

Include a Charity

FIA

7 November 2019



include *a charity*
Help the work live on.
www.includeacharity.com.au

Background



- Include A Charity (IaC)'s objective is to raise awareness of the ease and effectiveness of leaving a Gift in Will (GiW). It encourages people to consider leaving a gift to charities after considering family and friends
- IaC is the combination of Australia's favourite charities working together to do what no single charity has ever been able to achieve on its own - change the way Australians think about including charities in their will
- IaC has 3 key goals it measures (see next slide)
- Surveys have been conducted on a regular basis:
 - General population over 55: the last one in 2016 was an email (n=500)
 - Solicitors: in 2013, solicitors were recruited over the phone using a list purchased from a third party provider and invited to complete an online survey (n=52)
- It is imperative that the Board and charity partners are confident in the results so the methodology must be representative, ideally comparable to previous years. Therefore a decision was made to increase the sample size for the general population and have a shorter survey with the focus on measuring the 3 key goals

Research objectives



The research objectives were to measure the progress towards the 2020 goals:

A. General Population over 55s

Goal 1: Increase consideration to 20%

- » Measure: Have you ever considered leaving a donation to a charity or not-for-profit organisation in your will? % Yes, base is those who have not left a gift in their will already
- » 2016 score: 17%

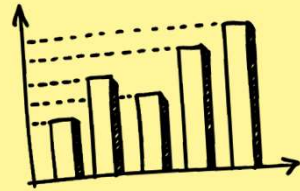
Goal 2: Increase non-rejecters to be consistently over 30%

- » Measure: When you next update your will/make a will how likely are you to leave a donation to a charity or not-for-profit organisation in your will? (% is sum of definitely, probably, maybe/maybe not), base is all over 55s
- » 2016 result: 26%

B. Solicitors

Goal 3: Increase % of solicitors likely to ask their clients about including a gift in their Will from 27% to 40%

- » Measure: Generally, how likely are you to raise the idea of a charitable bequest with clients (% is sum of definitely and probably)
- » 2013 result: 27%



A. General
Public

Methodology



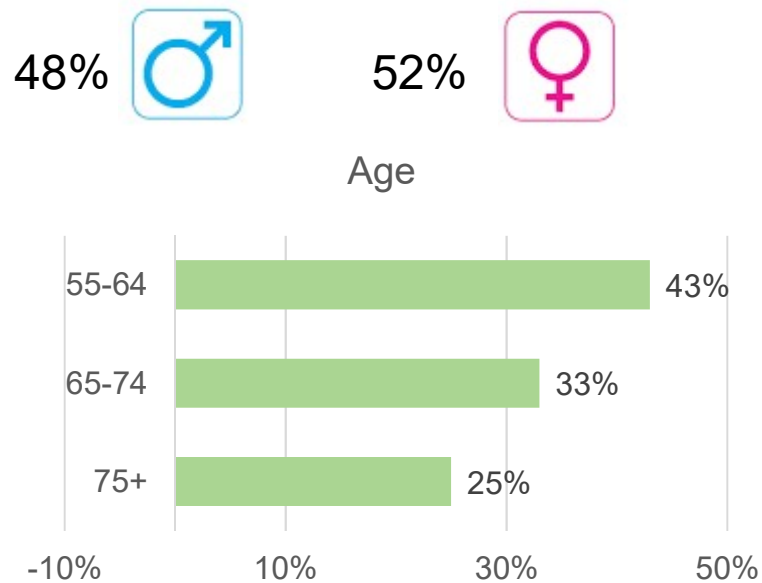
- Surveys were conducted via email using an established panel provider
- Only those over 55 were invited to complete the survey
- Stringent quotas on age groups, location and gender were applied to ensure that the results are representative of the general population over 55. Where these were not possible to achieve, weights were applied.
- The total sample size was n=1510
- This provides an accuracy level:
 - **at one point in time** of +/-2.5 %age points
 - **over time** (this takes into account extraneous factors which many have impacted over time) of +/-3.6 %age points where base sizes are both n=1500, and +/-5.0 %age points where n=1500 in 2019 and n=500 in 2016at the 95% confidence interval

