

# The Charity Report

*Your independent news source in the charity sector*



## Charity Sector Employees

Employee Stats, Industry Compensation and Salary Averages for 2018

Volume 1 Number 3

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Averages for 2018

Intelligence Report: For subscribers only



# Introduction

The charity sector is the primary means through which government executes health care and social service priorities. Every day, millions of people rely on the services provided by charities.

It is a large economic sector that we estimate employs approximately 1.5 million people full time and 1.5 million people part time.

This report reviews compensation and employee stats and using this latest available information for 2018, shows the number of people working in each sector calculated average salaries broken down by province and sector.



# Measuring the work of the charity sector

A primary source of information on the charity sector, a sector that controlled the expenditure of more than 280 billion dollars in 2018, is the tax returns every charity must file annually—the T3010.

T3010 data—as many who try to study the sector know—has its limitations, which we have worked to identify and account for in the production of this compensation study.

We believe the T3010 to be the most significant source of information on overall compensation patterns in the sector.

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# The benefits of being a charity are significant

- A charity can issue official donation receipts for gifts it receives. These receipts can be used to reduce the income tax payable of an individual donor or the taxable income of a corporate donor.
- A charity is exempt from paying income tax
- Charities are eligible to receive gifts from other registered charities, such as foundations.
- Being a registered charity provides credibility in the community
- Many goods and services provided by charities are exempt from GST
- Charities can claim a partial rebate for the GST/HST they pay.

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# All charities receive the same benefit

- Because all designated charities—whether a school board or barbourshop quartet—get the same favorable treatment from government, we believe it is necessary to study the sector as a whole instead breaking out “health and teaching institutions” as even the Canada Revenue Agency (CRA) did in [\*its Report on the Charities Program 2016 to 2018\*](#)
- While we do slice and dice the data by sector, we don't omit any sector. What's good for the goose is good for the gander, as they say, and it's important to remember that, when groups associated with the charity sector are lobbying for better tax treatment so donations to the local food bank and women's shelter don't dry up, that these tax considerations apply to some of the biggest corporations in the country, be they charities or not.

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# Methodology

- ▶ This report focuses on the approximately 74,000 Charitable Organizations in Canada, and excludes Public and Private Foundations
- ▶ Using CRA category classifications, the data was summarized under category label, and then grouped according to the more relatable broad categories shown on the next page
- ▶ A cross reference table showing each CRA Category and The Charity Report designated broad category, is shown in Appendix A

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# Sectors within the charity sector

- Education
- Health
- Religion
- Relieving Poverty
- Community Services
- Arts
- Environment



# Anomalies

The quality of data gathered from people filling in forms, whether it be census forms or tax returns, depends on how well the filer fills in the blanks. In our research, we found three areas where a number of charities inaccurately completed their forms can, in some cases, significantly impact results.

- One applied to the some of the largest school boards in the country, among others, not breaking out full and part-time compensation, making the calculation of average salary misleading, if included. This anomaly applied to 126 organizations and reflected \$19.7 Billion in total compensation.
- Similarly, 26 organizations indicating full-time compensation, did not include the number of full-time employees in their organizations, reflecting \$1.6 billion in total compensation.
- Finally, there were 34 small organizations where they were filling in the line meant for the number of employees with the amount spent on compensation, for example if they spent \$8,500 on compensation, they used 8,500 as the number of employees. These 34 organizations inadvertently and cumulatively reported 840,623 employees against \$2 million of compensation.
- A summary of these anomalies and impacts and treatment in our results is shown in Appendix B.

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## How many charitable organizations have employees?

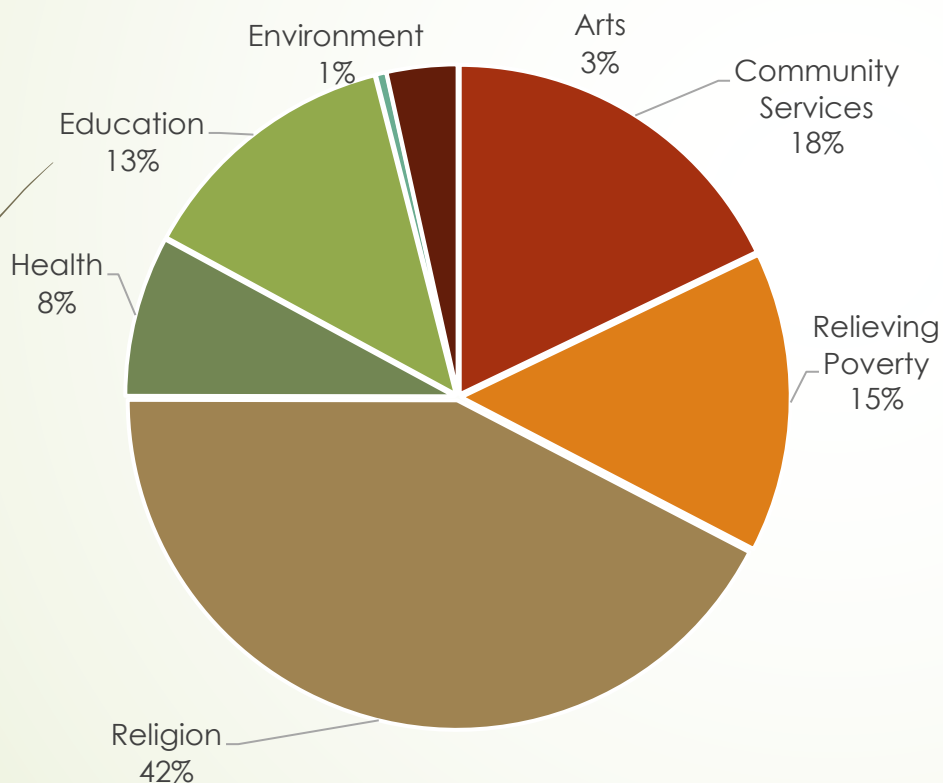
- Of the approximate 74,000 Canadian charitable organizations, 34,170 or 46% reported at least 1 full-time employee



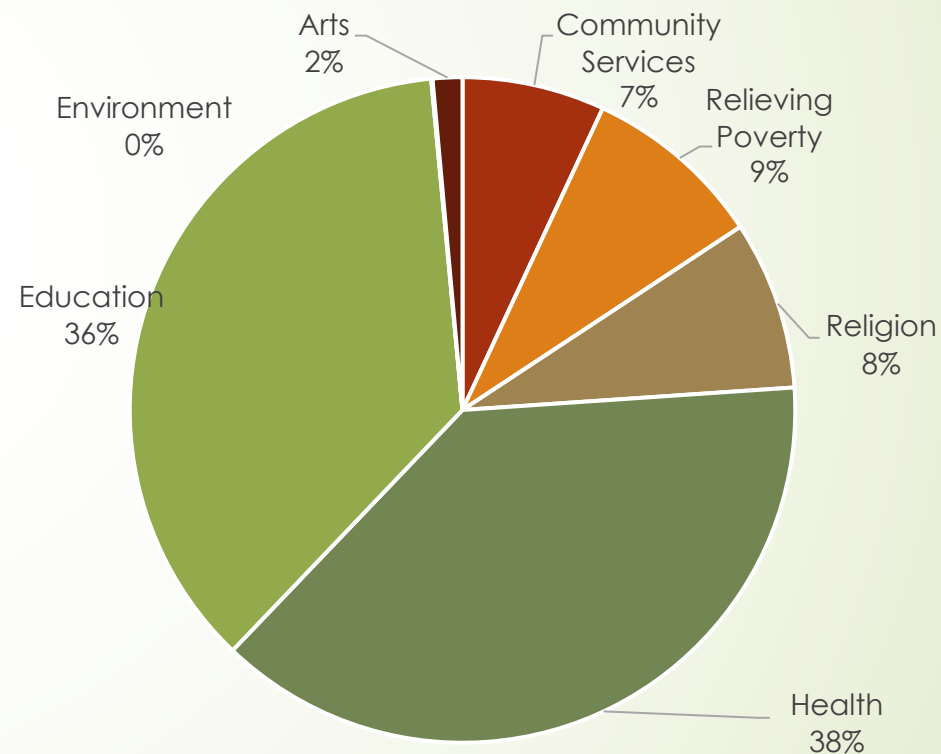
# Percentage of charities by sector vs percentage of full and part-employees by sector

