

SPECIAL SECTION:  
RESEARCH IN  
PHILANTHROPY

Winter 2000 (42)

# Philanthropy





## RESEARCH IN PHILANTHROPY

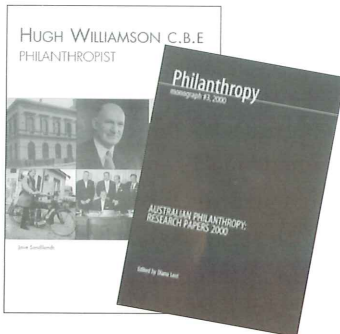
### Special Features

This edition of *Philanthropy* contains a six page section on research in philanthropy.

With this journal members and subscribers also receive two special monographs. The first is part of our ongoing series of short historical monographs featuring great

Australian philanthropists. This, the third of such monographs to be published by Philanthropy Australia, details the life of Hugh D.T. Williamson.

The second monograph is entitled "Australian Philanthropy: Research Papers 2000", and was guest edited by Dr Diana Leat, British scholar and Philanthropy Australia's inaugural visiting Research Fellow. This is the third in a series of three research-based monographs published by Philanthropy Australia this year.



For further copies of these and other monographs please contact Philanthropy Australia:  
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St. Jerome in his Study 1514

engraving

23.9 x 18.6 cm

Felton Bequest, 1956

National Gallery of Victoria, Melbourne.

This piece and the portrait shown here are two of many bequests made to the National Gallery of Victoria by Australian philanthropist Alfred Felton, pictured. Both images reproduced with kind permission.

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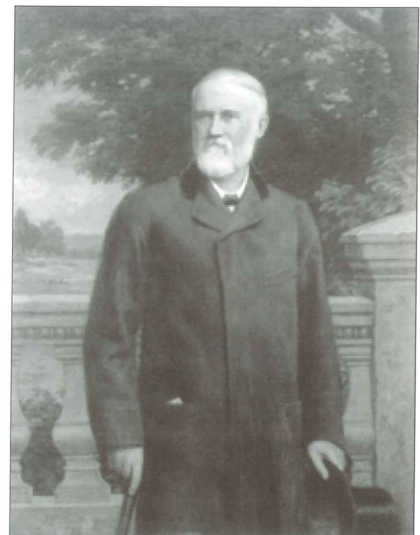
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above: Alfred Felton 1905

oil on canvas

130.0 x 100.0 cm

by: J.C. Waite, born England 1832,

arrived Australia 1886, died 1921

Felton Bequest, 1905

National Gallery of Victoria,

Melbourne.

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*Gabell Cham*

## From the Executive Director

Welcome to the 'Research' edition of Philanthropy. The focus of this edition is the need for a greater depth of academic research into the history, the purpose, the structures and the methods of philanthropic giving in this country. Without knowledge of where we've been or why we do what we do, we cannot make informed policy decisions, or go forward with any real purpose or effectiveness.

The Council of Philanthropy Australia has spent the past year examining the structures and aims of the organisation. I would like to acknowledge the work of former president, Ms Eve Mahlab AO in this process. Her quest for finding the best ways to service existing members as well as to develop philanthropy generally, provided much stimulus for thought and debate. This culminated in a Future Direction summit held by the Council in February. The debate still continues, which is an important part of maintaining the organisation's responsiveness and effectiveness. One resolution of the Summit was to conduct focus groups in all states, to keep in touch with members' needs and expectations of their peak body.

At the recently held Annual General Meeting, a new Council was elected, and I am delighted to welcome Marigold Southey as President of

Philanthropy Australia. Lady Southey has been an active Council member for many years, and her election to the presidency has been met with great acclaim by members. The Council comprises an excellent team of people from diverse backgrounds and interests, and I look forward to working with them.

Perhaps the most significant development of recent months has been the successful passage of legislation to finally remove major tax disincentives to charitable giving. This has been a long campaign, but we are delighted that it has finally borne fruit. In addition, the Treasurer has responded favourably to our representations to modify the changes to franked dividends. The unfair impact on not-for-profit trusts and foundations has rightly been removed.

