

Productivity Commission Submission

Philanthropy Inquiry

May 2023

Introduction

The University of Technology Sydney (UTS) is a top-ranked young university in Australia.

Our vision is to be a leading public university recognised for global impact.

We are known for innovative teaching, a commitment to practical innovation and research that benefits industry and society.

UTS believes in social change to create a more just and equal world.

Philanthropy is a key driver in catalysing this social change. It underpins our strategic goals, and we work closely in partnership with philanthropists, industry, government, and the wider community to improve the world we live in.

This submission has been collated by four senior UTS Advancement specialists with the collective experience of over 45 years in professional fundraising and philanthropy.

The submission focusses on areas that will have broad impact across the sector and where universities and the government can play a key role, covering:

1. Building a national culture of philanthropy
2. Skills & training
3. Supporting collaborative funding models
4. Championing gifts in wills
5. Tech influence on the fundraising sector
6. Social impact reporting and data access
7. Improved access to funders and partners

The Productivity Commission inquiry is a necessary and promising initiative to improve the current philanthropic landscape in Australia.

Building a national culture of philanthropy

Building a culture of philanthropy is an investment in a values-based society, which enriches people's lives, connection, and wellbeing - from the micro to the macro level.

Whilst the value of tax-deductible donations has increased over the past decade, the proportion of Australian taxpayers claiming tax-deductible donations has fallen — from 35 per cent in 2009-10 to 29 per cent in 2019-20 (ATO 2022), with the share of people claiming tax deductible donations falling to its lowest level since the 1970s¹.

Total giving as a proportion of GDP sits at around 0.8% in Australia, compared to almost 1% in the United Kingdom, and 2% in the US. Australia's bequest giving (through wills) and individual (mass market) giving rates as a proportion of GDP are also below those of peers.

With concerted national effort, we can address the decline and opportunity for giving.

The government can play a key role in building the culture of philanthropy in Australia by:

1. Supporting the sharing of stories of philanthropic success, through partnerships, public recognition, awards and events
2. Supporting collaborative funding models
3. Encouraging school age children to engage in philanthropy
4. Working with employers to support and encourage workplace giving and volunteering
5. Making giving easier with highly visible tax benefits.

Higher education institutions also have a role to play, through programs that can educate students on the power and benefits of philanthropy, whilst encouraging alumni and staff to join giving programs and volunteering.

“This cultural value and desire to create a fair society may well underpin Australians’ ongoing desire to give...From here, we would love to see even more of this generosity funnelled through workplace giving as this is one of, if not the most efficient way to maximise the impact this spirit has on making a difference...”

David Mann, CEO, Good2Give²

There is an unprecedented opportunity to harness \$2.6 trillion in intergenerational wealth that will be passed from baby boomers to their children in the next 2 decades.

If we act now, we can dramatically enhance giving, across Australia for the benefit of public good.

¹ <https://www.socialventures.com.au/sva-quarterly/insights-to-grow-philanthropic-giving-for-not-for-profits/>

² https://www.cafonline.org/docs/default-source/about-us-research/caf_world_giving_index_2022_210922-final.pdf

Skills & Training

To support the government's aims to double philanthropy by 2030, there must be significant investment in the development of the skills required to fundraise successfully and sustainably.

Currently Australia is experiencing a severe labour shortage (across all sectors) and the NFP and higher ed sectors have some of the largest gaps.

The demands on the sector are already huge and increasing due to a rise in vulnerable populations (housing crisis, mental health, aged care and high inflation). Skilled professionals are leaving the sector due to increased workplace stresses and more competitive salaries in other sectors.

If we are to attract and retain talent in the sector, Australia must invest more heavily in the professional development of fundraisers, their certification and their development. Governments and their agencies can support this training.

Governments can also support the entry of skilled fundraising talent from overseas markets by recognising the profession and its importance. Any barriers to the Australian job market should be removed.

Supporting collaborative funding models

Within a university context, the scale of funding required often necessitates financial models that include a mix of philanthropy, government, university and commercial investment.

