who gives more

In 2015, the average weekly charitable donation was €3.74. This section explores how the amount donated differs according to household type.

Older people give more to charity

Relative to the youngest age category - 18-24 years - those aged 65 -74 years typically give 238% more and for those over 75 the difference is even greater at 316%.



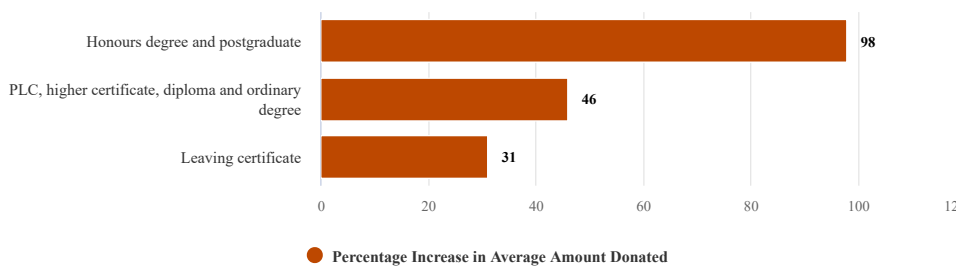
Effect of age on average amount donated

Source: Benefacts using HBS data

Baseline group: 18-24 years

People with higher educational qualifications give more to charity

The value of average weekly donations to charity rises steadily according to educational qualifications, with the value of contributions from those with higher third-level qualifications 98% (€3.68) higher than households where the reference person has a Leaving Certificate.

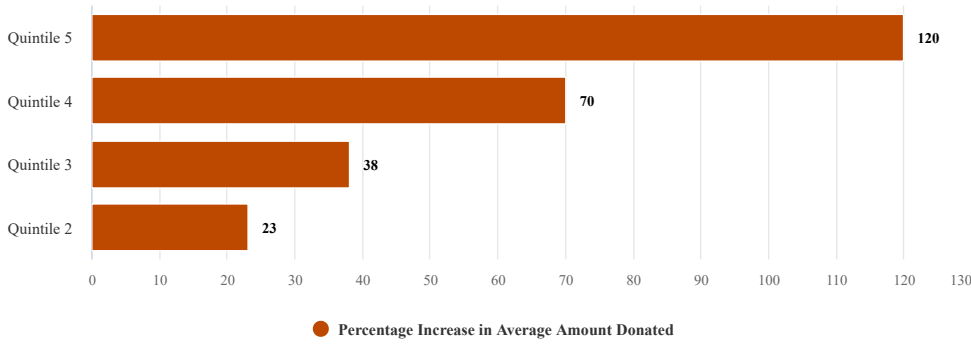


Effect of education on amount donated

Source: Benefacts using HBS data

Higher income households give more to charity.

Compared to the lowest income group the average weekly donation in the highest income group is 120% higher, or €4.48 more in average weekly donations.



Effect of disposable income on amount donated
(Baseline group: lowest quintile)

Source: Benefacts using HBS data

People living in rural locations, married people and women give more

Besides being more likely to give certain population cohorts also give more.

- Rural households give almost 28% more to charity.
- Households where the reference person is female give 15% more.
- Households headed by married individuals give 45% more

28%
Rural households give almost 28% more to charity

15%
Households where the reference person is female give 15% more.

45%
Households headed by married individuals give 45% more.



About the data

The Irish Central Statistics Office has been conducting periodic Household Budget Surveys (HBS) since 1951. The results from 70 years of HBS findings may be accessed by anybody via the Irish Social Science Data Archive - www.ucd.ie/issda

The main purpose of the HBS is to determine the expenditure patterns of private households so as to identify and update the Irish Consumer Price Index. The CSO ensures that the sample is representative of households at large by means of a weighting system that is published alongside the dataset.

In each HBS, more than 6,000 households are surveyed. All members of selected households aged 16 and over (headed by a 'reference person') are required to maintain a highly detailed diary of expenditure over a two-week survey period: figures in the final dataset are weekly averages. The diaries are physically distributed by the HBS team of trained field officers to participating households and collected two weeks later. A copy of the template diary issued by the Central Statistics Office, Household Budget Survey 2010 – Volume 2 is available at www.cso.ie. In addition to expenditure items, very detailed data on income and household demographics and characteristics are collected.