Demographic and social changes

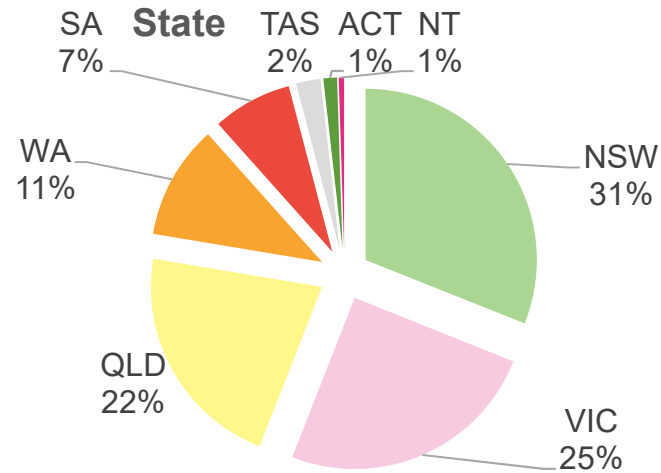


- The majority of Baby Boomers were born between 1945 and 1955. They are now predominantly in the 65-74 age group
- Many of the parents of the Baby Boomers have now passed away so the 75+ age group is not necessarily 'Builders'
- The attitudes of each of these cohorts may be different and hence the overall statistics will reflect the proportions of these cohorts
- Lower fertility rates: incidence of children decreases with each of the 10 year cohorts
- Children living at home longer so those parents aged 55-64 might not be confident that their own children will be able to be self-sufficient
- Lower proportion of defined benefits for the 55-64 year old age group

Profile of respondents



Q1. Which age group? Base: All respondents n=1510

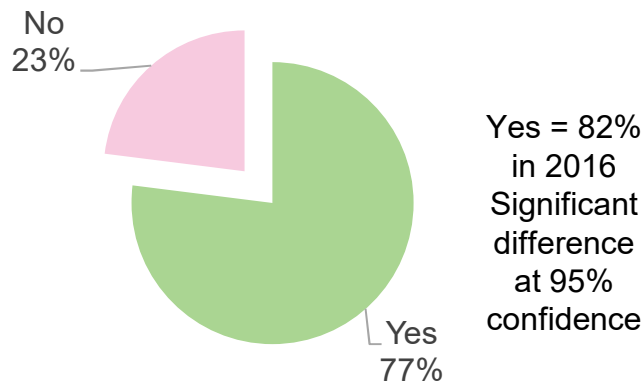


Q2. Where do you live?, Base: All respondents, n=1510

Incidence of wills has decreased overall as the current 55-64 cohort have lower incidence

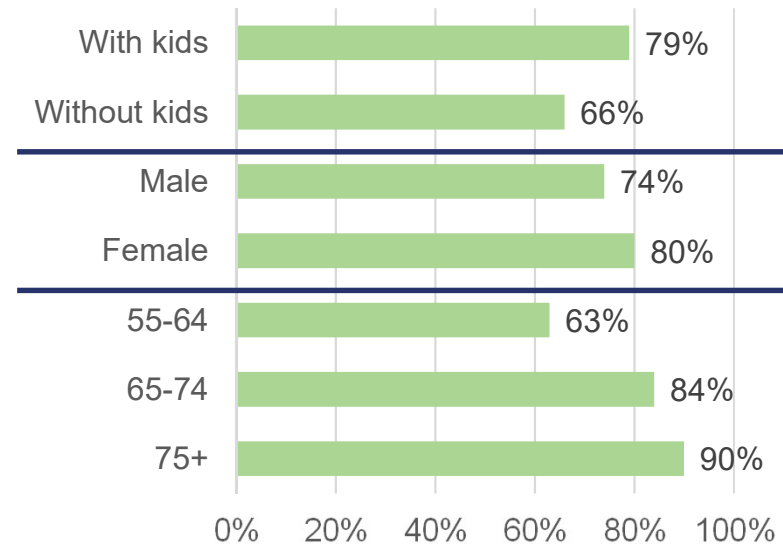


Incidence of wills



Q4. Have you made a will for yourself? Base: All respondents, n=1510

Incidence of wills by demographic

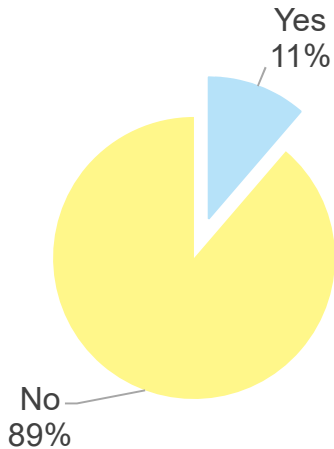


Those aged 55-64 are significantly less likely to have made a will compared to those 65-74 and 75+; Those aged 65-74 are significantly less likely to have made a will than those aged 75+. Those with kids are more likely to have made a will than those without kids

Incidence of gifts in wills now at 11%, with those who are without kids up to 29%



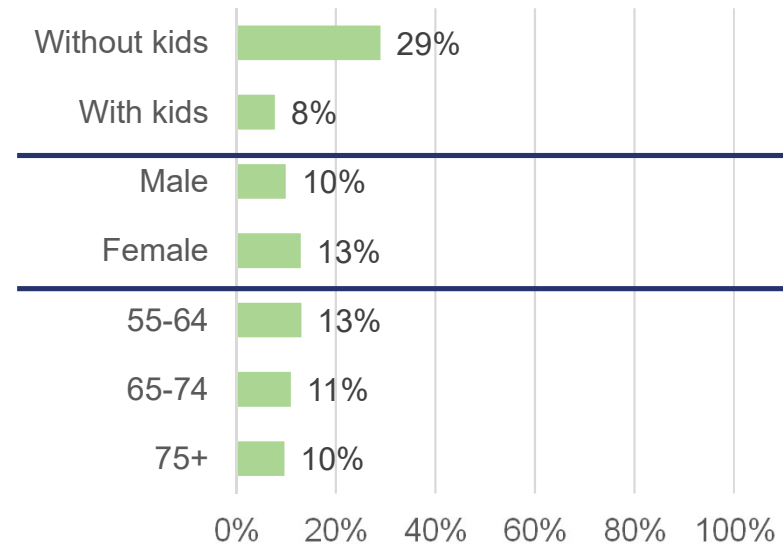
Incidence of gift in will



Yes = 8% in 2016 (not significant at 95% or 90% confidence)

