



philanthropy

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SPRING
1998

Special Feature:

Corporate Philanthropy

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Front Cover: Roan the Syrian Bear at Melbourne Zoo enjoys Aromatherapy from
The Body Shop Corporate Sponsorship

Joint Editors: Jean Elder & Jane Sandilands
Co-ordinator: Esther Lethlean

The articles in *Philanthropy* do not necessarily reflect the view of members or of
Philanthropy Australia.

The President

speaks

Members will be well aware of the Prime Minister's Round Table and the work of Philanthropy Australia (particularly that of Elizabeth Cham) in assisting the development of this initiative. There is no doubt that our work has helped highlight the importance of philanthropy in Australia and led to a greater understanding by government and others about what this means. We are therefore very pleased that our work has been recognised more formally and the Australian Government has made a substantial grant available to Philanthropy Australia for two projects to be undertaken during the current year. The first project is to bring notable figures in philanthropy and business to Australia so that awareness and advice about principles and best practice overseas are available to enhance discussion and development here. The second is to develop Philanthropy Australia's Information Exchange Brokerage Service so that a wide range of information is available to members, corporates and community groups in order that new philanthropic partnership arrangements are facilitated.

These are exciting opportunities and are consistent with the overall goals of Philanthropy Australia to grow philanthropy in our country, and to support our membership and others in this essential contribution to a cohesive Australian society.

But there is much else to be achieved quickly in moving toward these goals. Taxation and accountability issues are frequently mentioned by members as matters that must be addressed urgently. Some members are already contributing resources for consideration and presentation of these latter issues, and we are most grateful to them for this support. Other members have indicated willingness to assist projects designed to further resolve problems in these

vexed areas. This is the way it should be, and has been. At present, our membership fees contribute less than a third to budget income for our organisation. If special projects are to be undertaken on behalf of all members, large and small, it is appropriate that members from time to time make a special contribution. The Council on Foundations in the US provides us with a model here. They actively seek assistance from members for special projects. Their Communications and Legislative Issues Project is a current priority for which they have raised significant funds from members.

It is most important that we have the capacity to represent you, and best practice, in the forums and corridors where the changes are being negotiated. The end result can only be a more positive environment for philanthropy and community giving in Australia. Philanthropy Australia over the past year has shown that it can be a key agent for change and we will continue to seek your support and involvement to further build on this achievement.

Ben Bodna, President

Acting Executive Director's Report

This edition features corporate philanthropy, focussing both on some of the creative ways corporate Australia is involving itself in the communities in which it does business, as well as taking a look at some overseas experience. It provides lively reading for much is happening in the corporate world as businesses respond to global social and economic changes. The calls we are receiving at Philanthropy Australia, from companies both large and small, indicate there is a great desire for advice and information about how to be involved in corporate philanthropy. It is very timely then, that we have also received news (see The President Speaks) of a substantial grant from the Government which will enable us to provide this support. There is a clear opportunity for corporate philanthropy in this country to develop a uniquely Australian approach.

Joining Philanthropy Australia at this time gives me some exciting possibilities. Coming recently from working in the private sector, I am aware of the constraints on corporations in developing their strategic planning including philanthropic endeavours. However, this is balanced by a knowledge that despite reports to the contrary, many shareholders and members of mutual associations welcome their company's involvement in advocacy and community activities. My past policy development and research work in aged care and public health has also given me an understanding of the range of needs and concerns that exist in Australian communities.

And finally, working for membership based organisations for the last 12 years has highlighted to me the importance of ensuring that the services provided meet the needs of members. And so I hope that I can utilise some of this learning in my ongoing work in both developing services for the broad range of

Philanthropy Australia members and in assisting with the policy and advocacy activities.

Acting for Elizabeth Cham whilst she is on leave has demonstrated to me the enormity of the task ahead in "Growing philanthropy". There is much to be done and I am delighted to be part of the team assisting you to achieve this goal.

Jean Elder, Acting Executive Director

Joint sponsors The Body Shop, ATSIC and DEETYA recently celebrated the launch of the Small Business Mentoring Program for Young Indigenous Australians.

The Mentoring Program, which matches experienced business people with young indigenous entrepreneurs, aims to build foundations for partnerships with the private sector. ATSIC Chairman, Gatjil Djerrkura said that the private sector is the only place to find new opportunities for indigenous economic development.

The 18 month pilot program will be run by a management company, headed by a Board of Directors. A pool of mentors will be developed and then matched with young business people who would benefit from their knowledge and experience. The management company will also promote financial and other support for young indigenous enterprise within corporate boardrooms.

The Program recognises that over recent years there has been increasing disenchantment among indigenous and non indigenous communities about the support systems available to indigenous peoples. One of the most prominent discussions has been around the issue of welfare dependency and the minimal amount of economic self determination existing within indigenous communities.

An acknowledgment of this lack and its relationship to long term success of

communities is contained in the discussion paper "Removing the Welfare Shackles" by the Minister for Aboriginal and Islander Affairs, which gives strong support and encouragement to economic self determination.

Although there is an increasing focus on indigenous business development, the needs of young people in communities are not usually specifically addressed. The Mentoring Program recognises the strong need to consider young people as an integral part of programs to develop indigenous communities.

The desire of young indigenous people to find a way out of unemployment and into business and economic control is demonstrated by the strong participation of young people in a series of workshops on indigenous business development. These were run by The Body Shop, Aboriginal & Torres Strait Islander Commission, Department of Employment Education Training and Youth Affairs and the Commonwealth Youth Program and always attracted more applicants than there were places.

"The Indigenous Youth Mentor Program is designed to assist governments, businesses and individuals work together to create much needed positive change."

When the economic development of indigenous communities is considered, there is a need to remember that indigenous young people do not have a pool of people within their families or support networks from whom they can draw business knowledge and expertise. The

pool of successful indigenous business people is small and the need for assistance far outweighs the numbers available. While older generations of indigenous Australians pass on knowledge and wisdom related to culture and custom, they are not usually able to pass on the business acumen needed by young people who want to start and maintain business initiatives.

The Indigenous Youth Mentor Program is designed to assist governments, businesses and individuals work together to create much needed positive change. The mentor program will work with current programs of ATSIC and state governments to maximise its benefits. It will allow our corporate citizens to meet and work with indigenous people in a positive way and help them gain an understanding of the issues facing rural and remote Australia.

The Program is designed to help maximise the opportunities for business success in indigenous communities, to assist them to share in economic power and take their rightful place in our society. ■

Mentors will be identified through contact with existing business networks and through advertisements and editors. Mentors may self select by approaching the Business Mentor Program:

Vicki Burkinshaw,
The Body Shop, (03) 9565 0500,
Martin Freckman, ATSIC (02) 6289 3399

News & Views

Call for Nominations: Prime Minister's Awards

An outcome of the Prime Ministerial Round Table held in March this year, the inaugural Prime Minister's Awards will recognise partnerships between business and community organisations. Nominations will be accepted from any business or community organisation operating in Australia which can demonstrate its commitment to building strong and active partnerships with the community through its work towards a common goal. Closing date 30 October 1998.

For more information and nomination form:

Phone (02) 6289 7169

Fax (02) 6289 4369

<http://partners.health.gov.au>

Barbeito Workshop

US management expert Dr Carol Barbeito will run a program for the corporate sector, presented jointly by Philanthropy Australia and the Victorian Women's Trust. The half day workshop will be held on Friday 13 November. The cost of \$200 includes program materials.

For registration (03) 9650 9255.

New Web site for Australian Youth Foundation

Students from the Design Studio at Sydney's University of Technology have designed the new Foundation web site: www.ayf.org.au. The site also has a section for the media, with press releases, story ideas and information about special events.

Scholarships for Indigenous Young People

The Robert Riley Scholarship Program offers individual scholarships of up to

\$5000 to indigenous young people up to age 25 to pursue studies in law, human rights or juvenile justice. Applications close 13 November 1998.