Increasingly, there is an expectation from philanthropic funders that a mixed funding model will be in place (with funding commitments from other sources secured).

This provides an indication of the sustainability and viability of the project.

Fund-seekers are required to secure and coordinate the various sources, with the concomitant range of regulations that accompany them.

By the very nature of research that happens within universities, mixed funding models make both intuitive and practical sense.

Philanthropy can support ideas to proof of concept stage, enabling the creation of sufficient data to enter competitive government funding rounds, which may then lead to opportunities for commercialisation or private investment.

Funding approaches like this not only de-risk projects by not relying too heavily on one source of income, but they also create multiple communities of support for projects – by engaging philanthropy, government, and the commercial sectors.

Crucially, collaborative funding models can operate at a transformational level – providing millions of dollars in support of globally significant projects (see case studies 3 and 4 on pages 11 and 12).

There is an opportunity for government to encourage, incentivise and broker collaborations between philanthropy, government, and the private sector to support projects of national and global significance.

Short term opportunities might also involve enabling PAFs and PuAFs to support highly ranked “near miss” applications from peer reviewed government funding (i.e., ARC & NHMRC). Whereas longer term governments might establish matching programs.

Support for fund-seekers to identify collaborative funding partners, and support for funders/investors to be matched with others looking to support projects within the same field would foster connection, collaboration and ultimately, impact.

Having total projects funded up front (rather than in project stages) will also lead to greater impact – with less risk of projects failing or being abandoned due to lack of continuing financial support.

Tech influence on the fundraising sector

Technology has the power to transform philanthropy, from the way we give, to how we interact with our causes, to seeing the impact of our generosity in real time.

Yet funding can be a constraint for socially minded organisations and not for profits, limiting tech development and opportunities to fundraise in smart, digital ways.

At UTS, social justice within and outside of our campus is considered core business for the university. Within this context, the University has developed a tech centre called [Rapido Social Impact](#), a social innovation initiative that is a world-first.

Rapido Social Impact offers a range of different options for social impact organisations who are impact-high but cash-poor.

Rapido Social Impact’s examples of work includes:

- Cutting-edge technology development for non-profits, for-purpose businesses, and social enterprises where funding or expertise is scarce or unavailable
- Skilled-volunteering opportunities for industry workforce contingents to work on UTS Rapido social innovation opportunities
- Financial partnership opportunities for corporate and government partners who are looking to drive social impact through a trusted University partner
- Access to AU government grants (CRC, CRC-P, AMGC, Innovation Connection, Tech Vouchers)

Projects from Rapido Social Impact have included:

- Working with humanitarian engineering organisations [Hitnet](#) and [Field Ready](#) to increase access to digital technologies in the pacific islands. The project, funded by the Department

of Foreign Affairs (DFAT) Technology for Development Challenge in the Solomon Islands, focussed on solar-powered internet kiosks with off-grid technology, providing Solomon Islanders with much-needed access to the digital world.

- Working with for-purpose tech business [AbilityMade](#) to 3D print ankle-foot orthoses (AFOs) to help children with physical disability walk, along with printing up to 10 AFOs for children from refugee backgrounds.
- Collaborating with the Centre for Indigenous Technology Research and Development to develop [#thismymob](#), providing a safe space for Indigenous people online. The app facilitates appropriate connection between communities and government and industry organisations to support access to key social services and entrepreneurship opportunities in hard-to-reach communities.

UTS Rapido Social is just one example of how universities can vastly improve the not-for-profit sector by making technologies more accessible. Beyond technology creation, university research and education expertise can help to grow sector, organisation, and individual capability. Government and Industry support to run centres like Rapido and to deliver broader capability development can enable sustainable impact.