Q5. Have you left a gift in your will? Base: All respondents who have a will, n=1145

Incidence of gift in will by demographic

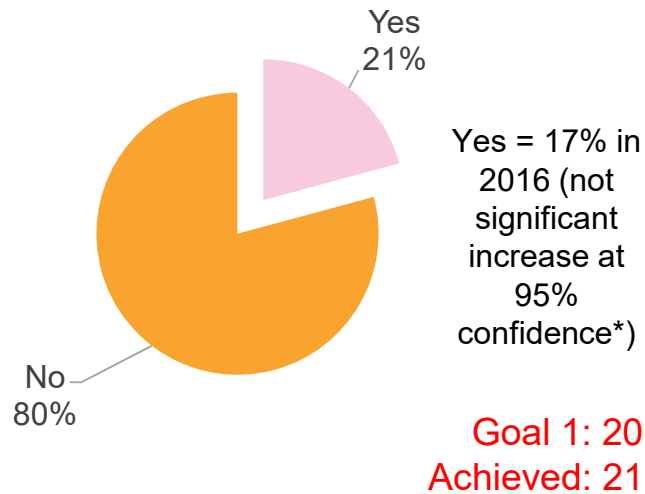


Females are significantly more likely to have left a gift in their will than males. Those without kids are significantly more likely to have left a gift in their will

Those who have considered leaving a GiW now at 21%, again driven by those without kids

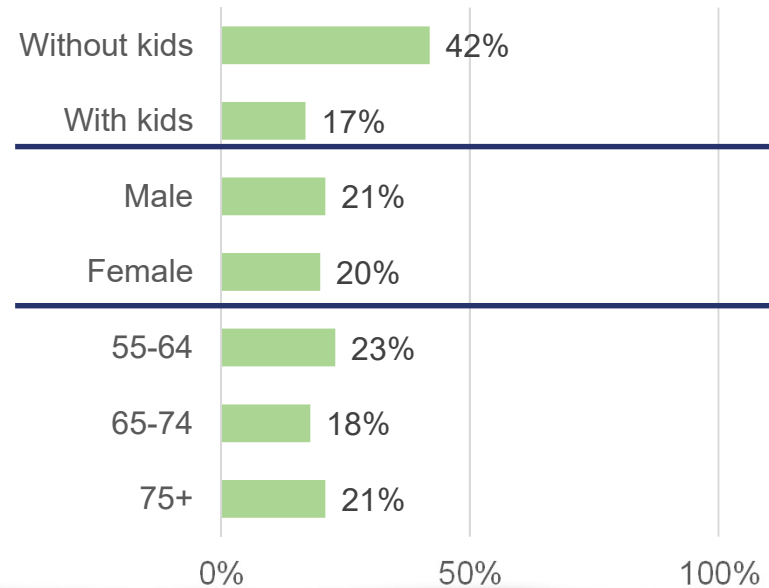


Considered leaving a Gift in Will



Q6. Have you ever considered leaving a gift to charity in your will?
Base: All respondents who have not already left a gift to charity in their will (includes those who do not have a will), n=1025

Considered leaving a Gift in Will



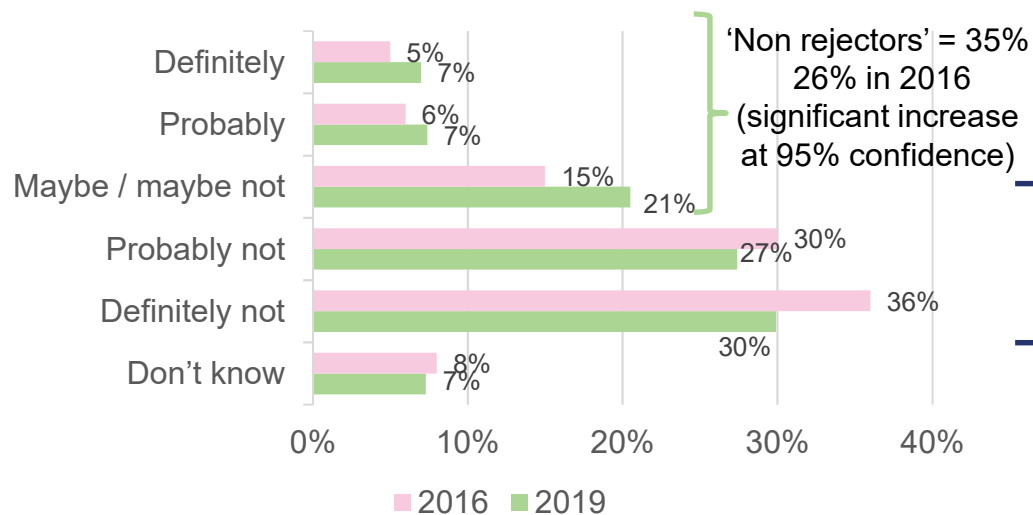
Higher proportions of those without kids, compared to those with kids, have considered leaving a Gift in their Will

