



Submission to the Productivity Commission 2023

In our 17th year of operation, the Southwest Community Foundation finds itself at a crossroads.

We have a corpus of around \$2 million and conservatively invest to achieve an annual return above \$100,000 per annum. This income supports **126,779 people across 26,318sqkm** with a part time Executive Officer. Despite this huge task, we have been able, with our partners, to support community organisations and projects with over \$1 million in grants since inception. These activities range from community halls and houses, social infrastructure and cohesion projects, indigenous activity support, environmental projects and addressing extreme social disadvantage.

In our current state, we simply do not have the necessary resources to properly promote our work to drive donations, engage with the communities we support on their actual needs on top of the necessary compliance and governance we must undertake.

I call on the productivity commission to consider, and potentially recommend to the government, the following measures to meet its goal of a doubling of Philanthropic giving and allowing the sector to better meet the needs of the communities they serve.

- Funding towards Executive Officer or staff salary – this addition would allow both our granting and corpus to grow by being able to retain more investment returns and engage more effectively in donation drives and marketing. To provide a hypothetical, if this had been done since 2015, our granting would likely be 10% larger per annum and our corpus would have increased by over \$800,000
- A small guaranteed annual social dividend based on a calculation of land area, population and SEIFA index – Certainty of ongoing funding would allow us to embed some spending in local profile raising and partnership leg work.
- A broad advertising campaign from Federal Government on the model and role of Community Foundations – it is very easy to fund raise for single issue charities like a natural disaster or children's hospital or based on disease whereas the community foundation model is a more difficult concept to market and a national campaign would compliment our local efforts.
- A small percentage of all federal grants to Community Foundations – even a fraction of a % of all funding would make a significant difference to us.

To give you a concrete example of how this would help, let's take just one example from our region. In Colac, our Colac Otway Fund supports a small group that meets monthly, largely coordinated by Rotaract to make sandwiches, so that kids going to



school without lunch can eat. It is delivered by a partner business, Colac Taxis that deliver to schools for free. This removes the stigma from the child so they can not be hungry, socially fit in with their peers and are able to learn through the day. This also takes a burden off teachers who often supply food where programs don't exist. I don't think you would find anyone who would say this is not a good thing to do. Our region has numerous pockets of extreme social disadvantage and we would love to scale out this program. We estimate that this would take over 500 hours of project time, approximately 3000kms of travel and about \$100,000 over three years.

This is impossible to achieve in our current situation after compliance and governance, administration tasks and other priorities are balanced. This is all before a marketing, engagement and donation campaign are allowed for. This is but one program amongst so many we have supported over 17 years.

A structural assistance approach as outlined in the suggestions above and more broadly in our other submission, would allow scale out and additional programs to occur, broader awareness of the model and role of community foundations and allow us to support more organisations on the ground.

In combination with changes already mooted in regards to DGR1 status, we feel it would be a huge step change in how communities can identify their own needs and help themselves into the future.

In closing, I thank the Labor Federal Government for its commitment to Philanthropy and for the opportunity provided by the Productivity Commission to put forward our views. It is a genuine privilege to lead this wonderful organization and look forward to delivering more social good in a more favourable environment.

Your consideration of the issues we face and the recommendations you ultimately put forward, have the potential to materially, positively impact many lives in our region.

Sincerely,

David McIntyre
Chair
South West Community Foundation