Total Employees: 3,031,176 | Total Charitable Organizations: 73,794

## Percentage of charities



## Percentage of employees





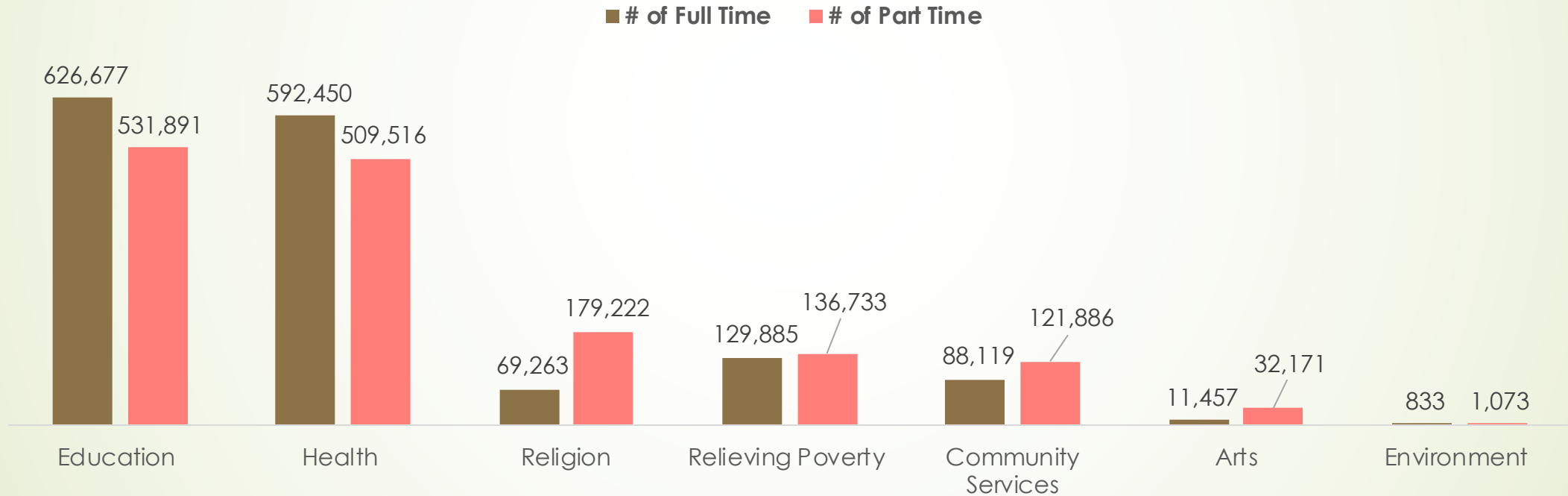
12

## Summary: Number of charities vs number of employees

- 42% of charitable organizations are engaged in religious activities; 8% of charity workers are employed by religious organizations.
- 18% of charitable organizations are engaged in community services; 7% of employees work in community service charities
- 15% of charitable organizations are engaged in relieving poverty; 9% of employees work at relieving poverty
- 13% of charitable organizations are engaged in education activities; 36% of employees work in education charities
- 8% of charitable organizations are engaged in health activities; 38% of employees are employed by health charities
- 3% of charitable organizations are engaged in the arts; 2% of employees are employed in arts charities
- 1% of charitable organizations are engaged in environmental work; less than 1% of the sector's employees work in environmental organizations



# Canada – Full-Time and Part Time Employee Breakdown by Sector



# Part-time Work


19% of the Canadian workforce is engaged in part-time work

50% of the charity workforce is engaged in part-time work

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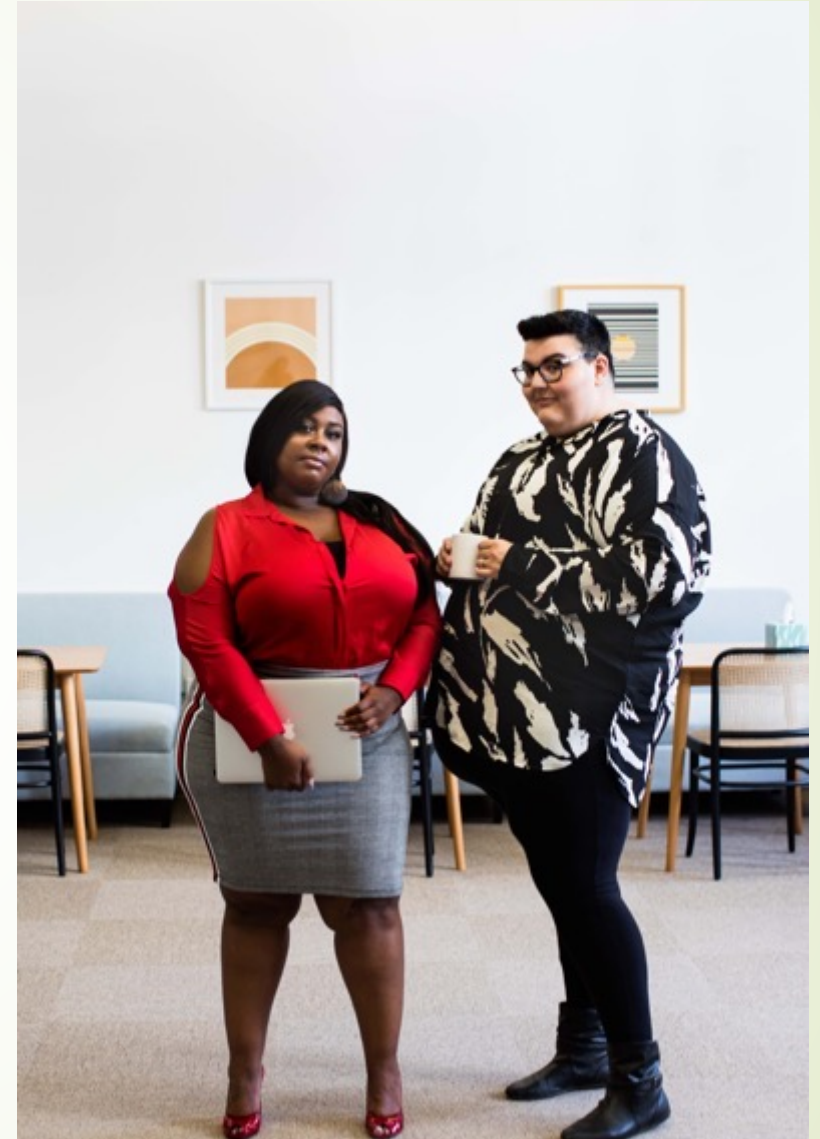


## The law of averages: Nobel-prize winning economist, Angus Deaton

Nobel-prize winning economist, Angus Deaton, honoured for his analysis of consumption, poverty, and welfare in 2015 also has concerns about measurement when studying inequity, especially when it comes to working in averages.

## Where you work entirely in averages ...

“In a world where you work entirely in averages, things like inequality and poverty are simply not legible without the detail of individuals.”







## Measurement as honest score

“There are many tools out there for people who want to make the world a better place,” he said in his Nobel acceptance speech at the University of Stockholm. “The key here is measurement as honest score keeping to find out whether something is working or whether it’s not working at all.”