Further information:

Phone: (02) 9357 2344

Fax: (02) 9358 5635

<http://www.ayf.org.au>

Research gift from philanthropists

Mrs Eva Erdi and Mr Les Erdi have donated \$600,000 to Monash and Melbourne Universities to fund research into the genetic causes of modern diseases such as prostate cancer and diabetes. Mr and Mrs Erdi migrated to Australia from Hungary after World War II. The gift is their recognition of being *"grateful to live in this country and a belief in giving something back to the community"*.

Farewell to Rachael Bahl

Resource Librarian Rachael Bahl who set up our Resource Centre and our Information Technology arm has taken a position as Reference Librarian at the Australian National University. Philanthropy Australia extends its best wishes for her future.

Report Highlights Reputation Value

Hill and Knowlton have recently released a report "Strategic philanthropy and sponsorship; a winning approach". The report says that a corporate giving program can be a powerful contributor to corporate reputations but must express the attributes and values for which the corporation wants to be known. Among other aspects of giving, the Report details how to conduct an analysis of a company's giving program. Available from H&K Corporate for \$100.

Contact Carolyn Brasher on (03) 9820 8999

The Stegley Foundation Launches Publication Series

The Stegley Community Development Publications Series is an exciting initiative through which the Foundation aims to continue to support progressive social change beyond the life of the Foundation itself. It is based on a recognition that providing access to professional publishing and effective distribution of material produced by community organisations multiplies the value and impact of the work undertaken.

The series will be officially launched at 5:30pm, Tuesday, 24th November in the Portico Room, Melbourne Town Hall. An invitation is extended to all individuals and organisations in the philanthropic sector.

RSVP or further information on 9826 2777

And from Overseas

Controversial Giving in the U.S.

A scheme where charities appear to pay for life insurance policies for donors using tax-deductible gifts from donors or their estates and then share in the policies' proceeds has come to the attention of the Internal Revenue Service. The IRS is interested because it raises questions about the proper role of charities in insurance deals that benefit donors and their heirs.

* Full story: *Chronicle of Philanthropy* Vol 10, No. 20.

Lower income Canadians the most generous

The National Survey on Giving, Volunteering and Participating, sponsored by the Canadian Center for Philanthropy and six other non-profit groups found that 78% of Canadians surveyed made direct financial donations to charities and non-profit groups. Households with annual incomes of less than \$20,000 Canadian gave an average 1.4% of their income annually, while households earning more than \$60,000 gave only 0.4%.

25 Most Generous U.S. Companies

American Benefactor magazine has published its list of the 25 most generous companies in the U.S. They range from corporate giants AT & T and IBM to small firms such as a Pennsylvania travel agency that donates 75% of its profits to local jobs programs for the poor. The magazine added other criteria besides the monetary amount of gifts to their selection of the most philanthropic companies. These included the use of giving programs that were both creative in their use of resources and ultimately, effective for the groups receiving help.

* Full story: www.americanbenefactor.com/9808/25most.html

Corporate Community Service Awards

The Washington D.C. based Points of Light Foundation has named the seven companies to receive the 1998 Awards for Excellence in Corporate Community Service, PR Newswire reports. They are the Home Depot (Atlanta, GA), Samsung Group (Seoul, Korea), Southwest Gas Corporation (Las Vegas, NV), the Timberland Company (Stratham, NH), Time Warner Inc. (New York, NY), United Technologies Corporation (Hartford, CT) and the Yakima Herald-Republic (Yakima, WA).

Gulf of Mexico commitment: Shell Oil

Shell Oil Company has pledged \$5 million to the National Fish and Wildlife Foundation to create a fund to protect the Gulf of Mexico. The money will be used to create the Shell Marine Habitat Program to further the understanding of the dynamics between oceans, estuaries and human use.

More information: Visit National Fish and Wildlife Foundation website on www.nfwf.org

(*Philanthropy Journal Alert*, Vol 2, No 34)

Doing Good is Good for Business

Several companies are giving employees paid time off to do volunteer work as well as increasing financial gifts to the community, the Sacramento Bee reports. The Bee reports that corporate America is learning that this is good for business as well as for the local, national and global community. The trend, say experts, is due to pressure from investors, consumers and public advocacy groups for companies to be more open and responsible for their business and ethical practices.

(*Philanthropy Journal Alert*, Vol 2, No. 39)

Wellcome Trust to double money for DNA research

The New York Times reports that The Wellcome Trust will double the money it gives to the Sanger Centre in Cambridge, England, to help biologists step up studies of DNA sequencing. The current project, funded with \$US3 billion from the US Government, has been in progress for 15 years and is only halfway to completion.

(*Philanthropy Journal Alert*, Vol 2, No. 39)

South African charities suffer

Reuters reports that the effects of apartheid and a struggling economy are hurting charities in South Africa. Mokheithi Moshoeshe, director of the Southern African Grantmakers Association said that the financial crisis is largely because of a decline in foreign funding. He said that South African companies must do more to help fight poverty in the interests of a more stable South Africa.

(*Philanthropy Journal Alert*, Vol 2, No. 45)

Corporate Sponsorship

Changing the Landscape

A few pages of notes written during an international airline flight four years ago has resulted in a new approach to corporate support of Australia's volunteers and community service organisations. RON BURKE spoke to Philanthropy about the National Australia Bank's CommunityLink concept.

An integrated series of projects and activities, CommunityLink has a common theme of assisting Australian communities, families and volunteers.

It includes Australia's first major awards program for volunteers; the CommunityLink Magazine; and partnerships with groups such as the Australian Red Cross, the Australian Conservation Foundation, City Missions and the Confederation of Australian Sport.

In its first year of operation, National CommunityLink is estimated to have reached over two million Australians.

While it has avoided traditional advertising and media promotion, it is well known within government and the corporate sector, as well as community and volunteer organisations throughout Australia and attracted support from over 100 politicians of both parties.

The first CommunityLink Awards attracted over 1,300 entries - and over 100,000 copies of CommunityLink Magazine were snapped up by community groups throughout Australia in its first few weeks.

So what are the reasons for CommunityLink's success?

Ron Burke believes that CommunityLink is successful because modern marketing concepts have been applied to traditionally conservative areas of community service and volunteerism. And, he adds, "we have also found a way for a major corporation to sensibly meet its social responsibilities to the communities where it conducts its businesses".

"Corporate giving usually has little interest in changing the social conditions or circumstances that cause the initial demand for funds and nor is it seen within companies as a practical means of enhancing communications and relations with key corporate stakeholders."



Left to Right: Jo Wigley, Marcus Godinho, Ron Burke

"By integrating funding of volunteer organisations into our overall communications programs we have been able to meet the needs of our shareholders and communities," he says.

Burke believes millions of dollars are wasted because of outmoded thinking on the part of many corporate sponsorship managers and administrators within some of Australia's leading community organisations.

"There has been little attempt by the public relations profession in Australia to rethink the traditional role of corporate sponsorship," Ron Burke says.

"As a result it is losing valuable opportunities to increase the level of funding for community service programs and the effectiveness of their use," he says.

From the outset, CommunityLink was integrated into the National's overall external communications and relations strategies for Australia and directly linked with the achievement of the Group's key business objectives.

A series of volunteer organisation meetings and focus groups was held to ensure the proposed projects met community needs and expectations. As the plan was finalised, other areas within the National including marketing and human resources provided guidance and direct support.

CommunityLink was promoted through community newspapers, volunteer groups and major community service groups.

While CommunityLink has had a highly favourable reception, there is still some scepticism about the value and motivation of major corporations involvement in community matters.

There is also concern that guaranteed government funding for community organisations will be replaced by corporate support that historically has been erratic.

Ron Burke believes these views are both predictable and legitimate.

"Scepticism is healthy. But outright denial of the legitimate role of the corporate sector in national and community renewal is wrong," he says.