*Note: if the 2016 sample size was n=1500, this would be a significant increase over time

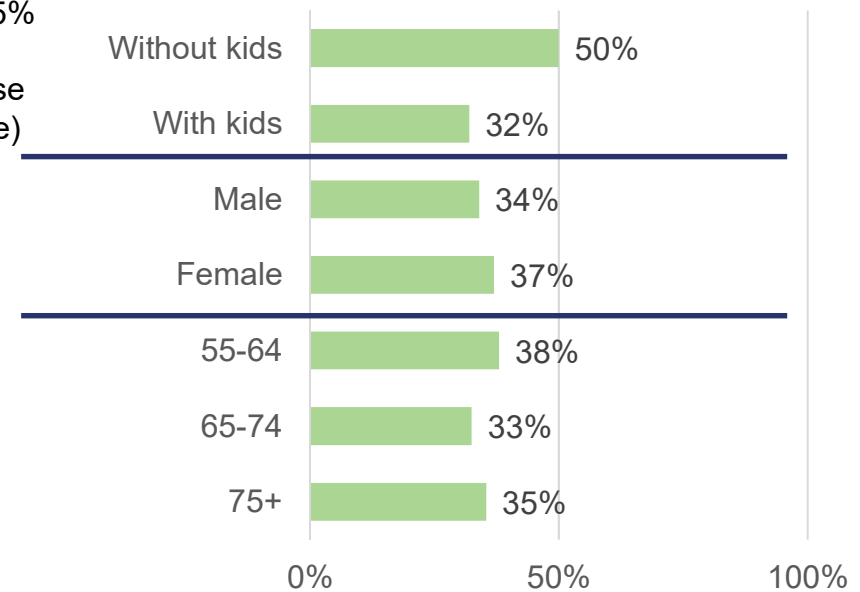
Non-rejectors increased significantly, with high proportions of those without kids increasing the overall incidence



Consider leaving a Gift in Will **Goal 2: 30%**
Achieved: 35%

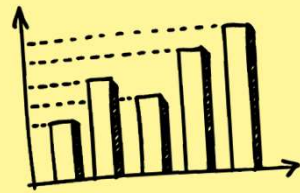


Non-rejectors



Q9. When you next update your Will/make a Will, how likely are you to leave a donation to a charity or not-for-profit organisation in your Will? ? Base: All respondents n=1507

Females more likely to say they will 'Definitely' consider leaving a Gift than males; higher proportions of 55-64 saying they will 'probably' leave a Gift compared to the other age cohorts; higher proportions of those without kids indicate that they would 'definitely'