Of even greater long term significance, however, is the government's agreement to review the definition of Public Benevolent Institutions (PBI's). The current limitations on what an organisation must do to claim tax deductible status, and thus be eligible for most private grants, arises from a law of 1601! Groups focusing on community development, job creation, prevention, or advocacy, fall outside the crucial definition. Four hundred years later, a very different view prevails about how

best to address justice and equity in a meaningful way, and Australia lags behind in its legal definition of public benefit. In the early years of the Australian Parliament, some of the world's most socially progressive legislation was passed. It would be a fitting goal for the Centenary of Federation to restore that leadership.

But we in the philanthropic sector also need to be willing to change and embrace new ideas. As demonstrated at the recent Los Angeles conference of the Council of Foundations, our big American sister, the challenge of encouraging those with wealth to give back to their communities is faced everywhere. Many new philanthropists are turning away from the traditional model of perpetual foundations, and want to do more in their own lifetimes, with greater personal involvement. The job of peak bodies such as Philanthropy Australia is to encourage philanthropy in whatever form the giver feels most comfortable and inspired.

Philanthropy is undergoing a transformation world-wide, and this theme will no doubt be taken up during Philanthropy Australia's very own conference next year.

Enclosed with this edition of Philanthropy are two special monographs – the Hugh



Marigold Southey



## From the President

Williamson monograph is the second in our biographical series, and the special research publication is edited by Visiting Fellow, Dr Diana Leat. While one of the objectives of Philanthropy Australia is to 'grow' philanthropy, it is also vital to take another step back and ask, 'to what end?' There are many other areas requiring philosophical, critical, and quantitative research to help us better understand philanthropy and our various roles in it.

Good research stimulates as many questions as it provides answers. This journal aspires to do the same, I hope with some success.



Elizabeth Cham

P.S. Congratulations to our Patron Sir Gustav Nossal, and his Co-Members of the Council for Aboriginal Reconciliation for a hugely successful Corroborree 2000. Walking across the bridge was inspiring and memorable. It was wonderful to see that reconciliation got a big nudge from mums, dads and kids in pushers!

I am delighted to welcome you to the pages of Philanthropy No 42 as the newly elected president of Philanthropy Australia. I look forward to the challenges of the next twelve months, and feel honoured to work with a Council of great talent, commitment and ideas in the task of building philanthropy and providing a voice and other services to our members.

I am pleased to be working again with continuing members Mr Ben Bodna AM, Mr Barry Capp, Ms Dur-e Dara OAM, Professor Tom Healy, and Mr Graeme Wise. To the newly elected Council members, Mr Ian Allen OAM, Dr Tim Duncan, and the Hon Warwick Smith, I offer my congratulations and warmest welcome.

I would also like to pay tribute to the work of the previous Council, especially the former president, Ms Eve Mahlab, who devoted much effort to the process of re-examining the aims, objectives and operations of the organisation, as well as the future directions of philanthropy in this country.

There is no doubt that the highlight of the past year's work was the government legislation to remove taxation disincentives to philanthropy. Readers may not be aware that the changes were finally approved by parliament earlier this year. While there has been much

media attention paid to certain other changes to the taxation system, these particular provisions have gone largely unnoticed in the wider community. Like much of philanthropy itself, Philanthropy Australia's work in this area is quiet, unheralded, but of great significance. Starting with its participation in the original Prime Minister's Round Table and Taxation Working Group, drafting recommendations to the Government, through to continuing advocacy throughout the process, Philanthropy Australia has been the driving force behind this important legislative change. It is to be hoped that as a result of removing some of the major disincentives, a far greater proportion of Australians will see their way clear to becoming directly involved in philanthropy.

Of course there is scope for further development in taxation and legislation in the wider interests of philanthropy and the community sector. The Council will continue to monitor, consult, and where appropriate, propose and advocate to ensure the momentum of progress is maintained. Council is also committed to consulting members about their needs and expectations of this organisation.