"The same energy that companies apply to their financial, manufacturing and marketing issues can be usefully harnessed to address broader community issues."

"The concern about government withdrawal from service provision is real and legitimate and a broadly based and rapid transfer of public sector responsibility to corporates or not for profits would create major social problems.

"The fact is that Australia's major community service organisations are simply not capable of managing the additional administrative and financial burdens being placed upon them.

"This is an issue that Australians are blissfully unaware of – yet it is of critical importance," Ron Burke says.

This concern about the strains being placed upon Australia's major community service and volunteer organisations has influenced the structure and operation of the National's CommunityLink program.

It is providing substantial funding to "partner" organisations including the Australian Red Cross, the Salvation Army and the Confederation of Australian Sport to develop new strategy, planning and operating processes.

"You cannot apply the management processes of major companies to community service organisations. We have to find a new model that blends elements of modern management with the special nature and characteristics of the volunteer sector."

"I believe it is the joint responsibility of government, the corporate sector and community service organisations to develop these new approaches. If we do not, we face the prospect of considerable social dislocation within the next decade."

"Australians seem to be preoccupied with United States and United Kingdom approaches to corporate philanthropy and social responsibility issues but we have a unique nation and culture. We have the ability to develop programs that are models for the rest of the world rather than vice versa.

"The only thing that holds us back is lack of focus and conservatism." ■

"Community service or volunteerism are not areas that have traditionally attracted this level of attention or interest."

National CommunityLink
PO Box 3297AA
North Burnley Vic 3121
Phone: 1800 807 121
Fax: (03) 9641 4925

The Visy Cares Centre Experience

About a decade or so ago and after much discussion, youth workers in the Dandenong area, south east of Melbourne, came up with an idea to develop a 'one-stop shop' approach to youth services delivery.

Dave Glazebrook*

The region had long been in desperate need of intensive youth services, with more than its share of the all too familiar problems of homelessness, drug addiction, unemployment and their associated impacts.

The youth workers' vision was for a facility where every service was contained in the one building so that a young person with a range of issues and needs could start to address them all at the one venue, rather than be referred to many different locations.

This venue would house a range of agencies and be a working model of how agencies could work together on a number of levels to better solve youth problems.

It would also be the base to develop better networks across a bigger region and to have more efficient links between agencies and so be able to respond more quickly to issues.

The idea was great except for one big problem. We didn't have a clue how to raise the money needed to fund the facility.

Instead of us finding a benefactor, the benefactor found us. In an example of proactive philanthropy, The Pratt Foundation, the philanthropic arm of Visy Industries, the international manufacturing group owned by Richard Pratt and family, took up the project. Visy

Industries knew the area well, having a recycling plant in Dandenong.

The Pratt Foundation brokered the deal for the capital to construct the centre. If \$400,000 was raised in the community, the Victorian Government would contribute \$400,000 and the City of Greater Dandenong would contribute \$200,000 and the land.

This done, the Foundation took the lead in raising the community contribution. Every single cent of the money raised from a number of activities went to the project. The Pratt Foundation was then active in negotiating between the community, the Victorian Government and the City of Greater Dandenong to ensure the success of the centre. They also assisted in negotiations with the architect, were part of the tendering process, and when a last minute request to add air conditioning to the building was suggested by Richard Pratt, The Pratt Foundation met the challenge.

The building of over 1000 square metres and valued at approximately \$1 million, came in under budget. The unspent capital and all accumulated interest has provided for the management of the centre.

Known as the "Visy Cares" Centre in honour of the The Pratt Foundation and its associated "Visy Cares" activities, it was opened in March 1998 by the Governor of Victoria, Sir James Gobbo.



The Visy Cares Centre - Dandenong

The Visy Cares Centre services young people aged 12-24 years old across the local government areas of Greater Dandenong, Casey and Cardinia.

It houses over 12 different agencies, with 36 full time staff providing a wide range of services including general medical, physio, maternal, psychiatric assessment, drug and alcohol counselling, de-toxification and outreach, needle exchange, sexual assault counselling, family mediation, depression and suicide counselling, disability services, health education, alternative education for school refusers and gifted children, legal matters, Koori focused services, housing and accommodation, employment services, case management, career guidance, audio recording facilities as well as recreation and leisure activities.

Corporate

philanthropy



Mr Richard Pratt AOAC, Dave Glazebrook and Hon Sir James Gobbo AC

Visy Cares is a complementary activity to The Pratt Foundation. While the Foundation operates on more traditional philanthropic lines, considering and supporting funding requests, Visy Cares' specific brief is to encourage communities to identify projects to provide positive long term benefits.

After consultation, a project is selected, analysed, and then a strategy is implemented to raise funds and commence the project.

Young people are establishing their own businesses to run the recording studio, others have established their own theatre business, a magazine, video production, and the list continues to grow. In its first seven weeks, the Centre had over 1,700 young people through the doors and 950 telephone enquiries.

The Centre is self funding with funds generated from rent paid by the twelve agencies who occupy the Centre combined with a considerable fundraising effort.

It will also help the community make millions of dollars by assisting young people to become contributing, valued community members.

The Visy Cares Centre is already being seen as a model for the future and the process for a Visy Cares project in NSW has recently commenced.

As a youth worker who has directly benefited from good philanthropy I've learned that, to be good, philanthropy must be win-win-win-win situation.

Aims and objectives of The Visy Cares Centre and The Pratt Foundation include:

- to benefit individuals and groups within local communities.
- to enhance quality of life.
- to provide general benefits to disadvantaged, minority or special interest groups.
- to encourage education and work skills training.
- the relief of poverty.
- the care of the sick, aged, poor, and unemployed.

'Win' for the group/s receiving the funds so they can do projects of great community good and continue to develop their community value.

Visy Cares' specific brief is to encourage communities to identify projects to provide positive long term benefits.

'Win' for the philanthropist so that their donation goes to where they believe it will do the most good, that it does in fact achieve that good and importantly, the philanthropist gains their legitimate and deserved outcomes.

'Win' for the people or community receiving the benefits where the project is delivered with maximum efficiency and dollars going to them and minimal dollars and effort being spent on unnecessary administration, bureaucracy and 'talk fests'.

'Win' for everybody when the above three areas are achieved. This is important as the philanthropic donation will continue to grow as a major source of funding.

If the philanthropic dollar is spent as wisely and as proactively as was achieved by The Pratt Foundation's Visy Cares Centre project, our entire society will be the better for it. ■

***Dave Glazebrook is the Manager, Outer South East Youth Services Association Inc., Visy Cares Centre Dandenong. Further information: 03 9793 2155**

Profile of "Imagine" –

Ten years ago, the Canadian Centre for Philanthropy, aided by a few far-sighted business leaders, set out to promote an increase in public and corporate giving through a national initiative known as "Imagine".

by Max Brem*

A notable part of each year's program centers on announcing and publicizing Imagine's "New Spirit of Community" Partnership Awards. These recognize creative, innovative partnerships between business and non-profit organizations.

Research conducted for the Centre in 1987 showed that individual and corporate giving was in decline. Yet, in a national opinion poll, Canadians described themselves as generous people. Some kind of public motivational instrument was needed to help align the professed generous attitudes of Canadians with their voluntary actions.

And so Imagine was born, under the original campaign slogan "A New Spirit of Giving". The intention, then as now, was to stimulate personal and corporate philanthropy and volunteering. In its initial years, Imagine carried its message through a variety of platforms. One part of the program was directed at extensive promotion of the concept to the general public, through public service announcements, tie-ins with stores, sports groups and numerous companies and non-profit networks. Many organizations distributed information and promotional items.

The other main component targeted private businesses, challenging them to become "Imagine Caring Companies". These are companies that formally agree to donate a minimum of 1% of domestic, average pre-tax profits to charitable and voluntary organizations, and to encourage giving and volunteering among their employees. The Caring Company program became the main focus of Imagine after 1993 under a renamed slogan, "A New Spirit of Community". The Imagine benchmark of at least 1% of pre-tax profits for charity, and encouragement of employee volunteering, is widely accepted as the minimum norm for corporate giving in Canada by many business and non-profit leaders and the media.