*“We offer the information in this report while acknowledging much more measurement is needed to truly understand the dynamics of the sector.”*

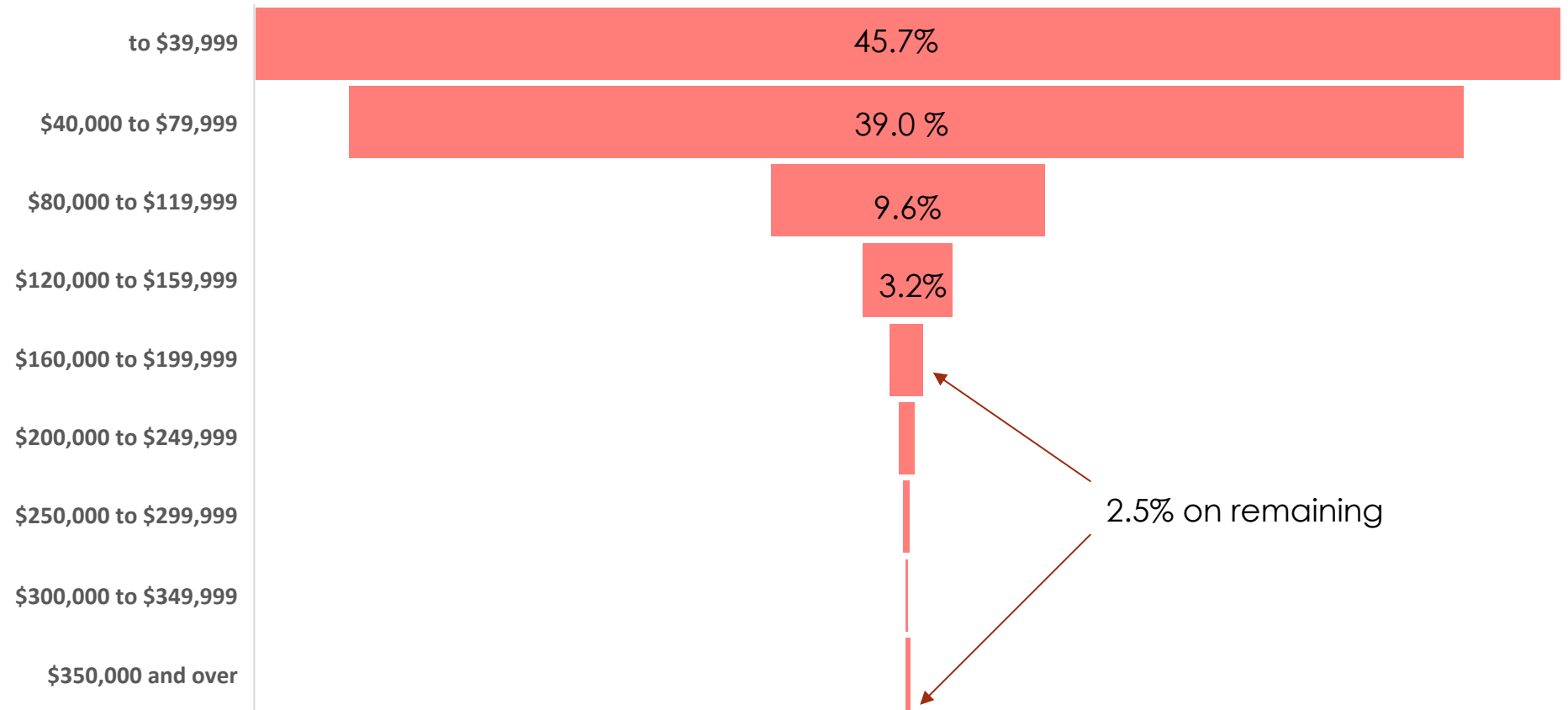
# Wage distribution

In 46% of charitable organizations, people earning less than \$40,000 represent the top 10 paid positions in their charity

In 39% of charitable organizations, people earning between \$40,000 and \$79,999, represent the top 10 paid positions in their charity



# Canada – Salary Distribution by Ranges 2018



■ Note: Data is for up to 10 of highest paid positions in each organization, breakdown as reported under CRA guidelines for T3010 information.