Tech support for not-for-profits can help to explore on the cusp technologies that can revolutionise giving including:

- Block chain technology to build transparent systems by tracking donations through multiple layers, enabling donors to see how funds are spent, ensuring they reach the intended beneficiaries.³
- Blockchain based platforms to harness the power of peer-to-peer networks by eliminating the financial intermediaries, reducing transaction costs and transaction settlement time dramatically.⁴
- Artificial Intelligence to enable the automation of administrative tasks to increase productivity and customizations for prospecting, stewardship, and engagement.
- Technology to counter the reduction of the cash economy. With initiatives aimed at helping donation-seekers adapt to a landscape with less cash circulating. The Salvation Army bell ringers in the US now accept Apple Pay and Google Pay, while some buskers list their Venmo handles on their instrument cases.
- Online will making to appeal to younger generations, removing barriers to charitable bequests.

³ <https://medium.com/the-capital/how-blockchain-will-transform-the-world-of-giving-fc7d8b8ce540>

⁴ <https://givingcompass.org/article/what-blockchain-could-mean-for-philanthropy>

Other examples from across the globe, where technology has helped bridge gaps and improve fundraising are:

1. In China, WeChat QR codes are [distributed to the homeless](#) to allow mobile donations⁵.
2. In California, [32% of homeless people](#) have been gifted smart phones from [social programs](#) to help them access social and governmental services.
3. In the US, [Dipjar](#) is a one-swipe credit card machine that bundles transactions for non-profit organisations. It's an innovative, novel cashless donation jar with integrated payments platform that enables engaging, and frictionless giving.
4. And [The Busking Project](#) offering a peer-to-peer payment app that also allows fans to connect to street performers and make in-app donations.⁶

Technological advancements are reshaping the way organisations operate, communicate, and serve their missions. It is essential for the sector to stay up to date to connect with younger generations, stay competitive and enhance social impact.

Championing gifts in wills

A nationally representative survey of 1,054 respondents revealed 60% of Australians – equivalent to 12 million people – do not have a legal will.⁷ And only 12% of people include a charitable bequest. The growth potential is clear.

With an ageing population and a greater proportion of women not having children, it is forecast that bequest income could more than double over the next 20 years.⁸

But it will not be achieved without concerted effort from the government, not-for-profits and universities normalising bequests, simplifying the process, and removing barriers. Education providers can play a role in increasing the uptake of gifts in wills through the power of education.

With 43 Universities in Australia and 38 of them with law schools and a national network of students and alumni, we can promote the importance of estate planning and we can educate the next generation of estate planning professionals to educate their future clients.

The 2011 study⁹ on 'marketing charitable bequests to lawyers' states that "charities should influence law societies to include asking for a client's instructions about making charitable bequests in their best practice guides on will making".

⁵ <https://www.businessinsider.com/alipay-wechat-pay-china-mobile-payments-street-vendors-musicians-2018-5>

⁶ <https://theconversation.com/no-spare-change-how-charities-buskers-and-beggars-arent-feeling-so-festive-in-our-cashless-society-151024>

⁷ <https://www.includeacharity.com.au/wp-content/uploads/2021/08/A-Fair-Share-for-the-Future-Nudging-the-share-of-an-estate-Whitepaper-2021-FINAL.pdf>

⁸ <https://www.includeacharity.com.au/wp-content/uploads/2021/03/Legacy-Foresight-IAC-2020-Report.pdf>

⁹ McGregor-Lowndes, Myles & Hannah, Frances (2012) Marketing charitable bequests to lawyers. International Journal of Non-profit and Voluntary Sector Marketing, 17(1), pp. 1-12.

And that there is much need for further research about the successful triggers and barriers to making a bequest and making a will in general. The government can support this research and the promotion of why will making and bequests are so important to the benefit of the community.

Social impact reporting and access to data

Sector wide impact reporting is key for improved operations, visibility of impact and the growth of partnership potential.

While many reports are developed, they are often hard to find, or access, inconsistently used for performance and rarely used to strengthen the partnership between funder and impact provider. Full data is often not accessed due to cost, confidentiality reasons or simply not widely shared. Even excellent resources such as the [CSI Amplify Online](#) and [Social Impact Toolbox](#) which aid in the process of collecting relevant data, are challenged by the human resource to implement (time and capability).

Thus, sector learning and best practice sharing remains stifled.

Robust reporting and sharing of data demonstrates accountability, transparency, and the drive for constant improvement, helping to attract funders, partners and supporters and the necessary feedback to continue improving outcomes.