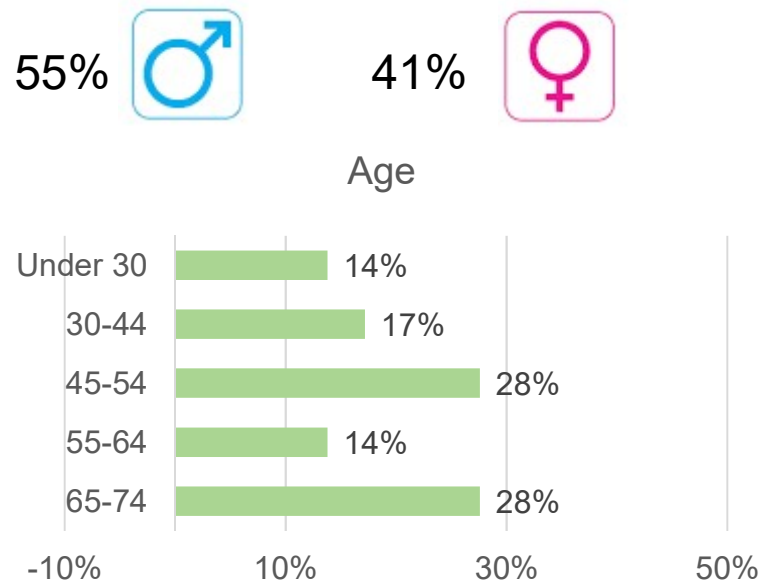
B. Solicitors

Methodology

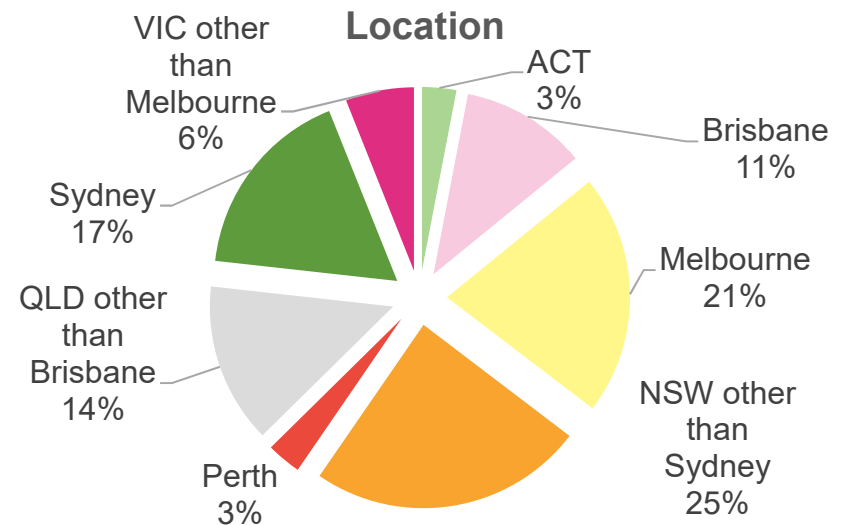


- A total of 523 survey invitations were emailed to solicitors during September from a list provided by laC. 102 emails bounced.
- laC also promoted the survey through the Lawyers' Weekly database in the form of anonymous link
- The laC committee also promoted the survey through their legal contacts
- Solicitors who wrote less than 1 will per month, were not eligible to complete the survey
- This yielded a total of n=29
- Note: given the low sample size, interpret with caution

Profile of solicitors



Q9. Which age group? Base: All respondents n=29

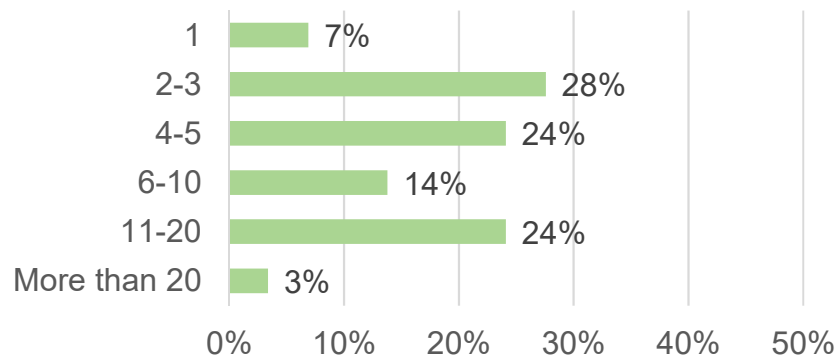


Q10. Where is your work located?, Base: all respondents n=29

Profile of solicitors *continued*



Number of wills per month

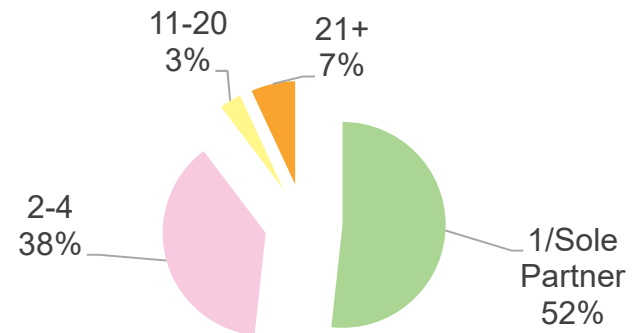


Q1 On average, how many wills per month do you write?
n=29

39% employees; 61% partners

Q8. Are you: n=29

Number of partners in practice

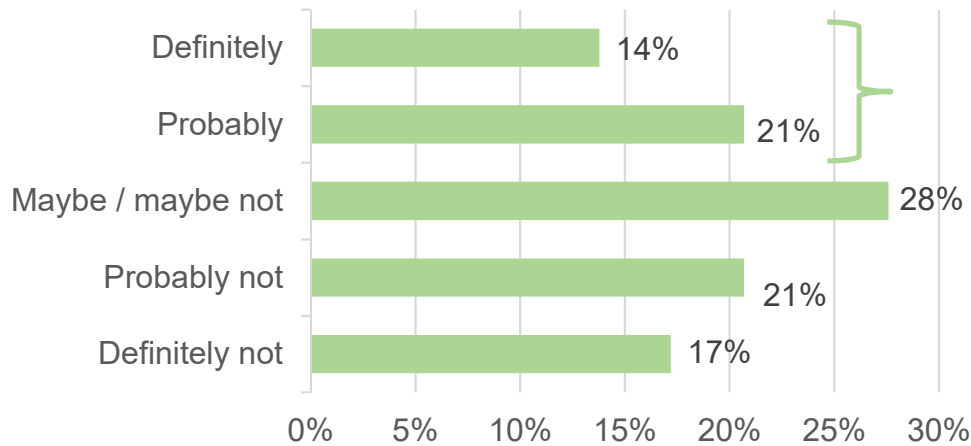


Q7. How many partners in your practice? n=29

Goal of those likely to raise the idea of bequests with clients not yet achieved



Raise the issue of leaving a Gift in Will



35% either definitely or probably likely to raise the issue of bequests with clients (up from 27% in 2013 – not significant but small sample sizes)