# Provincial Breakdown Basics

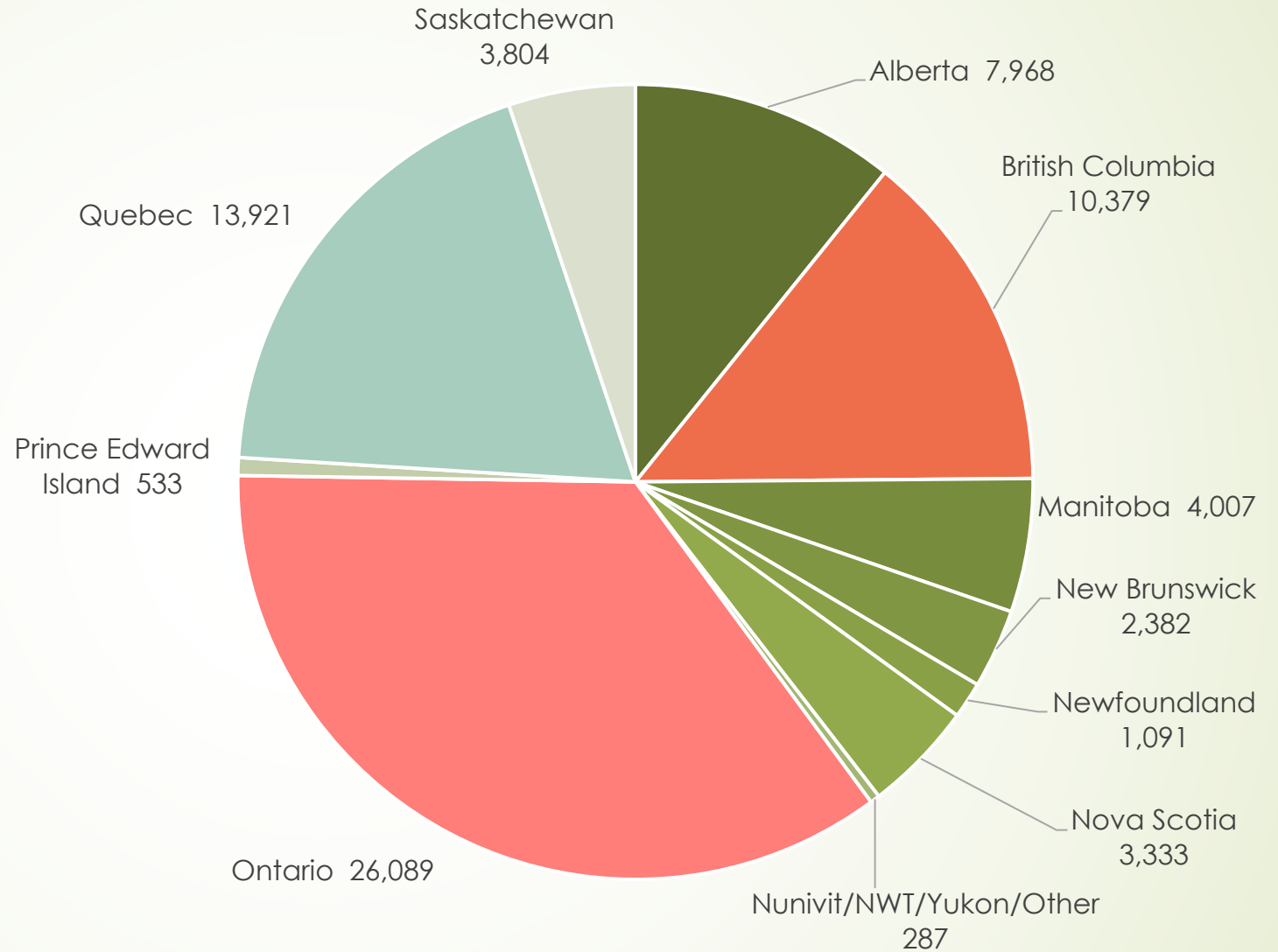
Charitable Organizations





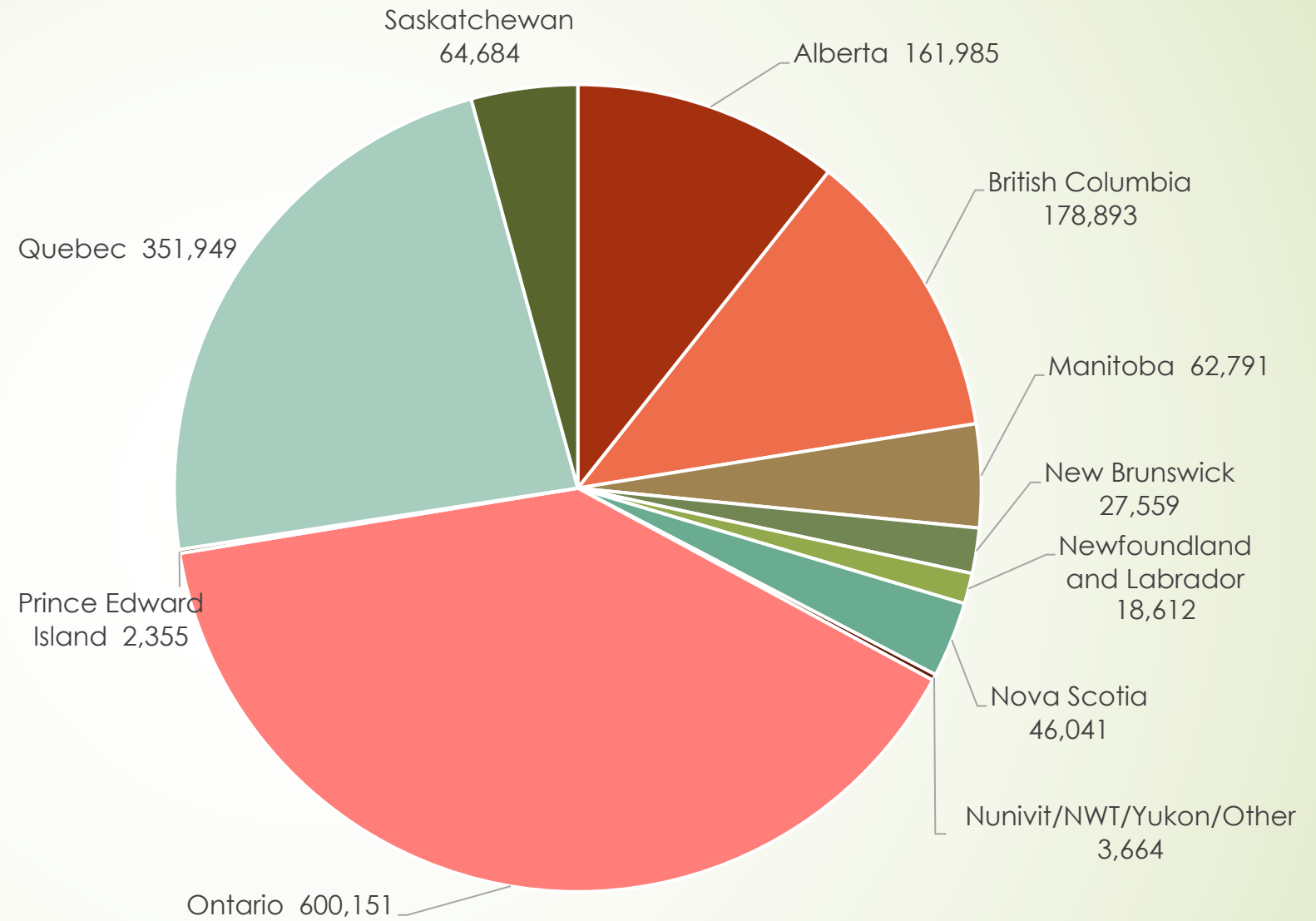
## Number of Charitable Organizations by Province

Total Organizations in Canada: 73,794



## Number of Full-Time Employees by province

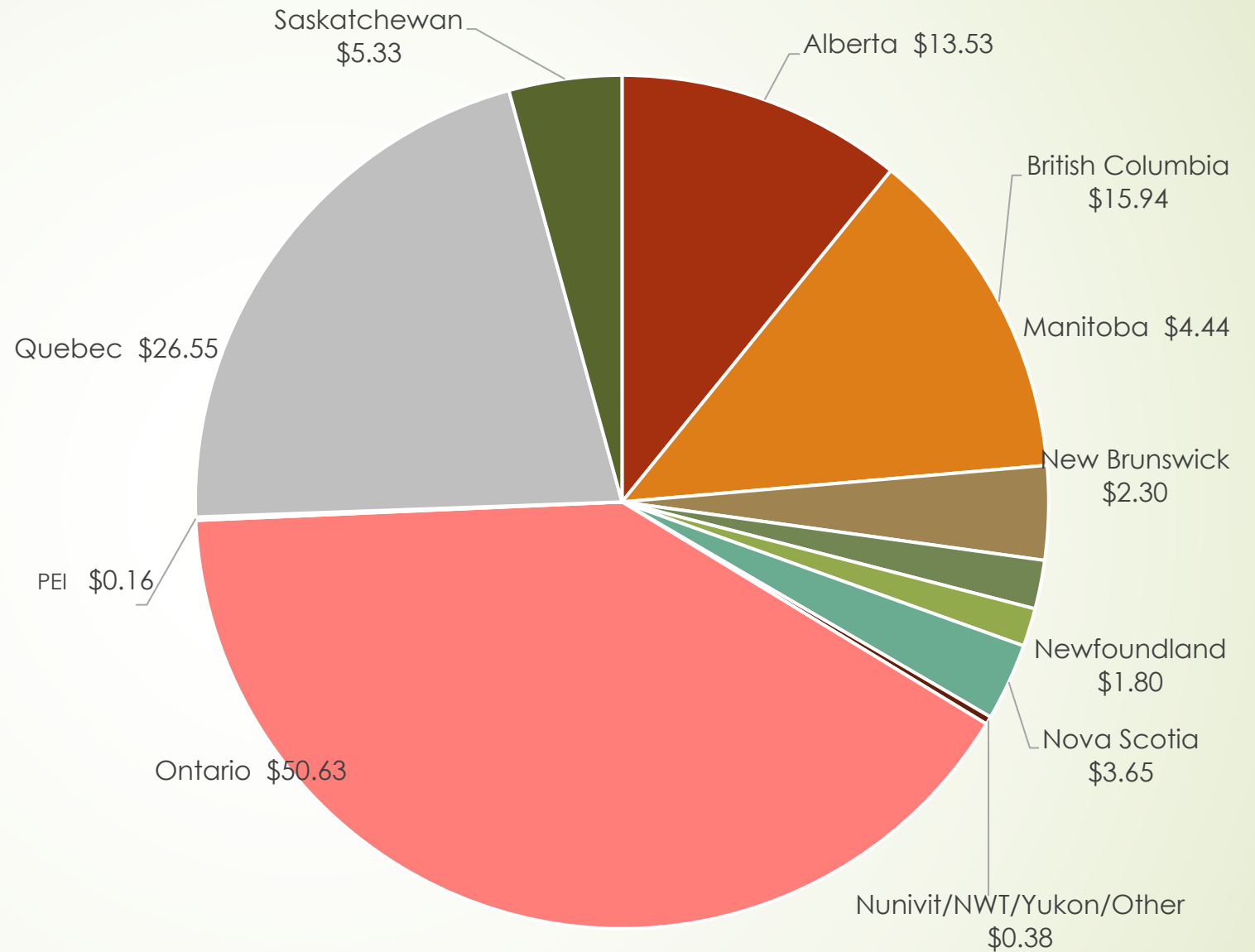
Full-Time Employees Measurable in Canada:  
1,518,684





Compensation for  
Full-Time  
Employees by  
province (\$ Billion)