With momentum for government to deliver better evaluations ([policy, organisation](#)) and to foster collaboration ([Nexus](#)), there is ample evidence that data from evaluations and other resources can effectively drive best practice.

While there is clear evidence for the need for data collection and sharing (e.g. [Ian Potter](#)) the question remains – ***How can social impact reporting and data capability be sustainably resourced – equitably?***

Philanthropy, government, and academia can join forces to fuel a more data enabled and accessible sector.

Access and sharing could be enabled by the creation of highly visible commonwealth supported places in all universities for courses focused on non-for-profit evaluation, social impact reporting, data skills, and importantly data visualisation and the communication of outcomes.

A pipeline of students with ready skills, connection to social impact organisations, and employment pathways might drive sector change through a proliferation of students, professionals, and tools to enable data informed philanthropic and social impact program delivery.

Shared government endorsed repositories for social impact reporting, data and insights could create consistency to how and where insights are stored.

"People want to see impact, whether you're a big high net worth donor or giving \$10, you want to understand, "Is this going to make a difference in someone's life?"

Tim Cadogan, CEO, GoFundMe

Improved networking of funders and partners

In the US and UK an array of organisations are evolving to enable better interaction of funder and community partners.

Services include data portals such as Impala (<https://impala.digital/>) which democratises access to funder data, connecting organisations such as Tides ([Tides.org](https://tides.org)), and advice organisations - both private (e.g. Rockefeller Philanthropy Advisors rockpa.org) and charitable (e.g. National Philanthropic Trust nptrust.org)

In Australia, similar organisations exist such as community foundations, family offices and advisors (e.g. [Perpetual](https://perpetual.com.au), [Social Ventures Australia](https://socialventuresaustralia.com) and [askright's pafGUIDE](https://askright.com/pafGUIDE)), but the missing connection is a comprehensive and cohesive data resource.

Such a resource might include data on the investment history of funders, efficacy of charitable entities, collaboration opportunities, best practice resources, as well as specialist philanthropic advice.

This data could be further studied to report on opportunities and barriers for the sector, as well as provide evidence for new financial structures and government policies.

With improved access to funding opportunities, potential partners, and sector insights we can reduce research time, misalignment and can find more effective ways to collaborate and deploy resources towards the mission of supporting our communities.

Philanthropic success at the University of Technology Sydney

Philanthropy has the power to bring communities together, to solve wicked problems, to empower people, to make the world a better place.

Amongst many, there are some unique case studies of philanthropic success we would like to share, ranging from a next generation young philanthropist to collaborative funding models in support of game changing initiatives.

Philanthropy comes in all shapes and sizes and should be celebrated that way.

CASE STUDY 1: THE NEXT GENERATION OF PHILANTHROPIST

At just nine years old, Loulou Amielh-Gibson has become the youngest philanthropist to support UTS, donating \$200 – her life savings – to the [UTS Wanago Program](#). Loulou decided to make the donation after hearing her mother, who works with UTS Wanago, discussing the program in a meeting.

In an email to UTS Advancement, she wrote:

I just want to let you know that I fulfilled the donation of \$200 for Wanago.

The reason that I have done this is because when I am an adult my wanted job is to be an engineer and to inspire other women to follow their goals and for them to find engineering is not just for one gender.

*Sincerely
Loulou*

When Loulou's donation was completed, she wrote a second email:

A second reason to the donation is I want to let others know that even if something is stopping you, you can always do something special.

For example, I'm only 9 and I did a donation to a university.

And the feeling is great when it happens,

Thank you so much for your guidance through this!

*A million thanks
Loulou*

To read the full article: <https://www.uts.edu.au/partners-and-community/alumni-and-supporters/news/nine-year-old-donates-her-savings-support-women-stem>

CASE STUDY 2: THE SCHOLAR AND THE MENTOR – THE RIPPLE EFFECT

Mohammad Sakhvidi fled Iran in his mid-teens. Now he's a fine engineer and business founder thanks to generous support from business leader, UTS alumni, and scholarship donor Brad Chan. At age 16 he discovered he was in danger of persecution, so their savings were redirected into paying for his escape from Iran.