If we measure it as 'non-rejectors', score would be 63%

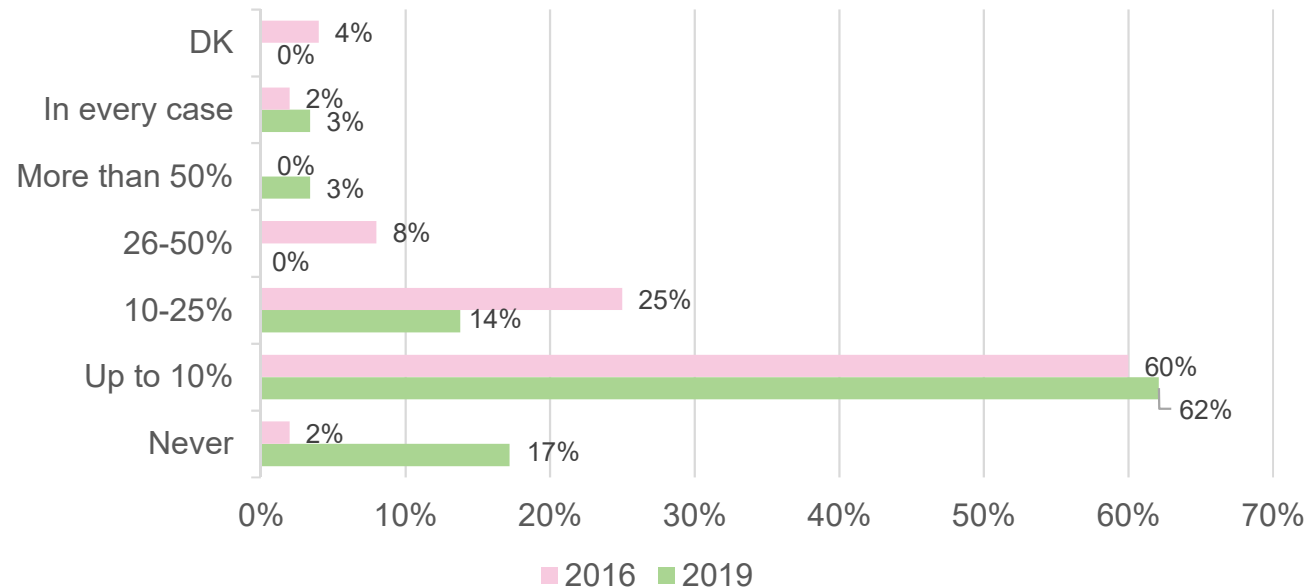
Goal 3: 40%
Achieved: 35%

Q6. Generally, how likely are you to raise the issue of bequests with clients? Base: All respondents n=29