Total Measurable  
Compensation:  
\$124.7 Billion



# Average Salaries by Province and By Sector

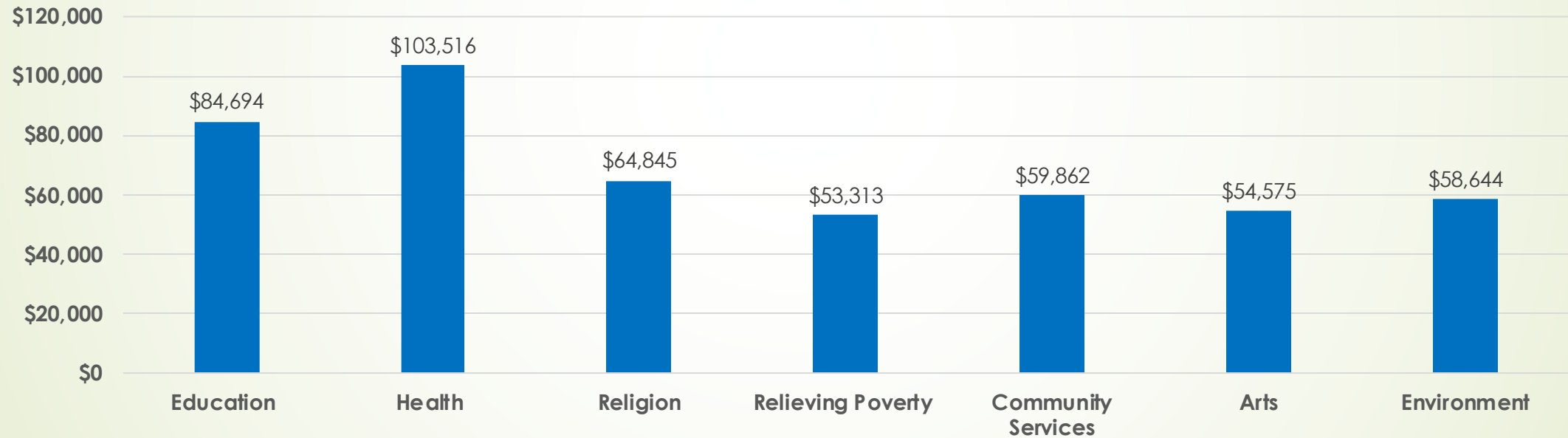
Full-time Employees





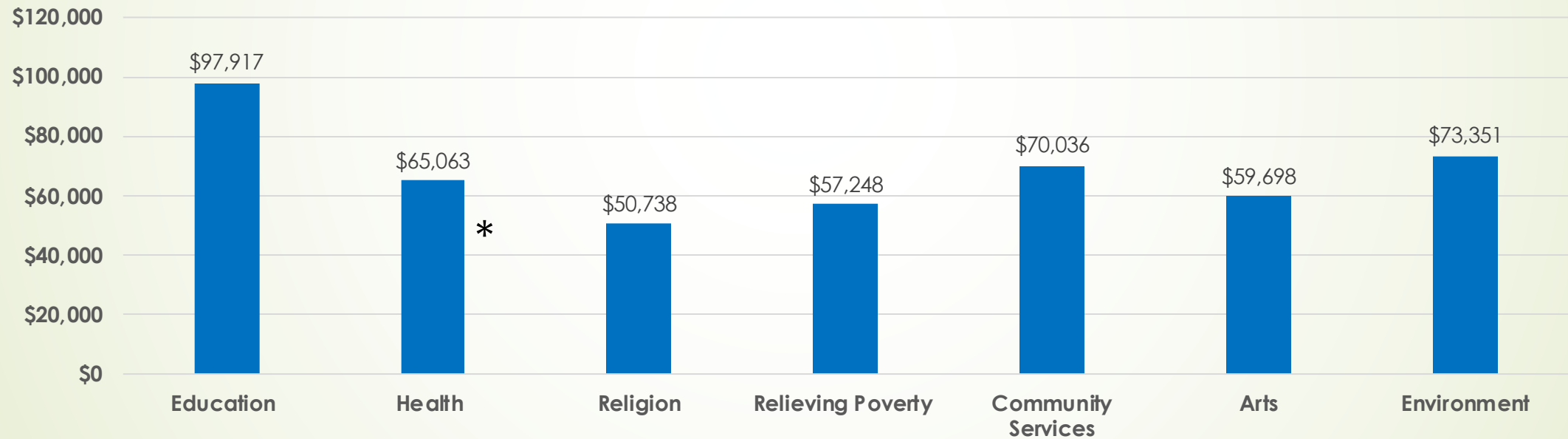
# British Columbia: Average Salary by Sector

Overall Average: \$86,035



# Alberta: Average Salary by Sector

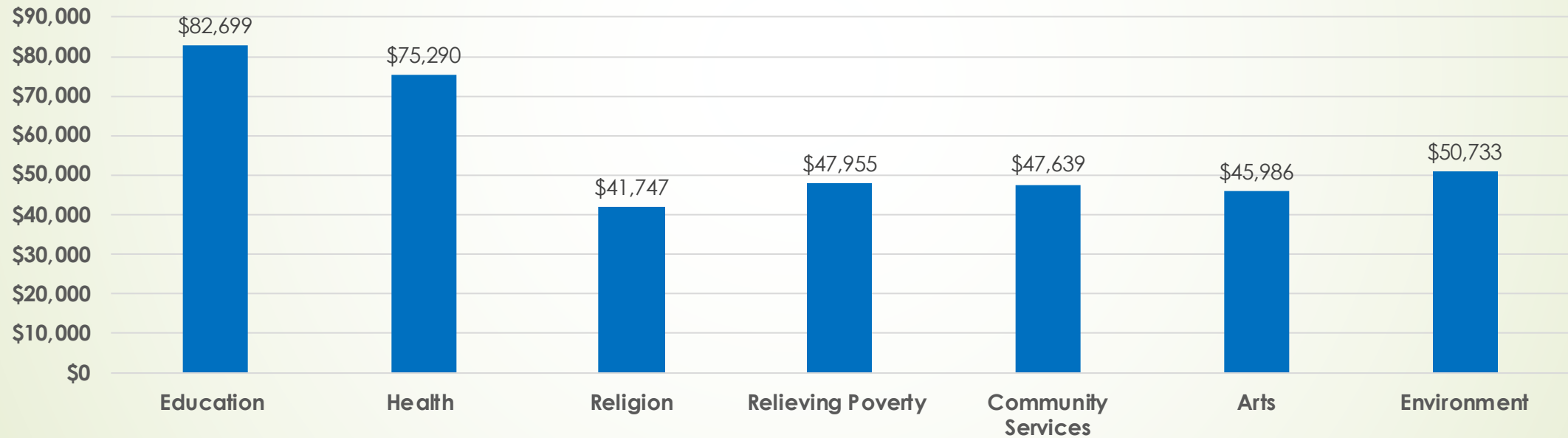
Overall Average: \$76,567





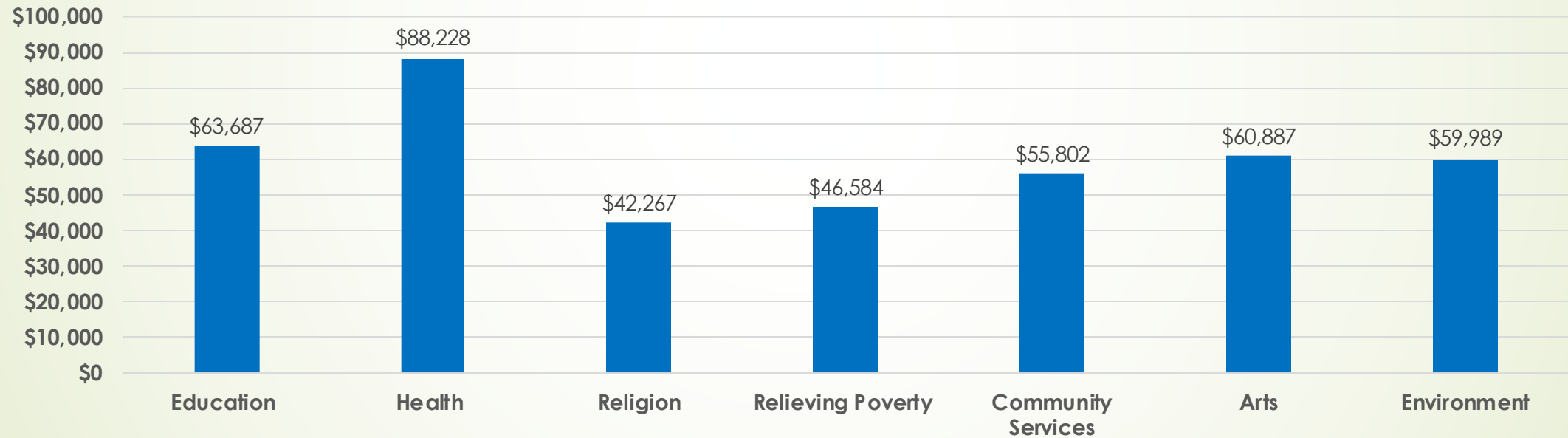
# Saskatchewan: Average Salary by Sector