Today, 440 Caring Companies are enrolled in the program. As well, 1300 Community Partners officially support Imagine's aims and agree to promote it.

A New Spirit

This makes Imagine one of the largest programs of its kind in the world, with more companies in it than comparable "per cent" initiatives in the US, UK, and Japan.

Being a Caring Company allows a firm to use Imagine's widely familiar prism logo on company advertising and stationery, thus signifying to its employees, shareholders, customers and suppliers that the company has committed to this level of corporate citizenship. The Centre publicly recognizes all its Caring Company members in a major advertisement each year. Imagine's main media partner is The Globe and Mail, the national newspaper.

In the years since Imagine started, charitable donations by Canadian corporations have steadily increased and did so even during the grim recession years of the early 1990s. There have also been changes in the way corporations support the community. While cash remains critical to the survival of charities, corporations are leveraging a range of resources, including cash, employee volunteers and in-kind services, in support of more effective, results-measurable philanthropy. Contributions are becoming more focused on issues which fit with a company's long-term strategic interests (e.g. book chains and literacy, resource companies and the environment).

While Imagine is not the only influence on corporate giving, its impact appears to be significant. Compare the eight years before Imagine's launch (1980-87) with the first eight years of the Imagine program (1988-95). In the earlier period, Canadian corporations gave an average of 0.65% of pre-tax profits to voluntary and charitable organizations, whereas in the Imagine period this percentage rose to 0.96% of pre-tax profits. Though the difference may

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of Community

appear small in percentage terms, it translates into a difference of almost a billion Canadian dollars in corporate contributions to recipient organizations over the eight years for which figures are available.

In 1995 alone, Imagine Caring Companies donated 1.37% of pre-tax profits to charity (about \$200(Cdn) million). This represents roughly 40% of the total amount of corporate charitable contributions that year, according to taxation authorities' data.

Imagine operates as a program of the Canadian Centre for Philanthropy, a national charitable organization based in Toronto dedicated to advancing the role and interests of the charitable sector for the benefit of Canadian communities. Three full-time staff members work on Imagine, which receives administrative support from other centre units. The organizational framework is relatively uncomplicated. There is a small council of corporate advisors, headed by Courtney Pratt, chair of the mining company Noranda Inc. and several other advisory or consultative committees drawn from the Centre's board of directors, national voluntary organizations, communications professionals etc. From its inception, Imagine has benefited from the able leadership of top business people. Early champions included the heads of Imperial Oil of Canada (Esso) and the Royal Bank of Canada.

Imagine raises its finances from a core group of several dozen corporate and foundation sponsors to support ongoing program activities. In addition, it receives occasional grants from other sources, including several levels of government, for specific initiatives. The budget for Imagine second five-year phase (1993-98) comes to just under \$4(Cdn) million. This compares to \$10(Cdn) million spent in the start-up five-year period. Some \$16(Cdn) million worth of broadcast air time was donated.

Imagine itself is not a funding agency; it does not give money to charities. But it does develop resources and promotional tools which member organizations use to build awareness, promote voluntarism and create mutually beneficial partnerships between corporations and non-profits. Imagine's newsletters, containing articles on current trends, are also available on the Internet, along with much other useful information.

The Imagine benchmark of at least 1% of pre-tax profits for charity, and encouragement of employee volunteering, is widely accepted as the minimum norm for corporate giving in Canada by many business and non-profit leaders and the media.

A notable part of each year's program centers on announcing and publicizing Imagine's "New Spirit of Community" Partnership Awards. These recognize creative, innovative partnerships between business and non-profit organizations. The Awards illustrate the many ways that corporate resources are being leveraged, by firms of all sizes and industries, for the greater good of the community. The 1998 Awards recognize partnerships in such fields as the environment, health research, literacy, resources for the disabled, and the training of visible minority and immigrant women.

In addition, Imagine commissions research to better understand public and corporate attitudes and the latest trends in corporate community involvement. It also organizes symposia in major cities. These provide "neutral" forums

where leaders from business, government and the voluntary sector come together to discuss changing roles, responsibilities and expectations in meeting community needs.

Recently, Imagine has teamed with the Business Council on National Issues, composed of many of Canada's largest companies, to build a new consensus on the role and contribution that business can make to social progress and to initiate new standards for corporate social performance. Last January, a forum convened by the two groups in Toronto attracted 60 senior business leaders and the heads of business associations. One objective is to give more explicit recognition to activities that companies are already engaged in but are not necessarily captured by the Imagine 1% formula. Another objective is to provide expanded and more varied benchmarks for business support of the community, including higher standards for larger companies. It is expected that the results of current deliberations will be incorporated in a new discussion paper on corporate citizenship that Imagine may publish later this year. ■

***Max Brem works with
Imagine Communications, Research
and Public Affairs.**

Further information: Imagine's web pages are on www.ccp.ca or contact Chris Pinney, Director of Imagine, at cpinney@ccp.ca, tel. (416) 597-2293 Ext. 228, fax (416) 597-2294. The Centre's address is 425 University Avenue, Suite 700, Toronto, Ontario, Canada M5G 1T6.

 **Imagine**
A New Spirit of Community

Corporate Philanthropy in the Philippines

by Murray Cree*

In November 1997, the Myer Foundation sponsored a one-week visit to the Philippines by a delegation of Australian business and community representatives, including electronic legal publishing CEO and Williamson Fellow, Alan Schwartz.

In the Philippines, the management of social partnerships between major business enterprises and local communities has been heralded as a benchmark for 'world's best practice'.

There is a massive network of community and business partnerships with a history spanning more than 25 years of joint ventures. To understand the evolution of this unique model of social and business partnerships, it is important to appreciate the background context of the Philippines. The nation has a population of more than 62 million spread over 7100 islands - a land mass roughly equal to the size of Great Britain. About 12 per cent of the population are in the capital, Manila.

The country was settled by the Malays before Magellan claimed the land for Spain in 1521. During the past 500 years, it has been dominated by various foreign nations: Spain, the United States, Great Britain and Japan. This pattern of foreign control has shaped the religious and cultural values of the modern Philippines, including business relationships and many of the languages.

The Philippine Business for Social Progress (PBSP) consortium grew out of the unrest which started to build up in the early '60s and '70s. It was part of a wider resentment against large corporations, imperialism, political corruption and patronage. During a period of runaway inflation, growing poverty and social unrest, students and workers began to demonstrate against big business and its lack of social responsibility.

Against this backdrop, the chief executive officers of 50 large businesses got together and decided to pledge 1 per cent of the pre-tax profits of their companies to community development. PBSP was formed as the vehicle for

managing these business-to-community relationships. Today, PBSP boasts 172 business members who share the view that corporate philanthropy makes good business sense.

The initial move to establish PBSP was an act of survival and self-preservation for the companies involved. They had to act. But this model of corporate good citizenship was fostered by other influences as well.

**Today, PBSP
boasts 172 business
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view that corporate
philanthropy makes
good business sense.**

The high percentage of adherents to the Catholic religion has encouraged a sense of care for the welfare of others and a commitment to tangible action in the pursuit of social justice. Further, the oppression of the Marcos regime and the rise of Cory Aquino as the charismatic leader of the 'peaceful revolution' - and then President of the nation - strengthened the belief of many of these former student protesters that social responsibility had to be an integral part of good business practice.

PBSP chairman and CEO of the San Miguel Corporation, one of the Philippines largest companies, Andrew Soriano, explained the new mood this way:

"For an Asian company, corporate philanthropy and citizenship are seen as part of a social contract with the community. The community observes this unwritten contract, not out of fear of being picketed or penalised, but because it is the only truly acceptable way to do business."

Philanthropy

In the case of San Miguel, the Australian delegation saw first-hand how they had translated their values into action.