Increase in the proportion of clients 'never' raising the issue of a GiW



Clients raise the issue of leaving a Gift in Will

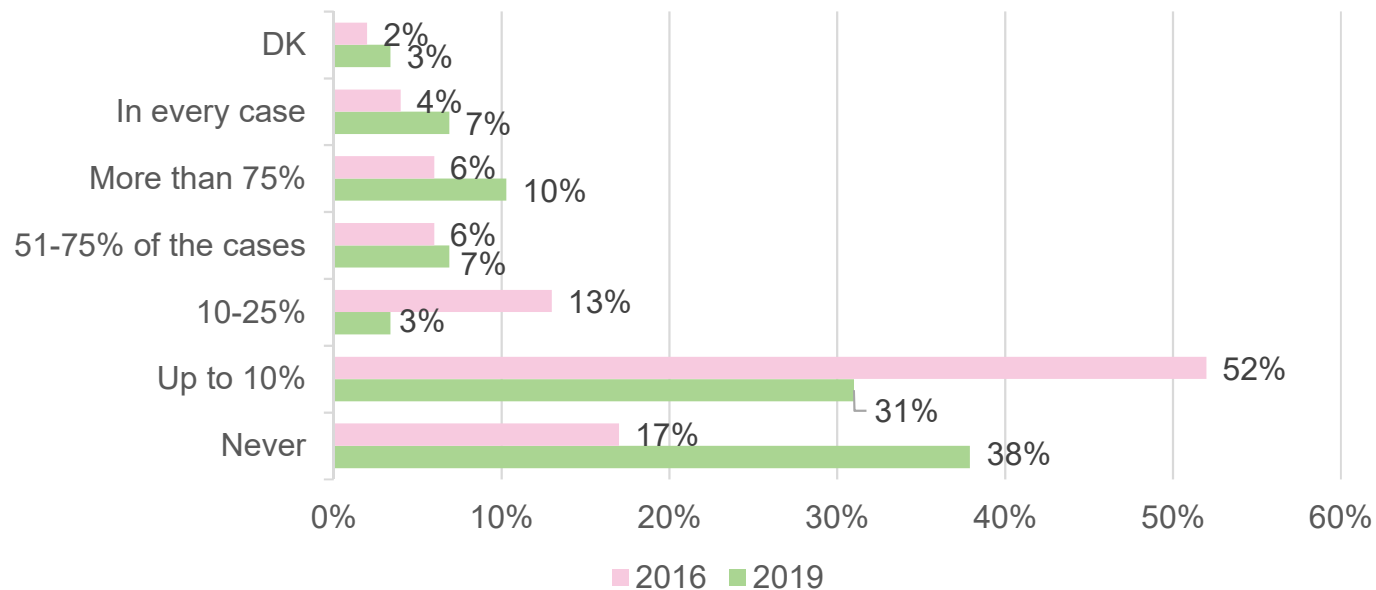


Q2. On average, over the last 6 months, when you have been discussing Wills with clients, in approximately what percentage of cases do clients raise the issue of making a charitable bequest in their Will? Base: All respondents n=29

Still a notable proportion of solicitors saying they have 'never' raised it if the client does not raise it



Solicitors raise the issue of leaving a Gift in Will

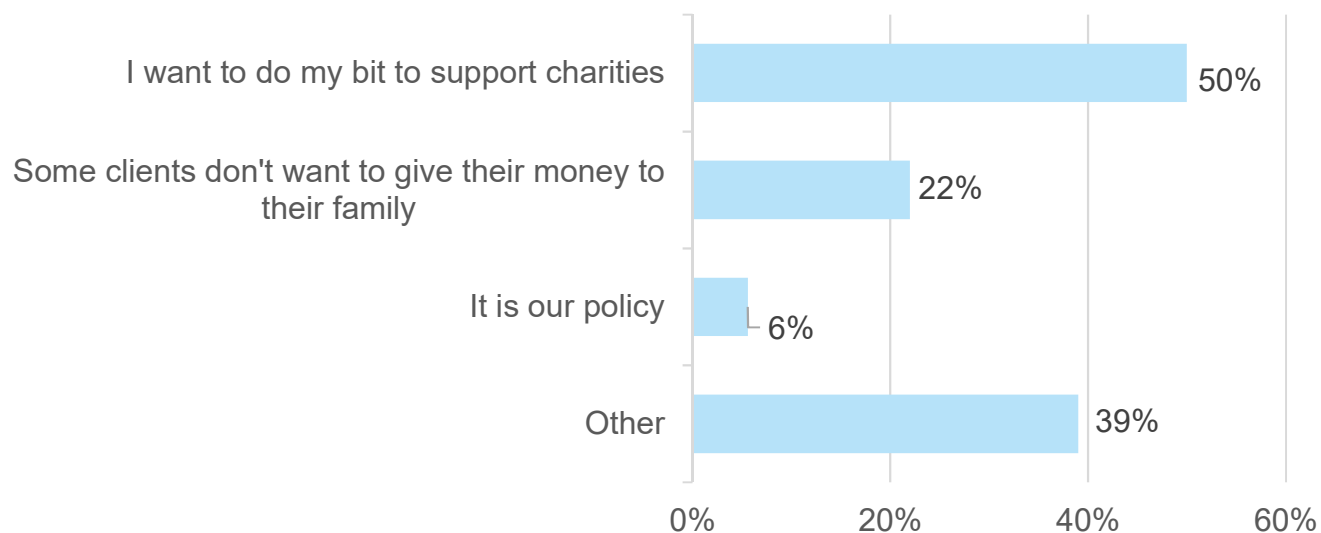


Q3. On average, over the last 6 months, when you have been discussing Wills with clients, in approximately what percentage of cases do you raise the issues of making a charitable bequest in a client's will if the client DID NOT raise it? Base: All respondents n=29

Personal support is the key reason for raising issue of leaving a GiW



Solicitors raise the issue of leaving a Gift in Will



Q18. Why do you raise the idea of leaving a charitable bequest in the client's will? Base: those who raise the issue, n=18

Other comments

"As another option if clients are unsure if they want to leave to family or not"

"To remind people as many do want to gift to a charity but don't realise they can"

"As an option when explaining what they can do with their Will"

"If they do not have close relatives. If they cannot think of who should be substitute beneficiaries"

"I mention possible religious bequests also"