## Overall Average: \$69,875



# Manitoba: Average Salary by Sector

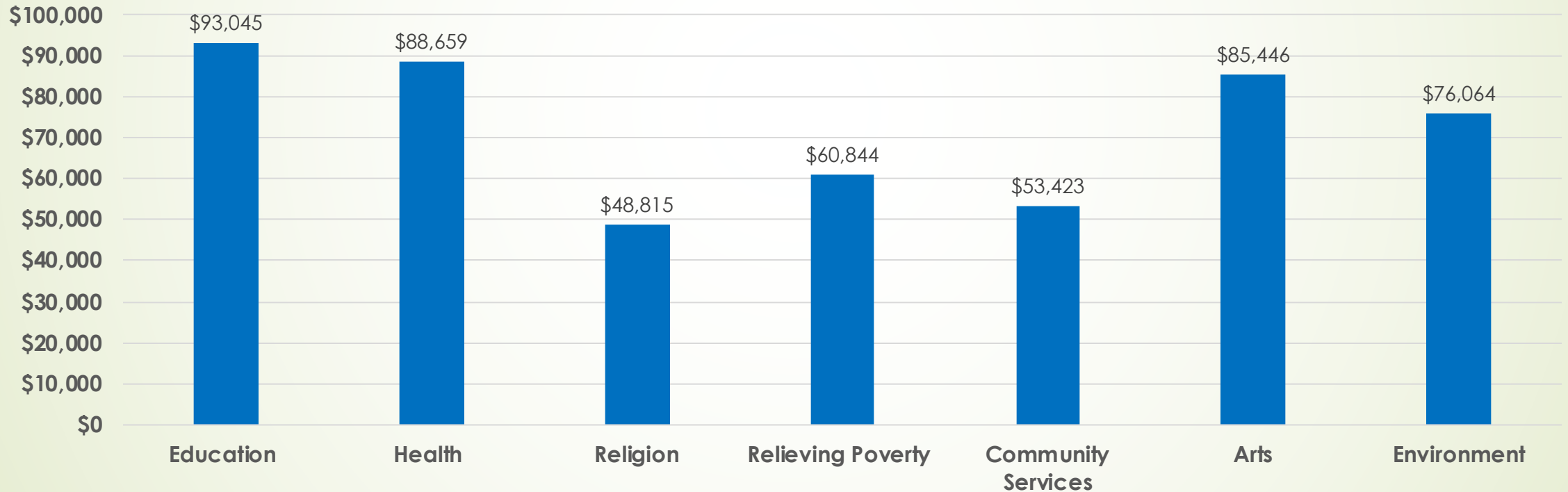
Overall Average: \$67,065





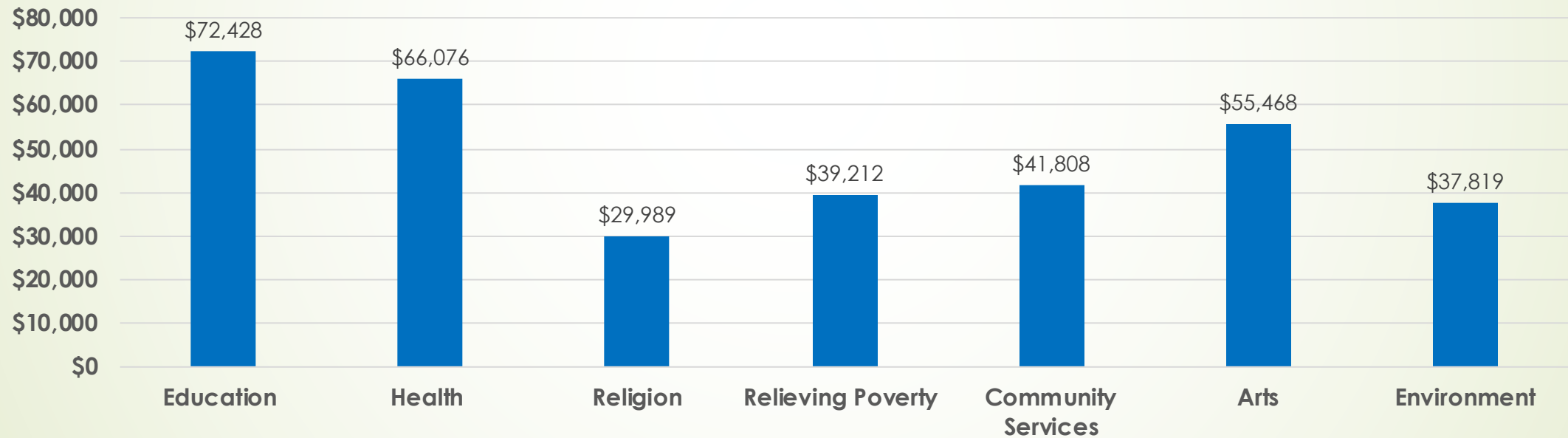
# Ontario: : Average Salary by Sector

## Overall Average: \$83,395



# Quebec: Average Salary by Sector

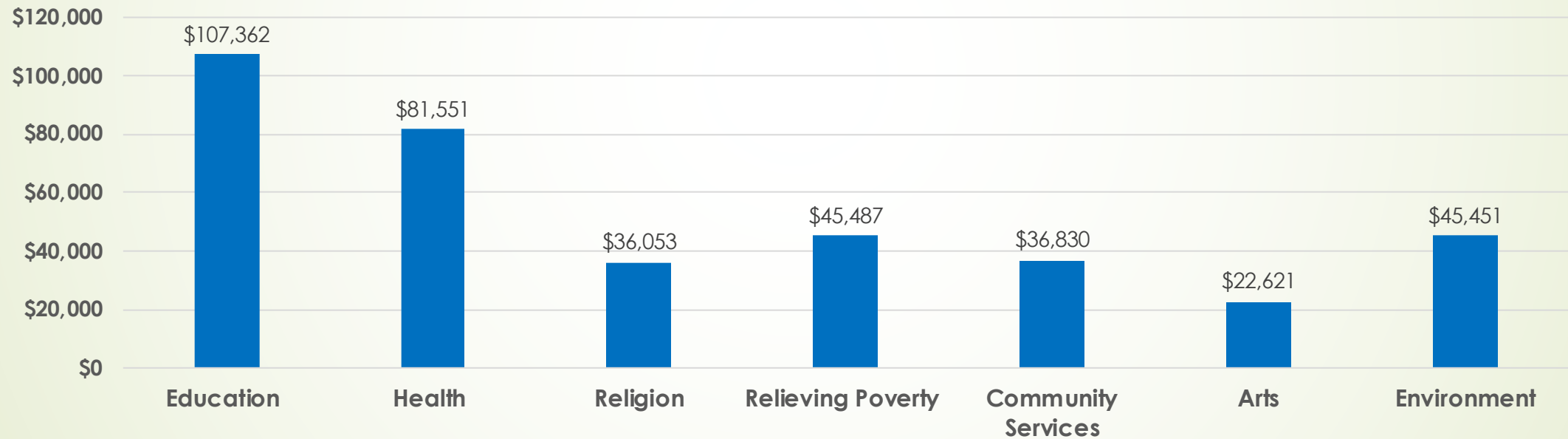
Overall Average: \$63,920





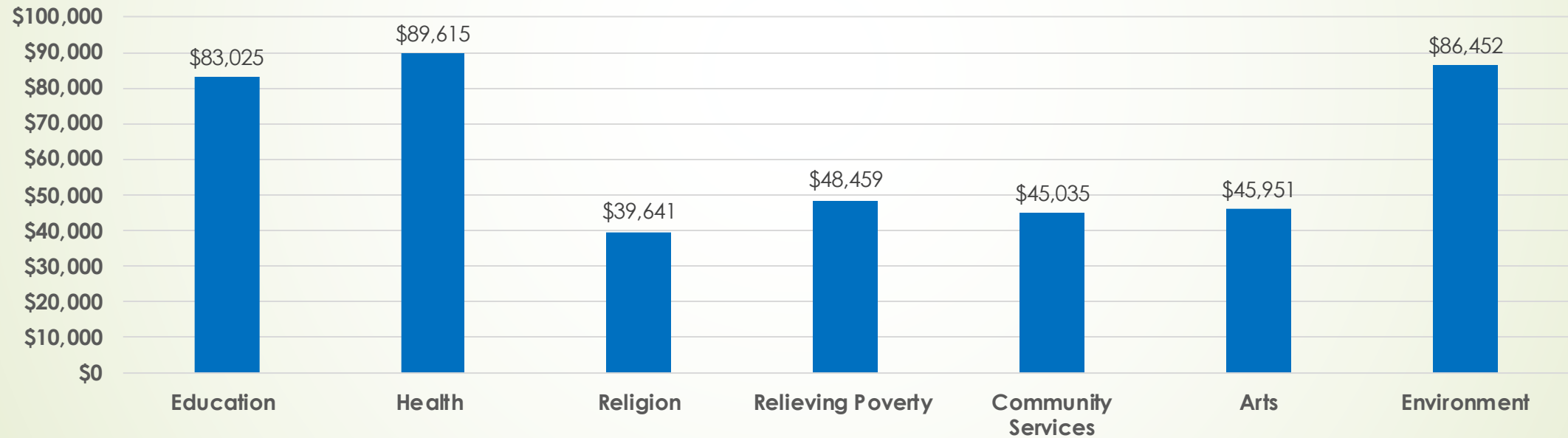
