

Productivity Commission Report on the Inquiry into Philanthropy

BACKGROUND

I have been involved closely with both philanthropy and volunteering for over 60 years. At times I have chaired or been on the board of both not-for-profits (approximately 20), been an executive officer of one of the largest charitable foundations in Australia, a founder of the Australian Environmental Grantmakers Network, closely associated with the work of Philanthropy Australia since its foundation. As well I have volunteered at grass roots levels in welfare, arts and environmental organisations.

COMMENTS ON THE REPORT

I offer my compliments on this well written, accessible and comprehensive report, something I have rarely done though engaged in the public sector at senior levels for 35 years!

I also generally support the recommendations and hope that most are implemented.

One area that I commend you to think more about in the Final Report, and it is very important from both a taxpayer's and a donor's point of view, is efficiency.

Over many years and in many organisations the accumulation of funds frequently seems to be the main object of Boards and Trustees rather than their use.

This phenomenon is not restricted to Australia and indeed is well documented in the USA in Joel L Fleishman's extremely good, though the data is dated now "The Foundation – A great American Secret", Public Affairs, New York 2007. The author at some length shows how 'inefficient' the use of capital is in the American philanthropic sector leading to some extraordinary outcomes where trillions of dollars are locked up and underused.

I fear the same phenomenon is underway in Australia at a lower scale.

MAX BOURKE AM

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