One of the rural community development projects they visited was a fresh spring water bottling plant. Through the assistance of PBSP, a group of retrenched workers in a struggling rural community were given the finance to add value to a local resource, a natural spring, by creating their own mineral water bottling business.

“For an Asian company, corporate philanthropy and citizenship are seen as part of a social contract with the community. The community observes this unwritten contract, not out of fear of being picketed or penalised, but because it is the only truly acceptable way to do business.”

Andrew Soriano

With the technology and technical advice of San Miguel, the funding of PBSP and the support of its community development specialists, this rural community rebuilt its lifestyle and its core source of employment. Today, the bottling plant ships its precious resource of bottled water throughout the Philippines.

The Philippines' model of corporate responsibility is distinctive because of its track record of success and its

independence from government. Obviously, this network of business leaders has the ear of powerful politicians, but PBSP is autonomous, challenging both business and government to constantly demonstrate its social concern for the peace-loving Philippine people. ■

***Murray Cree is an HR and Training Consultant. He is a former Professor of Business at Monash University and Director of a TAFE College in Geelong and has worked extensively in business and the community. His article is an edited version of that written for the Williamson Community Leadership Group Magazine (April 1998) and is reprinted with permission.**

Contact number: 015 536 618

Resource Centre News

Philanthropy Australia's Resource Centre holds a wide range of materials including books, journals, and reports relating to philanthropy, grantmaking, grantseeking and related areas.

Materials are available to Philanthropy Australia Members as well as members of the Resource Centre.

Here's a sample of what we've received recently.

Charities and Nonprofits in the U.S.

Regulation, standard-setting, accreditation and monitoring, is a paper produced by The Asia Foundation. Part of its Working Paper Series, this paper is designed primarily for those not familiar with U.S. policies and practices. The paper was written by Russy D. Sumariwalla and covers both regulation by government and non government agencies.

From the British Council, Scholarships and Awards for Study in Britain.

This book covers all levels of study and spans a broad range of subject areas.

Study Tour Report

The report of the November 1997 Study Tour of the Philippines is now available from the Resource Centre. Organised by the Myer Foundation, in conjunction with Philippine Business for Social Progress, the study tour looked at corporate-community partnerships

Annual Reports

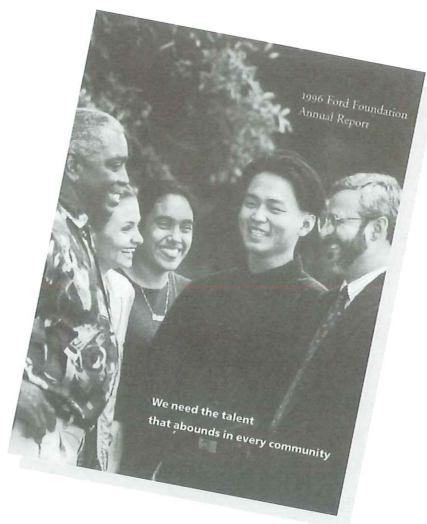
Thank you to all those who responded to our recent request for Annual Reports.

Here is just a selection of those we have recently received:

The Asthma Foundation of New South Wales. Annual Report 1997.

The Australian Youth Foundation. Annual Report 1997.

Ford Foundation. Annual Report 1996.



Grand Metropolitan.
Report on Corporate Citizenship 1997.

The Medical Foundation
(The University of Sydney).
Annual Report 1997.

JP Morgan.
Contributions to the community 1997.

United Way Ballarat Community Fund.
1997 Report to the Community.

Williamson Community Leadership Program.
Yearbook and Fellows Directory 1997.

Journals

The Resource Centre receives many journals every month. Here's a selection of recent issues:

Asia 2000 Foundation Review,
March - April 1998

Association of Charitable Foundations Trust and
Foundation News, Issue 44, Mar-Apr 1998

Australian Journal on Volunteering, v.3 (1),
February 1998

Civics World, March-April 1998

CommunityLink :The Magazine,
Issue 5, August 1998

Council on Foundations International dateline,
Issue 47, Winter 1998
(This issue features Australia in its
"Philanthropy around the world" section)

Forum Briefing :The Prince of Wales Business
Leaders Forum, Spring 1998

Foundation News and Commentary,
May/June 1998

Cover Story: Know thy critics

"They've always been out there, but the chorus of critics has gotten louder. Who's saying what about philanthropy? Is any of this information helpful? And how are foundations dealing with it?" by Roger M. Williams.

Also featured: The catalogue for philanthropy.

Fundraising Forum, Vol 16, Autumn 1998

Inside ISTR, v.6 (1) Winter 1998

Law Foundation Bulletin, v.3 (2), April 1998

New Zealand Philanthropy :
The newsletter of the New Zealand
Association of Philanthropic

Trusts, v.2 (12) April 1998
Includes Taxation Bulletin

Sampradan (giving wisely) : A Quarterly
Newsletter of The Indian Centre for

Philanthropy, March - May 1998.
(Includes an article on Pushpa Sundar's
visit to Australia last year)

Trust Women, v.10 (1), April 1998

Trust Women for ideas... v.1 (2), April 1998

VCOSS Noticeboard, v.11 (4), April 1998

Williamson Community Leadership Group
Magazine, April 1998

Faith, hope and information - assessing a grant application Written by Diana Leat

Faith, hope and information discusses the ways in which grantmakers obtain information from grant applicants and the content of that information. It discusses the pros and cons of application forms, of site visits and the roles of staff employed by the grantmaker to assess applications. The report is based on an analysis of the application processes of the top 50 UK charitable foundations, supplemented by detailed case studies.

Philanthropy

Taxing Matters

by Michael Walsh*

The philanthropy sector in Australia often laments the more generous tax concessions for giving in the USA relative to Australia. In order that Australian philanthropy develops sufficiently to compensate for greater community need, a review of tax incentives in the upcoming tax reform agenda is essential. However, it is also important that existing tax incentives are well understood.

And clearly current incentives are under-utilised. Consumer surveys calculate the annual level of individual giving to be about \$1.5 billion. However, the 1996 Tax Office Statistics reveal that the amount claimed as a tax deduction was only \$528 million - just over one third. Giving strategies, just like any other tax or estate planning strategy, need to be developed to better use these incentives (see Case Study) and lessen use of methods of giving where tax incentives are not available.

There are a number of complex tax issues involved in making a major charitable donation or bequest.

For example, a bequest is not a tax deduction to the estate. It could also be challenged by disgruntled estate beneficiaries. There is also a related capital gains tax issue. Capital gains tax is payable by either the taxpayer or the estate, regardless of whether it is sold before gifting or gifted in kind. This makes it quite painful for the estate, which is liable for capital gains tax but cannot claim a deduction for the payment by bequest. An option would be to request in the will that a trustworthy beneficiary make the donation from the proceeds of the estate and claim the tax deduction.

There are similar issues relating to charitable donations. Only certain organisations are approved for tax deductible donations even though a wider range are tax exempt in their own right. These include Public Benevolent Institutions, hospital funds,

medical and scientific research funds, educational building funds, universities, public libraries museums and galleries, environmental organisations and a few others. While private foundations and churches may be exempt from paying tax in their own right, gifts to these organisations are not tax deductible to the donor.

The Australian Taxation Office maintains a register of approved Public Benevolent Institutions on the Internet to which gifts are deductible from assessable income. So, as a deduction, it reduces income for the purposes of primary income tax, provisional tax, eligible termination payment tax, medicare levy and the new superannuation surcharge. However, any tax loss generated by a gift cannot be carried forward to future years.

Gifting assets (rather than cash) is generally not tax efficient. Capital gains tax is payable and a deduction is not allowed. There are complex exemptions from this general rule for assets held for less than 12 months, trading stock and works of art. So, it is better to dispose of the asset, pay capital gains tax and make a tax deductible cash donation.