# New Brunswick: Average Salary by Sector

Overall Average: \$73,131



# Nova Scotia: Average Salary by Sector

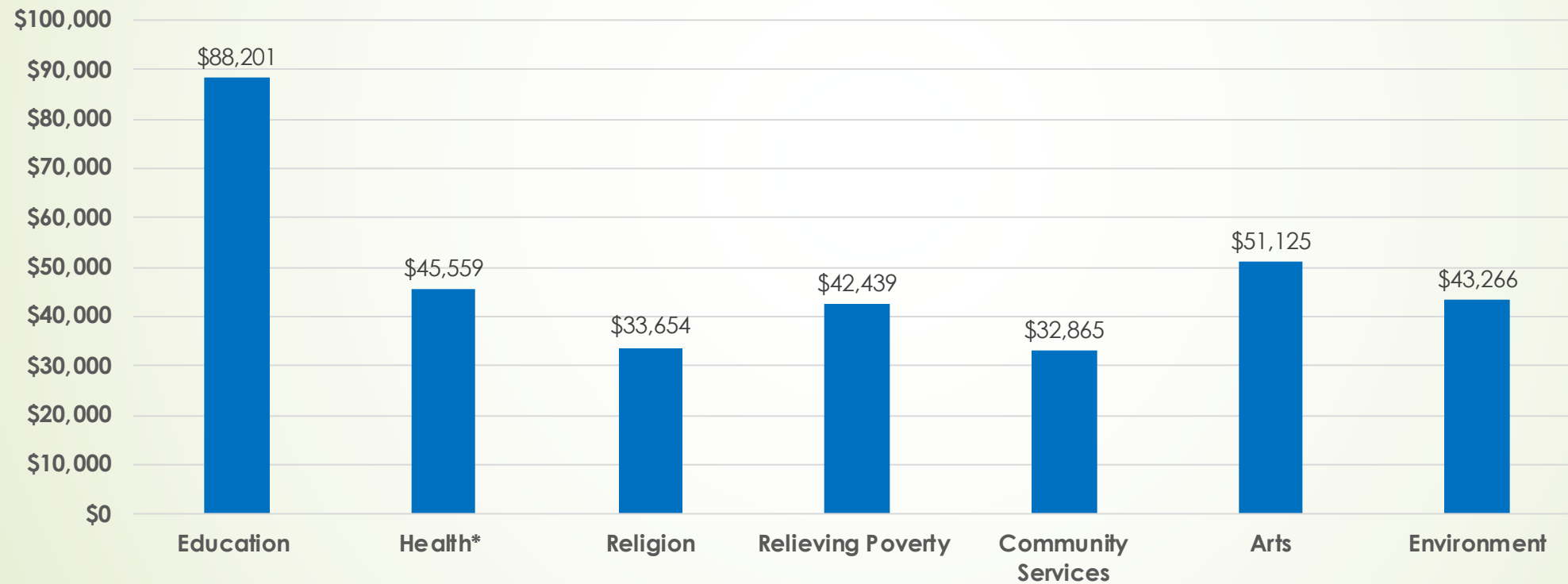
Overall Average: \$79,227





# Prince Edward Island: Average Salary by Sector

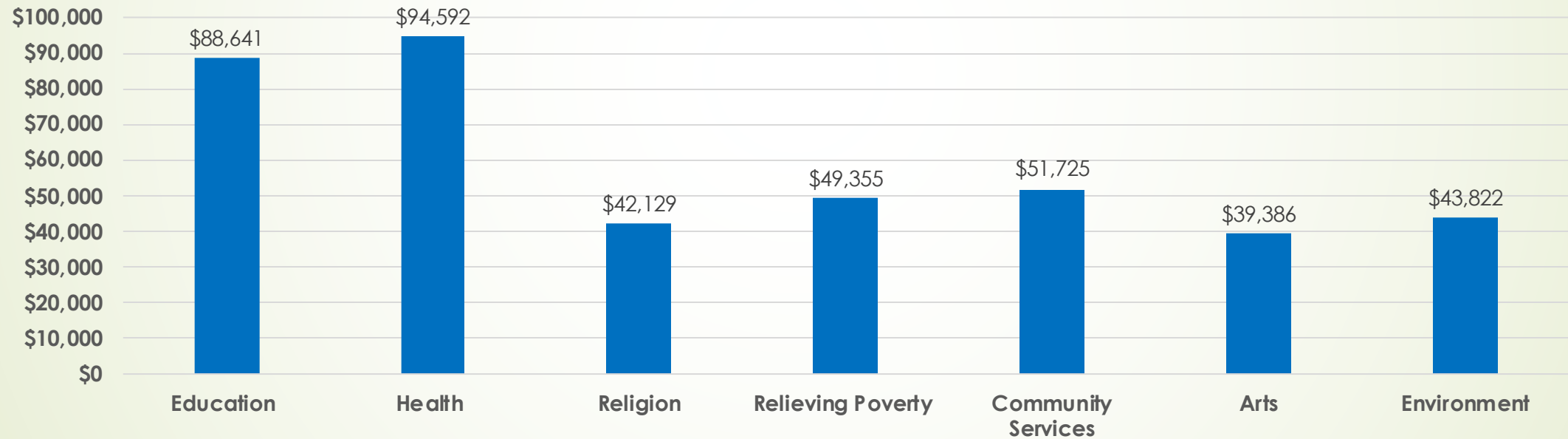
## Overall Average: \$66,941



\* Minimal reporting by PEI in this Sector.

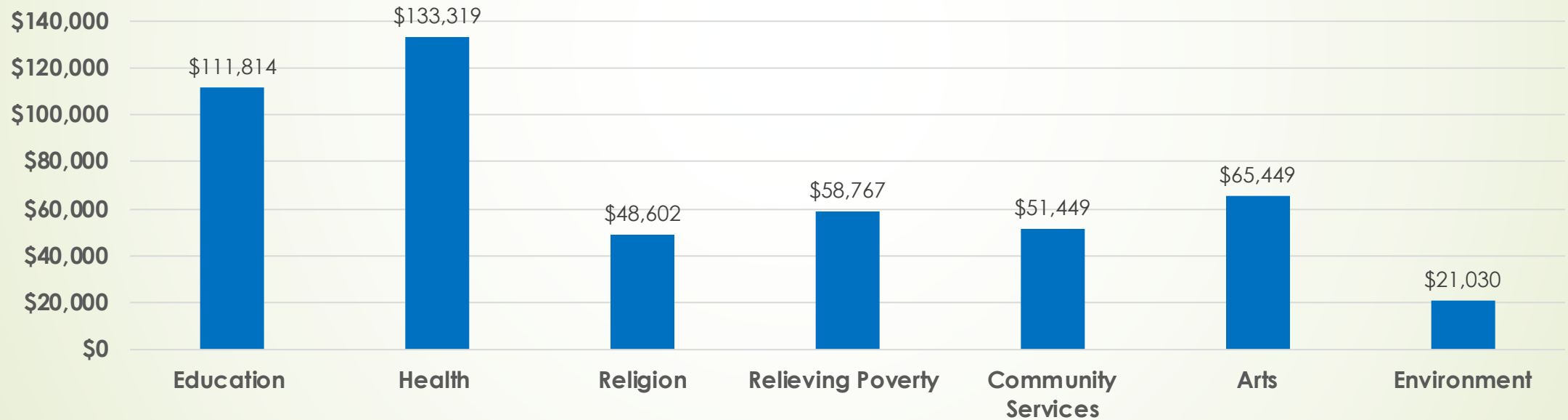
# Newfoundland and Labrador: Average Salary by Sector