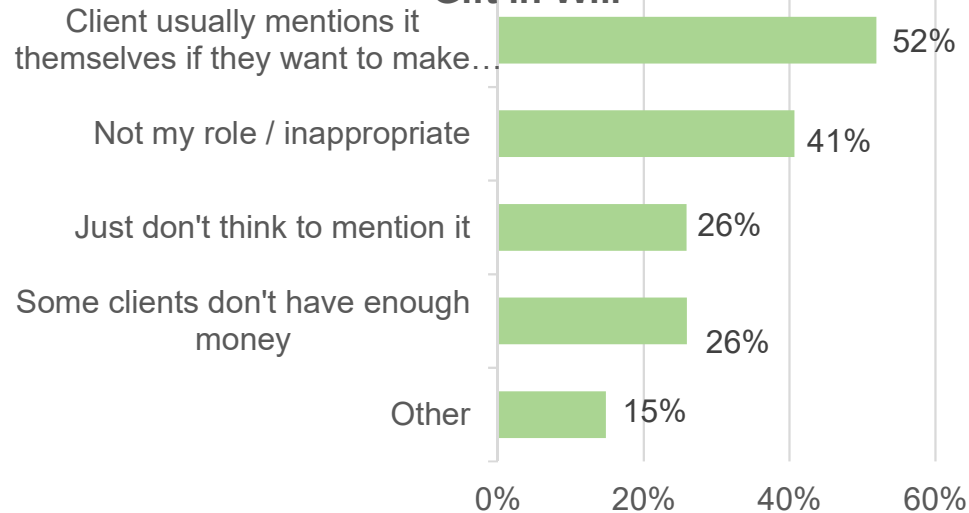
"I want to make sure that clients know all the available options of where to leave their assets"

"To ensure clients have considered the possibility of either a specific bequest or part of the residual"

Main reason for not raising issue of leaving a GiW is they believe clients will mention it if they want to leave a GiW



Solicitors not raising the issue of leaving a Gift in Will



Q4. Why do you not always raise the idea of leaving a charitable bequest? Base: All respondents who do not always raise the idea n=27

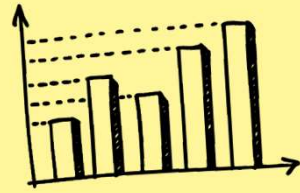
Other comments

“Charities have now become big businesses with high salaries paid to the CEO and other office bearers and very little ends up where it should. Also, some charities take a very aggressive attitude with solicitors and when they are left something, instead of being thankful insist on seeing the full records and threaten legal action. These tough tactics are counter productive as many solicitors are now talking their client out of leaving a bequest to a charity”

“Sometimes, client stated wishes make it clear they have no interest in assisting charities make it clear they”

“Some clients clearly have strong views about keeping money in the family”

“I have been on the other side of an estates where a charity was overly litigious for an FPA claim. They fought tooth and nail to stop the children (who were well deserving) claiming on the estate. Even said in negotiation they would not budge and did not care if the children were destitute. Since then I never raise donation with clients and only discuss it when they bring it up. I also tell the clients the story of how the charity behaved”



Summary

Summary: progress against goals



A. General Population over 55s

Goal 1: Increase consideration to 20%

- » Measure: Have you ever considered leaving a donation to a charity or not-for-profit organisation in your will? % Yes, base is those who have not left a gift in their will already
- » 2016 score: 17%
- » **2019 score: 21%, not significant change from 2016, but achieved the goal**

Goal 2: Increase non-rejecters to be consistently over 30%

- » Measure: When you next update your will/make a will how likely are you to leave a donation to a charity or not-for-profit organisation in your will? (% is sum of definitely, probably, maybe/maybe not), base is all over 55s
- » 2016 result: 26%
- » **2019 result: 35%, significant increase from 2016, and achieved the goal**

B. Solicitors

Goal 3: Increase % of solicitors likely to ask their clients about including a gift in their Will from 27% to 40%

- » Measure: Generally, how likely are you to raise the idea of a charitable bequest with clients (% is sum of definitely and probably)
- » 2013 result: 27%
- » **2019 result: 35%, sample size too small to say the change is significant, goal not achieved**

Summary continued



- The lagging indicators (ie past behavior about leaving a GiW) have not significantly moved either the consideration score, or % of clients leaving a GiW. However both of these are moving in a positive direction and for the latter, the goal of greater than 20% was achieved. If we continue with the larger sample size for the next round of research, we will then be comparing n=1500 across two waves and therefore smaller changes over time will be necessary to be significant
- We are starting to see the impact of the cohorts moving into and through the 55+ age groups, with higher proportions of 55-64 not having children, and their attitudes (usually a leading indicator) towards leaving a GiW being significantly more favourable
- This has resulted in the proportion of non-rejectors increasing significantly since 2016 to 35% and exceeding the goal of 30%. Note, however, that many of these said 'maybe/maybe not', suggesting there is still effort required to move them into the 'probably' or 'definitely' category
- In terms of solicitors, there has been a positive move in terms of intention (although the goal has not been met) however because of the low sample sizes, we cannot draw significant conclusions. We suggest building up a personal (not generic) email list over time both for marketing purposes and so that larger sample sizes can be achieved in the next round