## **Singapore Management University**

# Institutional Knowledge at Singapore Management University

## Social Space

Lien Centre for Social Innovation

2008

# The Giving Landscape in Singapore

Halimah Chew

Follow this and additional works at: https://ink.library.smu.edu.sg/lien\_research

Part of the Social Welfare Commons, and the Social Work Commons

#### Citation

Chew, Halimah. The Giving Landscape in Singapore. (2008). *Social Space*. 14-15. Available at: https://ink.library.smu.edu.sg/lien\_research/11

This Magazine Article is brought to you for free and open access by the Lien Centre for Social Innovation at Institutional Knowledge at Singapore Management University. It has been accepted for inclusion in Social Space by an authorized administrator of Institutional Knowledge at Singapore Management University. For more information, please email cherylds@smu.edu.sg.

# THE GIVING LANDSCAPE IN SINGAPORE

### Halimah Chew provides a summary of the giving landscape in Singapore.

Singapore's giving landscape is an interesting mix of people, private and public sector stakeholders shaped by tripartite efforts.

The country has a 'many helping hands' approach, where the government works closely with the nonprofit and private sectors to build a better society. It does this with policies that match donations, government grants and other programmes. Among the ministries at the forefront of this work is the Ministry of Community Development, Youth and Sports.

The legal environment also shapes the giving landscape. The Income Tax Act, for instance, is an important piece of legislation. Only Institutions of Public Character are authorised to receive tax-deductible donations, and stricter guidelines apply to them. These are mainly made up of charities and institutions like sports associations.<sup>1</sup>

Another significant piece of legislation is the Charities Act and regulations made under the Act which cover, among other matters, charities registration and fundraising.

#### Growing Volunteerism And Philanthropy

In 1999, the National Volunteer Centre was established to promote and develop volunteerism across all sectors. In 2003, it added the mandate to promote philanthropy and became the National Volunteer & Philanthropy Centre (NVPC).

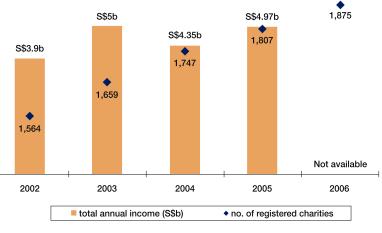
The NVPC functions as a first-stop centre – a catalyst and networking agency that fosters the giving spirit whether in terms of time or money. Its programmes include the referral of donors and volunteers, and board members to non-profit organisations. It also provides an important online directory of non-profit organisations.

To grow the volunteerism and philanthropy sector further, the NVPC has carried out additional research on a variety of topics such as volunteer management in Institutions of a Public Character.<sup>2</sup> It will be spearheading the formation of a community foundation and also rallying community partners to promote neighbourliness.

So how does the giving landscape fare in such an environment?

#### State Of Giving

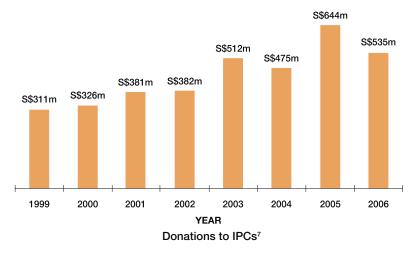
At the end of 2006, there were, according to the Commissioner of Charities, 1,875 registered charities<sup>3</sup> that covered various charitable purposes such as the relief of poverty, advancement of education, advancement of religion, and other purposes beneficial to the community such as the advancement of community development, health, arts, environmental protection and sports. These charities<sup>4</sup> reported a total income of S\$4.97 billion (including donations and government grants) for 2005. The figure below shows the trend for charities' reported income against the number of registered charities from 2002 to 2005.<sup>5</sup>



Number of registered charities and total income

As shown in the figure on the facing page, in 2006, the Commissioner of Charities reported a total of S\$535 million in tax deductible donations to Institutions of a Public Character, down from S\$644 million in 2005.<sup>6</sup>

15



According to research conducted by the NVPC, between 2003 and 2004, 29 percent of companies had engaged in corporate giving.<sup>8</sup> In 2003, over half (55 percent) of grant makers<sup>9</sup> were known to have made grants.<sup>10</sup>

Between 2005 and 2006, 89 percent of individuals were donors.<sup>11</sup> As the figure below shows, in that same period, 15.5 percent of individuals aged 15 and above were active (or current) volunteers.<sup>12</sup> The most popular types of volunteer work involved general services and administration, fundraising and human services such as befriending.