## Overall Average: \$85,972



# Yukon, NWT, Nunavut: Average Salary by Sector

Overall average: \$103,442





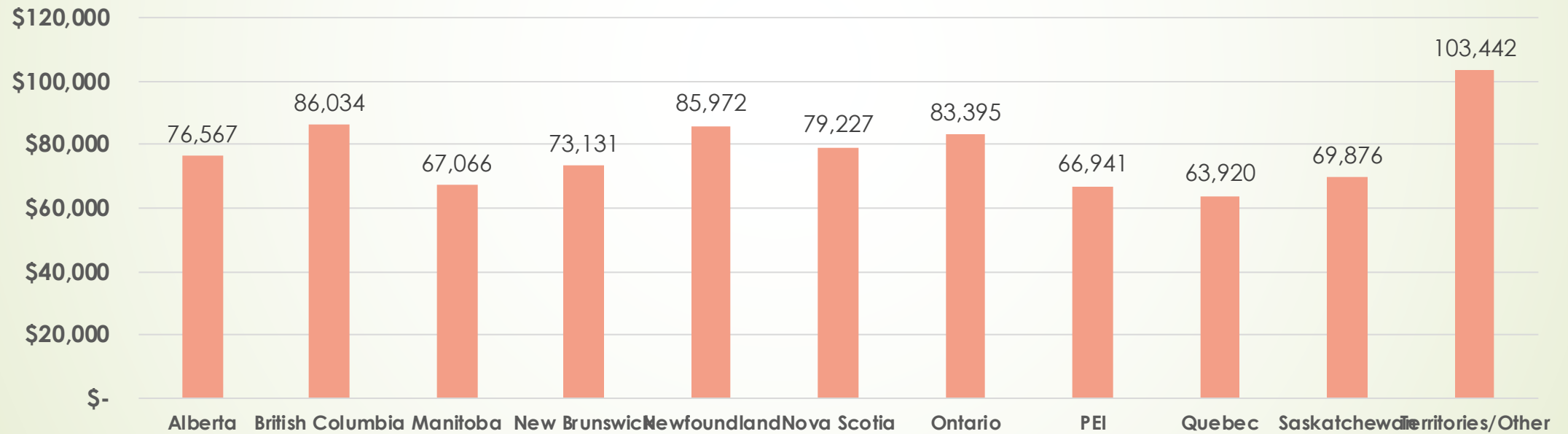
# Average Salaries

By Sector and Province



## Average Compensation by Province

Overall Average: \$77,827



# Education Sector by Province

## Overall Average: \$88,501





# Health Sector by Province

## Overall Average: \$84,679



# Religion Sector by Province

## Overall Average: \$43,498



# Relieving Poverty Sector by Province

Overall Average: \$49,969





# Community Services Sector by Province

## Overall Average: \$49,679



# Arts Sector by Province

## Overall Average: \$53,326



# Environment Sector by Province

## Overall Average: \$54,238







# General conclusions

All charities are not created equal.

If you're working in an education or health charity, your salary is most likely well above the national average and part time work is less common than other sub sectors.

But it turns out all provinces are not created equal.

If you worked in the health or education sector in 2018, you were earning, on average, well above the national average wage of \$55,800

If you worked in any other sector we studied—arts, community service, alleviation of poverty, environment or religion, 40% of your co-workers were likely to be part time and you were earning, on average, below the average annual income of \$55,800 reported by Statistics Canada in 2018.

The charities who pay the lowest average salary are involved in religion or the arts.

## Sector Differences

BC and Alberta: In all sectors, you will earn close to or well above the Canadian average salary

Saskatchewan: Only those working in health or education are likely to earn above the Canadian average. Charities involved in religion, relieving poverty, community services or the arts all pay well below the national average.

Manitoba: If you work in health, education, the arts or the environment, you are you likely to earn above the national average. If you work in a charity involved with religion, community services or relieving poverty, you will likely not.

Ontario: You are likely to earn more than national average unless you work in religion.

Quebec, New Brunswick, PEI, Nova Scotia, and Newfoundland and Labrador: Only those working in health and education are likely to earn more than the national average. Those involved in religion, relieving poverty, community services, the environment or the arts will likely not.

Yukon, NWT, Nunavut: Those involved with health, education, relieving poverty or the arts are likely to earn more than the national average. Those involved in community services, arts and the environment are not.

# Provincial Differences





One of metrics of success in modern-day charities includes the way in which a charity compensates its employees.

Each individual charity will consider how the salary structure is working for employees, beneficiaries of the charity and the overall mission.

# Appendix A: CRA Categories

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CRA Category Number	CRA Description	Charity Report Classification
1	Organizations Relieving Poverty	Relieving Poverty
10	Teaching Institutions	Education
11	Support of schools and education	Education
12	Education in the Arts	Education
13	Educational organizations not elsewhere categorized	Education
14	Research	Education
15	Foundations Advancing Education	Education
30	Christianity	Religion
40	Islam	Religion
50	Judaism	Religion
60	Other Religions	Religion
70	Support of Religion	Religion
90	Foundations Advancing Religions	Religion
100	Core Health Care	Health
110	Supportive Health Care	Health
120	Protective Health Care	Health
140	Complementary or Alternative Health Care	Health
150	Relief of the Aged	Health
155	Upholding Human Rights	Community
160	Community Resource	Community
170	Environment	Environment
175	Agriculture	Community
180	Animal Welfare	Community
190	Arts	Arts
200	Public Amenities	Community
210	Foundations	Community
215	National Arts Service Organization (NASO)	Arts

# Appendix B: Impact and Methodologies for Anomalies (continued next page)

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	No PT Compensation with PT Employees (Note 1)		# of FT Employees Not Provided (Note 1)		Primarily Compensation instead of # of FT Employees (Note 2)		
	# of Orgs	\$B Impact	# of Orgs	\$B Impact	# of Orgs	# FT Employees	\$B Impact
Ontario	33	\$4.1	10	\$0.09	16	381,023	neg
Quebec	32	\$10.0	3	\$0.3	3	133,688	neg
British Columbia	16	\$1.15	5	\$0.2	4	90,258	neg
Alberta	8	\$0.4	3	\$1.0	2	27,125	\$0.001
Manitoba	12	\$0.4	1	\$0.01	1	27,500	neg
Saskatchewan	8	\$2.8	0	0	2	34,567	neg
Newfoundland	3	\$0.2	1	neg	1	8,250	neg
Nova Scotia	5	\$0.05	0	0	2	64,140	neg
New Brunswick	9	\$0.6	3	\$0.1	3	74,072	neg
PEI	0	0	0	0	0	0	neg
Territories	0	0	0	0	0	0	neg
<b>Total</b>	<b>126</b>	<b>\$19.7</b>	<b>26</b>	<b>\$1.7</b>	<b>34</b>	<b>840,623</b>	<b>\$0.002</b>

## Appendix C: Impact and Methodologies for Anomalies

### Note 1:

For Ontario, Quebec, British Columbia and Alberta, any organization with this anomaly, AND with less than \$3.5 Million in Total Compensation, had ALL of their data excluded for the purpose of calculating salary averages. For remaining, smaller provinces, any organization with this anomaly, AND with less than \$1.0 Million in Total Compensation, had ALL of their data removed for the purpose of calculating salary averages.

### Note 2:

The erroneous FT Employee data was removed from ALL ASPECTS of reporting employee stats and salary averages.



Questions or suggestions, please email:  
[research@thecharityreport.com](mailto:research@thecharityreport.com)

We welcome all feedback.