The fishing boat he sailed on was meant to land in Indonesia but was intercepted by the Royal Australian Navy.

"I heard I might be sent to Papua New Guinea or Nauru, and I was terrified," he remembers. "They took me to a detention centre on Christmas Island for assessments, then to an underage centre in Hobart."

Sakhvidi credits Brad Chan, director of the Banna Foundation, which supports the UTS Humanitarian Scholarships Program, for making his dream career possible. As well as funding Sakhvidi's scholarship, Chan is an excellent mentor, donating his time and business knowledge as well as the scholarship:

"Brad showed me how to manage my time better for work and study," says Sakhvidi. "he's given me a better understanding of what's happening in the workplace."

Thanks to the scholarship, Mohammad is now a successful business owner and donates back towards more scholarships in a true demonstration of the ripple effect of philanthropy.

To read the full article:

<https://www.uts.edu.au/alumni-and-supporters/give/impact-of-giving/scholar-and-mentor>

CASE STUDY 3: COLLABORATIVE FUNDING FOR A NATIONAL FIRST NATIONS COLLEGE

UTS is embarking on a ground-breaking initiative to build Australia's first truly comprehensive [national First Nations College](#).

Once completed, the college is anticipated to be one of the largest of its kind in the world.

Developed and led by the Indigenous leadership team at UTS and the Indigenous community, the college aims to remove the barriers, that prevent Indigenous participation in higher education and the broader economy.

The college will do this by raising aspiration, maximising opportunities for entry to higher education and supporting the pursuit of quality employment, careers, and contribution to society.

It is no small feat. It is an ambitious project with estimated capital development costs of \$138million. It has been crucial for UTS to establish the support of the wider community to embark on a project of this scale.

In a show of collaboration, the state government has pledged \$10million, City of Sydney \$1million and corporate and private philanthropists have pledged \$12.2million, bringing strength through partnership.

These collaborations are opening doors to careers, public programming, mentoring, arts, and culture; a richer community that will reinforce the belonging of students for generations to come, building a place where Indigenous students will thrive.

CASE STUDY 4: COLLABORATIVE FUNDING MODELS – AMPLIFYING IMPACT

The Coral Nurture Program is a reef resilience project led by UTS in partnership with reef tour operators in the Great Barrier Reef. At its core, the program is about collecting, propagating, growing and planting coral, to replenish reef sites and enhance the reef's resilience.

Deeply collaborative and community driven, it's a new approach for the Great Barrier Reef that was initiated by a world-first partnership between tourism and science, with the goal to transform both ecological and social resilience to environmental change. The program aims for long-term stewardship and adaptation at economically valuable Great Barrier Reef locations.

The Coral Nurture Program's funding model is an exemplar of power of collaboration and leveraged financial support.

Creation of the Coral Nurture Program was made possible through UTS co-founding the program as scientific leads and sourcing partners, including the initial funding by the Australian and Queensland Governments "Boosting coral abundance" challenge (as both Feasibility (2018-2019) and subsequent Proof-of-Concept (2019-2020) phases).

The current phase of the Coral Nurture Program activity (2021-2024) is directly funded by the partnership between the Australian Government's Reef Trust and the **Great Barrier Reef Foundation**, and in partnership with **Reeftip drinks Co.** for propagating and planting. Operations in 2021 were also supported through a government stimulus package (Activate Queensland) for tourism recovery.

Within the program, specific research activities are supported through various grants, including **ROLEX** and **L'Oreal**, with on-going operations relying on donations and sustained financing initiatives and in-kind support.

The mix of UTS, government, philanthropic and commercial funding within the Program has enabled the scale and impact of the Program to be amplified.

This submission has been compiled by:

Liz Hardy – UTS, Chief Advancement Officer

Caroline Lord – UTS, Campaign Director

Jo Degney-Hartley – UTS, Campaign Director

Sarah Angus – UTS, Senior Advancement Manager Trusts & Foundations