Overall, there are a number of opportunities for tax planning which can reduce the after tax cost of a donation. Donors who use these opportunities may be inclined to give more as a result! ■

More taxing matters !

As we go to press the Federal Election campaign is underway and reform of Australia's taxation system is clearly on the agenda. Both the Coalition Government and the Opposition have released tax reform packages. To date, (24 September) neither have addressed our major agenda which is to make changes to income tax law to assist philanthropic giving in Australia. David Gonski outlined some of these proposed changes in his article in the Winter edition.

Philanthropy Australia will continue to articulate the need for all political parties to adopt taxation policies which aid the growth of philanthropy in Australia.

Jean Elder.

**Michael Walsh is Principal of Givewell, which aims to substantially increase the level of giving to charitable organisations. It does this by providing ideas on giving strategies and research on charitable organisations. A key strategy is to ensure that advice on donations and bequests becomes a normal part of financial, tax and estate planning services.*

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Current Directions in Corporate Giving

by Gerard Brown*

Management thinking about 'corporate giving', both sponsorship and philanthropy has developed significantly in the '90s. Contributing to this has been political, public policy and social trends, insistent corporate cost pressures and 'deeper' analysis of the potential strategic role of 'corporate giving' in a sophisticated corporate public affairs program.

The Centre for Corporate Public Affairs suggests leading corporate giving programs are distinguished by the following characteristics:

- **Strategic:** The corporate giving program is clearly and directly linked—most usually through an enterprise's public affairs plan to the company's strategic business objectives.

Implicit in this thinking is the recognition of the need to leverage issues management programs through corporate giving.

Refocusing corporate giving Goals Strategies

- Reputation enhancement
- Employee Loyalty/ Involvement
- Improved Customer Ties
- Communications campaign
- Foundation report
- Program theme/focus
- Capacity-building for non-profits
- Partnership with specific group
- Volunteering
- Membership on contributions committee/foundation board
- Matching grants/dollars for doers
- Support for a project that benefits a consumer group that uses company product or service
- Event sponsorship that targets potential customers

- **Issues oriented:** Aligned with the company's issues management program, corporate giving is aimed at assisting the successful management of key issues.

Programs which support corporate positioning on particular issues are sought and partnerships formed. Proactive business, social, political and policy issues are actively identified by the program manager, along with, for example, NGO needs/concerns which are thematically relevant to the enterprise's strategy. The enterprise then seeks partners with whom these issues can be examined and establish appropriately targeted programs.

- **Collaborative:** Moving away from traditional cheque-book based relationships, the program builds partnerships with receivers which are mutually beneficial to giver and receiver.

The partnerships help build understanding of differing objectives and perspectives and where possible help to identify mutual interests and paths to their achievement.

- **Develop long term relationships:** On-going contact between giver and receiver replaces ad-hoc relationships.

Mutual benefits of the program are built on over time with the aim of developing a partnership.

- **Operate company-wide:** Knowledge and understanding of the program extends beyond the public affairs unit and senior management level.

Programs have the support of line management and employees and where possible their participation. In some companies, employees and sometimes customers are asked through surveys what 'causes' or programs should be supported. Business units and significant sites may have program subsets tailored to their particular needs and circumstances but still in line with corporate strategy. Where possible and appropriate the enterprise's corporate giving program seeks to inform and involve its customers of the rationale for giving and inform them of the achievement of objectives.

- **Serve as a social window:** The program provides an opportunity to understand and anticipate social value and attitudinal change, (e.g. rise of 'globalphobia', concerns about genetic engineering) and build that knowledge into the company's issue management program.
- **Results oriented:** The program sets objective targets and nominates specific 'hard' results to be achieved.

These are understood by giver and receiver and the results reported company wide.

In a landmark speech on the broader question of corporate social responsibility, John Ralph, Chairman of Foster's Brewing Group and Pacific Dunlop, Deputy Chairman of Commonwealth Bank and Telstra called on our corporations to be responsive to social concerns, values and goals and seek out partnerships.

"We need the interest and support of the wider community to achieve our aims and we realise that even the most sensible and desirable policies are unlikely to be implemented unless supported by public opinion."

The thinking behind Ralph's comments is that from a practical business perspective, Australian companies need to develop further their corporate social responsiveness. Developments in Australian corporate giving reflect this need and the Prime Minister's recent comments in support of further partnerships between business and the community will give political impetus to the work of our leading public affairs functions. ■

***Gerard Brown is Director, The Centre for Corporate Public Affairs which provides a range of services and activities for corporate public affairs executives, line managers and association executives. Further details and list of members on www.ozemail.com.au/~accpa**

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Share A Can '98:

"Great for company morale"

In a remarkable joint effort, food manufacturer SPC recently produced and donated more than 450,000 cans of high quality food for distribution to those in need in Australia.

The event, known as Share A Can 98, was held in April at SPC's Shepparton food processing plant. This is the second year of the event.

In a single day, 560 employees donated their time to process 400 tonnes of fresh fruit, donated by SPC growers in northern Victoria and the Southern Riverina of New South Wales. At the end of the day, load after load of tinned peaches, pears, tomatoes, tomato soup and pasta products were trucked out for distribution.

Recipient organisations Victorian Relief Committee and Foodbank Victoria greeted the food with open arms, saying they are hard pressed to keep up with demand for high quality stable shelf life food. In the coming months, the food will be distributed to more than 300 welfare organisations in Victoria and interstate.

Time and again employees were heard to say they could not afford to give money to charities but were pleased to be able to help with their time and skills.

Share A Can is the brainchild of SPC's Managing Director Dr Peter Thor, who has the full support of the SPC board, growers and employees.

Driven by a small in-house committee drawn from diverse areas of SPC's Shepparton plant, they worked long hours in the lead up to Share A Can to ensure the success of a very large scale operation.

The show of goodwill extends well beyond the factory gates. All packaging, tins, labels, ingredients, water, electricity and transport used on the day was donated by SPC suppliers, sponsors and supporters. Coles Supermarket employees gave their time to make hundreds of donuts for morning tea by SPC Share A Can workers, while around 80 Southcorp staff donated their time on the day to produce cans.

Many SPC employees who clocked on to work at 6 am at Share A Can '98 had just completed the night shift at the end of a long and arduous food processing season.

Time and again employees were heard to say they could not afford to give money to charities but were pleased to be able to help with their time and skills.

On the processing line, the company's Director of Finances, board members

and senior managers helped on the shift with employees.

To celebrate the occasion, a community fun day was held in the company car park with skydiving, children's rides and a free barbecue. When workers finished the shift at lunch time they were joined by their families and community.

Dr Thor said that while the primary aim of Share A Can was to help feed hungry people, participants in the day benefited both at an individual and company level by working as a team for a wonderful outcome.

"It's great for company morale," he said. ■

Further information:

Lisa McKenzie, SPC 0412 503 598



Elizabeth Smith, SPC at Share a Can '98

The Westfield Foundation

When shopping centre giant Westfield decided to form a foundation, the decision developed from the awareness that for corporations to give, funds need to be given in an informed and intelligent way. JANE SANDILANDS reports

It took over a year for Westfield to work through the establishment of a foundation that would be effective, not conflict with its corporate image and avoid a scattergun approach in its giving. Before the establishment of the foundation, the company was well known for supporting community causes in the areas where it had shopping centres. Although this support showed the company's response to the needs of particular communities, many of these funding decisions, Corporate Services Manager Michael Yanco says, were "small, one off donations lacking a co-ordinated approach and without a standard approach to evaluation".

"This is how

"Today," Mr Yanco says, "shopping centres are recognised as an important part of the community. With seven day trading, they are places not simply to shop, but where people interact, are entertained, take their families.

Westfield decided that the creation of a foundation, tailored to reflect its particular interests in the community, would give a more structured approach to giving. Before setting up the foundation, Westfield spoke to other companies with foundations in the United States, to other corporations in Australia and to Philanthropy Australia, which it used as a sounding board. It developed guidelines and chose five



Bangarra Dance Company

Philanthropy

Member Profile

we do things"

'theme' areas of giving: medical, arts, education, community service and sport.

