

Philanthropy

Topics of interest to the Floreat Uniting Church Creative Living Centre (CLC).

The responses below were gained from a group discussion within the Board members of our organisation.

1. Why people do (and do not) give

- Passion for social Justice not necessarily related to faith.
- Faith
- Relationship to the people /recipients of donation. They see their hardship. and disadvantage.

2. Don't Give Because

- The request is 'Not their 'thing' '– they give to other causes.
- Australia is becoming a more selfish, individualistic society.
- Lots in Australians live in poverty already – don't have spare cash.
- Bequeathing funds is not common in Australian culture.
- Some say the aboriginal people get, and waste, so much money through the aboriginal 'industry' that they won't give them anymore.

3. Who gives, including different characteristics (age, gender, income)

- It is often after kids leave home, and career income is higher,
- Younger people tend to volunteer their time. Advertising campaigns are successful in bringing volunteers.
- Schools are doing a great job in promoting volunteering and fundraising at a young age.
- Volunteers step up as they retire from regular work.
- Women volunteer more than men in our experience.

4. Advantages and disadvantages of philanthropy as a source of revenue

- It is difficult because it is not guaranteed funding, not reliable after the first donation.
- Tax incentives and deductions do work in getting more funding donations.

- An advantage of philanthropy is that donors have raised awareness of that charity and have a vested interest in its progress.

5. Data, insights and case studies including those that are not publicly available

Our CLC Case studies

- a) A significant large donor lost control of his business through changes in the corporate structure leading to removal of the individual who drove the donation, so the donation ceased. Corporate philanthropy is vital to charitable funding.
- b) Many large (and small) donors are reticent to identify themselves in their philanthropy. Australian culture encourages modesty and doesn't encourage promotion of them and their cause.

6. Alternative giving vehicles currently unavailable in Australia

- In some countries companies are encouraged to donate a percentage of sales to charity

7. Opportunities and obstacles

Regulatory issues and barriers to giving including: – regulatory burden

- Charities are no more impacted than any other business by regulations.

– regulator roles and responsibilities

- Tight government audits are necessary to ensure true charitable status of the organisation and to monitor the use of funds.

Deductible gift recipient framework

– issues and opportunities

- Our organisation has found it so hard to work out whether or not the organisation is compliant with DGF in its Constitution and goals. The Framework needs to be clearer. Even financial and legal professionals find it difficult to be clear on the issue.

- Tax office is seen as unapproachable and likely to follow up on compliance and therefore threatening. In fact dealing with the Tax Office usually brings easy, polite and well explained answers so that there is a mutually agreed outcome.

Tax concessions available to not for profits

We would generally support tax concessions to both charitable organisations, philanthropic companies and private donors.

Ability of donors to assess charity effectiveness.

Most people are very vague about charity effectiveness. Publicly available data is necessary to allow clear assessment of the charity.

Other issues you identify.

- We would like to see increased public awareness of the needs of charities through a 'blanket' campaign eg the Quit Campaign.
- Government could provide more assistance to small charities to help them raise public awareness and be more effective.
- Government grants should be more available and able to fund longer term programs not just for 1 year. It takes a while for most new programs to gain traction and if funded for just 1 year the program can be seen as a failure. In time they could be very valuable programs.
- We are encouraged that the government is interested to hear from us and is running this survey. Willingness to listen is admirable. Thankyou.