

PRACTICABLE THINKING FOR LIVING INTO THE FUTURE.

To: Productivity Commission Philanthropy Inquiry

4 May 2023

Dear Commissioners

the **people** project institute welcomes the opportunity to respond to the Productivity Commission's inquiry into philanthropy. the **people** project institute is inspired by the line of inquiry, motivating pressing questions.

Why has the Productivity Commission used an image of hurdles in its webinar presentation (18 April 2023) to introduce opportunities and obstacles to giving?

- Does this image choice reflect a focus on clearing red tape?
- What image would best help characterise opportunities?

Likewise, why has the Productivity Commission chosen the adjacent image to introduce reform opportunities?

- Does it signal a vision for philanthropy as an isolated 'sector'?
- What image(s) should we use to characterise our ambitions for other 'sectors' of our economy?

What's incomplete in these images?

These are questions motivating thinking outside of the usual box. These questions aim to help create new philanthropic contributions in blindspots through the Productivity Commission's 'other' category (as set out in the webinar referenced above). Don't forget, people are at the centre of philanthropy! People helping people.



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Philanthropic practice isn't constrained by the conventional rules of commerce. The practice of giving is directed outwardly, and as Philanthropy Australia has found, it comes both from the heart and through incentives. This makes philanthropy an expression of open community practice. It provides the freedom to organise and act for a higher purpose. Such purposes include acting on existential threats and helping those in society who are hurting. Generally speaking, this gets us all to a happier place. Lifting people up through Australian mateship likewise gets us to a happier place. And as a result, philanthropy holds a unique place in Australian society. It is a source of innovative practice and movement building for advancing Australia's contribution to the world.

This inquiry is therefore an opportunity to start solving a bigger problem. Philanthropy needs to move beyond being treated as an isolated sector that relies heavily on hope and luck to connect a higher purpose trans-sectorally. To give philanthropy a chance of connecting across different sectors strategically, it needs to be integrated into the economy as a whole. To do this we must unlock decisionmaking for both board directors and taxpayers.

To date, markets have been a good stepping stone in driving efficiencies in the short to medium term. But with efficient markets now reaching a point of fragility, we must act now before market fragility is a liability on long term economic prosperity. Making philanthropy easily accessible to taxpayers could provide the incentive mechanisms for sharing our infrastructures and resources trans-sectorally.

Philanthropic mechanisms operating across our economy would fulfil long term economic objectives through community resilience, personal longevity and Australian prosperity outcomes that cannot be achieved by markets alone. Unlocking new philanthropic incentives could help both taxpayers and directors on/of NGO boards time sharing resources when it is needed the most, providing a new level of community resilience while also helping people contribute to society meaningfully, thus promoting good personal well-being and increasing their chances for longevity.

the **people** project institute is working on new (timing) mechanisms that help use the growth in the philanthropic appetite of Australians to make our communities more resilient, increase the longevity of people in those communities and make Australia better placed for long term prosperity.

We call on the Productivity Commission to use its category of 'other' to lead on triangulating a strategic approach trans-sectorally. Like the trans-sectoral framework Australia has for taking through competitive markets as consumers, we need a framework for giving through philanthropy and volunteering expanded to be trans-sectoral. Moreover, we need a new data framework that triangulates giving with taking, making them work together.

With our existing settings for example, I just don't know when is the right time to help my neighbour. I don't have access to the chance or have the choice. With trans-sectoral philanthropy and a new give and take (data) framework, this would unlock the chance of me or anyone helping my neighbour when they need help. We simply need more than a philanthropy sectoral approach to reform because practising in sectors doesn't help people to synchronise giving with taking trans-sectorally.

the **people** project institute supports making giving easier and building confidence in the outcomes of philanthropy. But we also need to work on the silent questions (now) raised by the Productivity



Commission's terms of reference. We are happy to work with the government, the Productivity Commission and other NGOs on this advancing agenda. To discuss this opportunity further, please contact Peter Sokolowski.

Yours sincerely

Rod McDonald Chair and co-founder Peter Sokolowski co-CEO and co-founder Steve Rodgers co-CEO and co-founder

## About us -thepeopleproject institute Limited

the**people**project institute is an independent, progressive Australian think tank for the discovery of contemporary practice — shaping features that add certainty to the way we live into the future.

We engage leading practitioners who are skilled in doing and making things happen that aren't possible under existing frameworks. We use different thinking for new, relatable and practicable directions.

Further information is available at peopleproject.org.au