"We are very serious about our commitment to the communities we serve and we want that reflected in the most efficient way."

Another decision was to give with a mid to long term approach, allowing the organisations receiving funds to plan, develop and complete projects properly, without the need to continually worry about where their next funding was coming from.

One of the aspects important to Westfield was that staff understand the thinking behind its corporate philanthropy and the establishment of the foundation. "The foundation was launched internally so that staff could feel they were part of it. Yes, we support The New Children's Hospital and we feel it's important to staff morale that they know that. We want them - as well as the community - to know that this is the way we do things. We are very serious about our commitment to the communities we serve and we want that reflected in the most efficient way."

Currently, the foundation receives over 60 applications a week and Mr Yanco says that many organisations seeking funds would do well to target their approach in a more professional way. "We expect to see a level of understanding about what corporations gain from supporting a particular project. The days of writing a cheque for twenty or thirty thousand because an organisation asks for it, or because government funding has been withdrawn, are over. We want to see where the benefits will be, both for the community and for the corporation."

For Westfield, a particular area of interest is that of women and children. "Women are the main users of our centres," Mr Yanco said. "For that reason we commit to projects that strengthen them and their families." Among projects supported by Westfield is Business Against Domestic Violence. "We are not frightened of supporting any area as long as it fits our criteria and benefits the community," Mr Yanco said.

"We aim to be consistent, co-ordinated and as we get better at understanding the community, to lead the way in corporate philanthropy."

The foundation has just announced its support for the Bangarra Youth Development Fund, the arm of the Bangarra Dance Company to support and train young dancers. And support has also gone to the Aboriginal Sports Corporation through a program called Hunting the Australian Tiger. This program targets promising young Aboriginal golfers, seeking Australia's own version of Tiger Woods. And in another project, the foundation has made a commitment to assisting with the refurbishment of research laboratories at Sydney Children's Hospital. "We aim to be consistent, co-ordinated and as we get better at understanding the community, to lead the way in corporate philanthropy."

And while these are all obviously major projects, individual Westfield shopping centres will still offer support to their local communities. "Often this is through providing space for them for different projects or support for community programs - that's a part of Westfield's daily life."

What the establishment of the foundation does is allow Westfield to "take the initiative as a modern corporation", Mr Yanco said. "We aim to be consistent, co-ordinated and as we get better at understanding the community, to lead the way in corporate philanthropy." ■

Further information:

Westfield Foundation
GPO Box 4004, Sydney, 2001
or fax (02) 9358 7077

The Westfield Foundation

Westfield

US Conference on Corporate Community Involvement

Deputy Executive Director
of Philanthropy Australia,
Donna Greaves, represented
the Association at this
Conference in
Baltimore in July.

The Corporate Community Involvement Conference was organised by the Conference Board, the Council on Foundations and the Public Affairs Council. Its focus was on the changing face of corporate grantmaking and the value of corporate networking and was attended by 350 delegates, mostly from the United States. Twenty six major presentations were made over three days. Representatives from Australia included Lucinda Brogden, Assistant Director of Government and Public Affairs at Macquarie Bank and myself.

It was evident that corporate giving in the United States is at a "turning point". Companies have for a long time been examining ways to ensure that their donations have an impact on "the community" but increasingly "the community" is being defined as the communities and the environment in which they do business. And while there is a broad general acceptance that corporations need to "give more", there was also recognition that many companies will not do so unless, as one speaker said, "they truly understand and accept the business relevance of corporate social investment". In brief, more and more organisations are looking with greater diligence at how their donations and resources engaged in the process are aligned to their business goals. Some of this is driven by shareholders who are increasingly questioning donations which are not aligned with business interests. Another is the push from some corporate

managers who recognise that "the dollars" to the community sector will only increase if they can be counted and their impact measured in dollar terms.

A major topic of discussion at the Conference was the ways in which companies view their involvement with the communities where they operate. Conference speaker John Coy, President of The Consulting Network, traced the evolution of corporate good citizenship from the "cheque book giving" of twenty years ago to the partnership measurement models of today. His view was that within the next five years, how a company deals with social responsibility will have an increasing effect on business.

In what John Coy described as "Striking a Balance" he stressed that "Somewhere between pure philanthropy and commercial self-interest lies strategic corporate citizenship where a company builds valuable goodwill, and, at the same time, addresses issues important to both society and its business endeavours".

There was a good deal of interest in the address by Robert Woodson of the National Centre for Neighbourhood Enterprise who criticised corporations who continued to put funds in "the same old places" and pointed out that often the conditions for funding from corporate foundations was as inflexible as from government. His challenge to companies was to seek out "islands of excellence".

The paradox of the term "corporate philanthropy" was also addressed at the Conference by Professor Jerome Himmelstein, Professor of Sociology at Amherst College, Massachusetts. After his recent survey of 55 corporate managers, he saw a tension for managers "between looking good and doing good". While recognising difficulties for managers, especially when take-overs and mergers occur and their giving often appears to be self serving, he said that although it was a delicate balancing act, with effort and thought, companies could serve both their own interests and those of the community.

Increased evaluation and accountability for projects was a subject of much discussion. There was agreement that corporate giving should focus on what the company stands for and for programs to be aligned with business goals, as well as communicating values and priorities. An increasingly strong emphasis is being placed on measuring giving, tracking results, communicating successes and the importance of showing the connection between business results and corporate giving.

An important thread running throughout the Conference was the "blurring of the dollar". By this, presenters meant that the public doesn't differentiate between donations, grants from foundations or sponsorship dollars. The responsibility, speakers said, therefore falls back on business to ensure that all contributions are identified properly and aligned to the interests of the company.

In Australia, similar examinations by aware corporations is leading to the development of some innovative and socially responsible corporate giving programs. My belief is that Australian corporations, because of their geographic position in the world, have something of a leading edge. They are accustomed to thinking and working globally and are developing a unique corporate giving culture reflecting the nature of life in this country.

At the Baltimore Conference, there was much interest expressed in Australia and in what was happening with corporate giving here. There is a possibility that future conferences are likely to have a more international focus and increased opportunities for sharing ideas. ■

Next year's conference will be held in San Francisco in July 1999. Details will be published in Philanthropy as they become available.

Gifts at Christmas, A Philanthropic Corporate Partnership

Nine years ago, Ken Myer wrote out a cheque for \$75,000 and said "Let's make this into gift vouchers for children of needy families". Since then over \$2 million has been given through the Christmas Voucher Program to Australia's poorest families. With changing needs, the Program has recently been reviewed by researcher SANDRA WHITTY, who spoke to Philanthropy about the review.

Originally a one-off gesture, the Christmas Voucher Program was such a success that it was supported in its second year by The Sidney Myer Fund, and a year later, in what has developed into an 8-year partnership with Coles Myer. The number of gift vouchers (redeemable at Coles Myer stores) has increased to 12,000 annually, each valued at \$25.

To review the Program, The Sidney Myer Fund recently commissioned researcher Sandra Whitty to examine its various components. Given broad terms of reference, she and fellow researcher Sue Smith spent three months in the field. Their 62-page report is now with The Sidney Myer Fund.

One of the striking features of the Program, Ms Whitty said, is its demonstration of a successful long-term partnership between a philanthropic body and a corporation - a rare if not unique model in this country. Coles-Myer has shown its commitment to providing practical, sensitive assistance to many of Australia's poor at what can be a very hard time of the year.

Ms Whitty said it was surprising how little the general community knows of corporate investment in philanthropy. In part, this may be due to its relative newness in Australia, but also because to date, corporate bodies do not really publicise their philanthropic activities. Many companies have a long history of supporting community causes for purely philanthropic reasons. Others, particularly in recent years, are recognising the value of strategic partnerships with not-for-profits, where "philanthropy" is secondary to a marketing or other business strategy. The outcome may be the same, whatever the motive.