High quality data

The entire process of recruitment of survey participants, administration of the questionnaire/ diary, collation and publication of the results takes up to two years, which means that the results are usually referred to in a two-year timeframe e.g. 2015/16. In this report, the two-year survey period is labelled according to the year in which the data was collected – e.g. 2015 for the 2015/2016 survey results.

With 6,839 households in the 2015 results, the HBS is the largest and most nationally representative survey of household expenditure in Ireland. The completion of the 2020 survey has been deferred because of the public health emergency.

The value, quality and importance of this data should not be underestimated as a means of measuring the scale and profile of charitable giving by the Irish population. Even though there is only one question about charitable donations, the results are highly valuable in the study of giving behaviour. This is because the question about charitable donations in the HBS is posed in the context of a more extensive survey of a large and representative sample of the whole population, with a large volume of information about the other characteristics and behaviors of respondents.

Because of the wide range of questions asked and the size of the survey population, the HBS avoids the selection bias issues that may limit the value of charity-specific surveys. Moreover the data delivers high levels of consistency over time in terms of how the data is collected and managed, and in terms of the potential for international comparison, since Eurostat makes similar surveys available for 26 European Member States.

Giving to charity

One of the questions asked in the questionnaire is how much a household gives to charity.

'Charitable donation' is not defined in the Concepts and Definitions Appendix of the HBS questionnaire, although a donation to a church is provided as an example in the sample diary template. This means that 'charitable donation' is self-defined by each surveyed household.

That said, CSO field officers are provided with a manual containing detailed explanations about the questionnaire, definitions of the concepts involved and examples. Interviewers make up to four separate visits to secure the co-operation of individual household members and to complete the household and personal questionnaires. The expenditure diaries are completed by each household member aged sixteen years and over, and interviewers make approximately three inspection visits during the fourteen-day period to ensure that entries are being recorded correctly. As a result, there is consistency over time in how this data is collected and analysed.

Report authors

HBS data for the 28-year period from 1987 to 2015 was accessed by Dr. James Carroll, Research Fellow, Department of Economics, Trinity College Dublin in June – September 2020 via the Irish Social Science Data Archive www.ucd.ie/issda, and analysed by himself and Professor Oonagh Breen, Sutherland School of Law, UCD. Their more detailed paper will be published in 2021.

Methodology

This is a summary of their approach:

- All monetary data in this report is adjusted for inflation using the CSO Consumer Price Index
- Only the latest dataset (HBS 2015/2016) is employed when exploring who is most likely to give, and who gives most
- To analyse how household characteristics affect the *probability of donating*, a standard [logistic unit](#) or "logit" model is employed

- To analyse how household characteristics affect *the amount donated*, a standard truncated regression or “[tobit](#)” model is employed
- All models include all household characteristics simultaneously. This means, for example, that when exploring the relationship between age and donations, the effects of all other household characteristics (for example, income and education etc.) are largely controlled for, thus leaving the independent effect of age.
- The demographic characteristics explored relate to the household “reference” person or ‘head of household’. The charts in the “who gives” section describe the percentage point change in the probability of donating relative to a baseline group.
- All models include “robust” standard errors

Some caveats

A household is considered a “donor” if charitable expenditure of any kind has occurred during the two-week window being surveyed. Changes in the way people give could influence this trend. For example if, over time, smaller weekly cash donations are replaced by larger monthly direct debits, there is a chance that some of these will be missing from the data due to the short two-week survey window. Without accurate secondary data on changes in frequency, we do not know whether such a bias exists or to what degree. However, recent survey results (2019) from the [Charities Aid Foundation](#) suggest that donating by direct debit is not particularly common – of the 62% of respondents that donated on the past year, just 14% used direct debits.

We also note that the HSB has changed the way it categorized donations over time. Up to and including 2004, there were three categories of charitable donation: “church contributions”, “voluntary contributions to primary/secondary/boarding schools” and “other charity contributions”. From 2009 onwards, “church contributions” and “other charity contributions” were merged into a single category called “charitable donations and subscriptions”. From this year onwards, it is no longer possible to disaggregate donations into the various target causes. For consistency with the current HBS classification, “household donations” in years prior to 2009 is the sum of “church contributions” and “other charity contributions” for this analysis.