While there are costs in volunteerism such as management staff time and administration expenses, there are economic benefits. The NVPC's 2003 study of 24 organisations that engaged volunteers<sup>13</sup> found that, generally, volunteers generated more economic value compared to the cost incurred. For 75 percent of the organisations surveyed, every S\$1 invested in volunteers yielded a return that covered the S\$1 to over four times the investment. Non-economic benefits, such as an increased sense of satisfaction among volunteers and an enhanced appreciation of other cultures, were also recorded.

<sup>1</sup> MCYS' Charities Unit, Institutions of a Public Character (IPC): Definition <www.charities.gov.sg/charity/html/IPCs.html>

<sup>2</sup> The study found that the most important factor that respondents said would help improve volunteer management was funding for volunteer management staff. "Barriers to Effective Volunteer Management" <www.nvpc.org.sg/Library/Documents/ ResearchReports/Barriers\_VMS\_22%20Jan%2007\_website\_ FINAL.pdf>

<sup>3</sup> Commissioner of Charities Annual Report for the year ending 31 December 2006 <www.charities.gov.sg/charity/charity/ viewPublications.do#annualrpt>

<sup>4</sup> Registered charities which had submitted their 2005 statements of account as at 31 March 2007.

<sup>5</sup> MCYS' Charities Unit, Annual Reports of the Commissioner of Charities for 2002 to 2005 <www.charities.gov.sg/charity/charity/ viewPublications.do#annualrpt>

<sup>6</sup> Arlina Arshad, "Donations pour in for charities this year", *The Straits Times*, 3 December 2007, pp. 3

<sup>7</sup> Figures for years 1999-2004: MYCS (2006), interim report by the inter-ministry committee on regulations of charities and Institutions of a Public Character <http://app.reach.gov.sg/olcp/ asp/ocp/ocp01d1.asp?id=3163>; Figures for years 2005 – 2006 from Arshad (2007)

<sup>8</sup> Year of data from 2003-2004. Corporate giving include donations (cash and in-kind) and employee volunteerism. See "Corporate Giving", *The State of Giving, Singapore* (Singapore: NVPC, 2005)

<sup>9</sup> Defined as a registered charity set up with the principal purpose of making grants to unrelated organisations or institutions or to individuals for any charitable purposes. Grantmakers in the study were defined as those who had given grants in at least one of the past two years (2002-2003).

<sup>10</sup> "Grantmaking" in The State of Giving, 2005, pp. 86-103

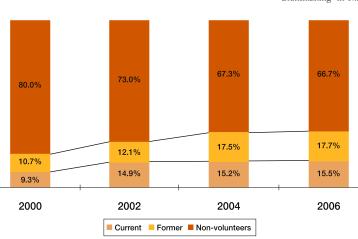
<sup>11</sup>NVPC 2006 individual giving survey results <www. nvpc.org.sg/Library/ Documents/ResearchReports/ Media%20Release%20-%20Individ ual%20Giving%20Survey%202006 %20(11%20Jul%2006).pdf>

<sup>12</sup> Individual giving survey 2006: Major findings and recommendations to non-profit organisations. NVPC. Year of data from April 2005 to April 2006. Data excludes compulsory community work such as the Community Involvement Programme in schools (except where it exceeded the compulsory hours).

<sup>13</sup> "Value of volunteering" in *The State of Giving*, pp. 128-145



Halimah Chew is a principal executive at the National Volunteer & Philanthropy Centre. She is involved in nonprofit research, including a landmark study on volunteer management and fundraising practices. She is also a case officer for NVPC's New Initiative Grant which funds new initiatives that are strong in volunteerism or philanthropy.



Distribution of population by volunteer status