Overseas businesses recognise that the community is increasingly expecting a balance sheet from corporations that includes philanthropic giving as well as income and expenditure. Ms Whitty cites the example of Dayton Hudson, a major U.S. retailer, which has put 5% of its pre-tax profits into community projects for the past 51 years. A recent survey of Canadian shareholders found they believed that a 7% figure for all companies is needed.

The Program also shows how philanthropy, at its best, respects people, Ms Whitty said. All of the community agencies which distribute the Christmas gift vouchers saw the single highest quality of the Vouchers as giving families the luxury of choice. Families receiving the gift vouchers rarely have the opportunity to buy anything new, with most of their

shopping done at second hand or op shops. Within families, older children benefit most. Thousands of soft toys are donated to agencies at Christmas for young children but children over 8, especially boys, are rarely catered for. The review report is subtitled "A Gift with Dignity", a quotation from a Bendigo agency distributing the vouchers.

This value of the Program is due in large measure to the ways in which the 54 agencies across Australia managed the distribution of gift vouchers and Ms Whitty says they should be "applauded for the considerate and thoughtful way" vouchers are given out. The agencies range from large national bodies such as the Salvation Army to small "special interest" agencies such as the Caroline Chisholm Society, a number of community health services and the South Gippsland Farmer Support Network.

The researchers found three broad methods of distribution - their inclusion in a mini "toystore" model, adding them to a hamper, and what they termed the "value added" model. The researchers found that the gift vouchers gain "added value" because they are given creatively and in a way that helps the self esteem of the families.

While some may say that the Gift Voucher Program is simply a bandaid approach to much deeper social problems, Ms Whitty says that although it does not try to change fundamentals, it works very well on several levels. First, it assists the families at a time of year most difficult for them, it is a non stigmatising gift, it is a partnership between a philanthropic body and a corporation and an exemplar of philanthropy as "respectful help". ■

The Victorian Women's Trust

The Victorian Women's Trust is now twelve years old. It is unique in several ways. For a start, its very establishment in 1985 was made possible by a grant of \$1 million from the Cain State Government, a gift which acknowledged the contribution of women to Victorian society. It is the only Victorian philanthropic agency run by women for women. With a Board of 12 Directors, it is an independent body aiming to assist women in overcoming poverty and other forms of economic and social disadvantage. And it has a membership base as well - drawing by annual subscription on the support of many women across the state and the active involvement of many talented and dedicated women as volunteers. The Trust has raised and disbursed over \$1.3 million in its short history. Through wise and strategic investment of its resources, the Trust has had a tangible impact in combating poverty, disadvantage and distress affecting different groups of Victorian women.

The range of grants is enormous. There is no end it seems to the creative and always constructive ways in which women try and address issues of

poverty and disadvantage. Grants have enabled over two hundred groups of Victorians to do something which makes a difference to their lives. Among these have been grants to Arabic women defining their economic options; a series of live-to-air regional radio forums for rural women; research on women and problem gambling; and an outreach program for rural women on wills and succession planning. Financial assistance has gone to HIV positive women to undertake work on income security and the establishment of an information and referral data base and a video has been produced on the exploitation of women.

In the past year, the Trust has specifically sought grant applications from indigenous and non-indigenous women choosing to work together on reconciliation projects. One of these involved a joint endeavour between Gurwidj women and other local non-indigenous women. It was called "I do and I understand". A number of women worked together over a twelve week period to produce recyclable shopping bags, screen printed with a motif and message about reconciliation. Time was deliberately

set aside to discuss their different experiences and to develop new and deeper understandings of each other and their cultures.

Apart from supporting projects of this kind through its annual granting round, the Trust also administers Funds such as the Moira Rayner Fund which directly assists women in taking legal action on matters of equal opportunity and the Ewa Czajor Memorial Fund, for talented young women theatre directors.

The Trust is not a wealthy organisation. The money the Trust gives away each year to help other women comes only from the donations of individual women and intensive fund-raising efforts of a small team of dedicated staff and volunteers. What the Trust tries to do however, is to raise funds in a way which also directly assists Victorian women to improve their economic and social status. For instance, in April 1997 the Trust hosted a speaking tour by eminent international economic and social commentator, Dr Marilyn Waring. It has conducted a series of low fee short courses to assist women to buy and sell property. And it brought together six women's groups in order to field a team of highly capable women as candidates for the Constitutional Convention, with a view to advancing women's involvement in the decision processes which affects their lives.

Possibly one of its most visible and practical steps of the Trust to help women is the recent establishment of Business Matrix, at 288 Brunswick Street, Fitzroy in inner Melbourne. After a successful application to the Federal Government (Department of Employment, Education, Training and Youth Affairs), the Trust facilitated a first for Australia - the creation of a women's focused business incubator. This supports women who have a sound business idea but are



Trust Women on Business Matrix

scentsational!



"I do and I understand"

Gurunidj Women's Shopping Bag Project

constrained in the development of their small business by either early costs and/or lack of appropriate infrastructure. The 35 tenants of Business Matrix occupy office spaces of different sizes at affordable rents; have access to on-site training and management support; and the opportunity to form trade relations and other networks in their time at the Incubator.

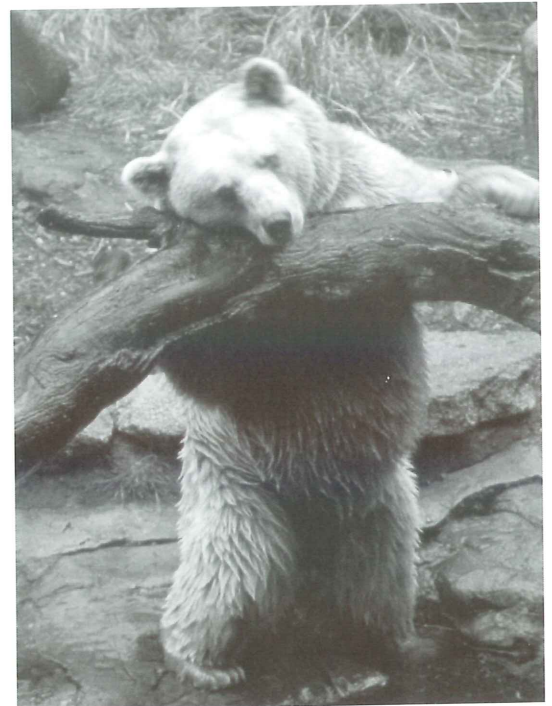
The Victorian Women's Trust needs and welcomes people's support wherever possible - through sponsorship of its fundraising events; as member subscribers, volunteers, donors and through the making of a bequest. ■

The Victorian Women's Trust is
located on the first floor,
387 Lt Bourke Street.

Telephone: (03) 9642 0422
Fax: (03) 9642 0016
and email: women@vwt.org.au

The Body Shop has just become a corporate sponsor at Melbourne Zoo and is supplying a selection of Essential Oils to enhance the quality of life of the carnivores.

The Oils stimulate the animals and keepers have found a variety of responses. The Syrian Bears and Jaguars are curious, excited, playful and amorous, with Camomile Oil nicknamed the 'Love Potion' as it seems to promote mating.



Melbourne Zoo, Roan the Syrian bear

Members of Philanthropy Australia Inc.

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Membership

for Grantmakers

Philanthropy Australia is the umbrella body for major grant making private, family and corporate trusts and foundations in Australia.

Established in 1975 the Association represents the diverse interests of its members to government and the community.

An extensive range of programmes and services are offered to members. Specific activities include:

- A resource library of local and international information
- Regular discussion groups/workshops for members on issues relevant to philanthropic or trust operations
- Assistance to individuals and corporations planning to set up trusts and foundations
- Monitoring legislative activity

New Members

The Association would like to welcome the following new members:

Associate Members
Foundation for Aged Care

For further information and membership form:

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