I look forward to working with all members to define and meet some of these many challenges.



Marigold Southey

THIS YEAR'S PHILANTHROPY AUSTRALIA ANNUAL GENERAL MEETING WAS DISTINGUISHED BY AN INSPIRATIONAL ADDRESS FROM PHILANTHROPY AUSTRALIA'S PATRON, SIR GUSTAV NOSSAL.

## Philanthropy Australia Annual General Meeting



Photos: Shaney Balcombe

Sir Gustav Nossal AC and Ms Dur-e Dara OAM at the Annual General Meeting

The Annual General Meeting of Philanthropy Australia Inc for 1999 was held on 27<sup>th</sup> April 2000 at Melbourne Town Hall.

Over 100 people attended, and heard reports on the previous year's activities.

Five new members were elected to the Council. They are Mr Barry Capp (renominated), Dr Tim Duncan, Mr Peter McMullin, The Hon Warwick Smith, and Mr Ian Allen OAM. They join the five members who continue to serve their elected terms.

Freehill Hollingdale & Page were re-appointed Honorary Solicitors, and Mr David Gibbs of MacInnes, Graham & Gibbs was appointed Auditor. Outgoing auditors, Arthur Andersen were thanked for their many years of honorary work for the Association.

Minor constitutional amendments were approved, including the addition of a 'Leading Member' category.

The keynote address was presented by Sir Gustav Nossal, internationally



Sir Gustav spoke briefly of his three main priorities during his period as Australian of the Year: global immunization, Australian Scientific development and Aboriginal reconciliation.

acclaimed immunologist and patron of Philanthropy Australia.

The greater part of Sir Gustav's address was devoted to the issue of reconciliation. He outlined the work of the Council for Aboriginal Reconciliation, of which he is Deputy Chairperson.

Reconciliation, he said, had two essential yet inseparable sides, like a coin. On one side were the practical issues, such as education, housing, health, employment opportunities and infrastructure. The other side was the symbolic one – that of recognition and respect.

**“We can’t underestimate how important it is for Aboriginal people to be recognised as the first nation of Australia, and to have their beliefs and traditions respected – they are as precious as the faiths, traditions and values of non-indigenous Australians.**

“If we ignore the spiritual dimension, we won’t understand the problem. Yet the symbolic side is very much tied up with the practical implications. Alienation and

dispossession can lead to despair and loss of self-esteem.

“We must acknowledge the realities of Aboriginal history, but also recognise that racism is alive and well in Australia today.”

Sir Gustav outlined some positive improvements achieved through higher spending on Aboriginal and Torres Strait Islander health.

“Indigenous people still suffer mortality rates three to six times higher than non-indigenous Australians, however immunisation rates are at a very high level, and vaccine-preventable diseases are virtually non-existent in indigenous communities.

“Neo-natal mortality has fallen significantly in the last 20 years. While the incidence of acute respiratory disease is still high, the mortality rate from such diseases is declining.”

Sir Gustav described a program established by Aboriginal women in the Northern Territory to improve maternal and child health, which has grown from one centre to a

service throughout the region. He noted that often the most successful programs are ones that are initiated from within the communities themselves. This underlined Sir Gustav's optimism about the increased number of Aboriginal doctors, nurses and health workers.

**“Reconciliation is not about politics but about a way of living together. We have a group of people living in quasi third world conditions in Australia. We want to have these people embraced in their own country.”**

Sir Gustav concluded by calling on Philanthropy Australia members to spread the word about the People's Walk for Reconciliation across Sydney Harbour Bridge on May 28<sup>th</sup>.

“This is ultimately about a people's movement. I think we'll all wake up on May 29<sup>th</sup> just a bit prouder of ourselves.”



Carole Fabian  
Philanthropy Australia



# PHILANTHROPY AUSTRALIA – COUNCIL 2000

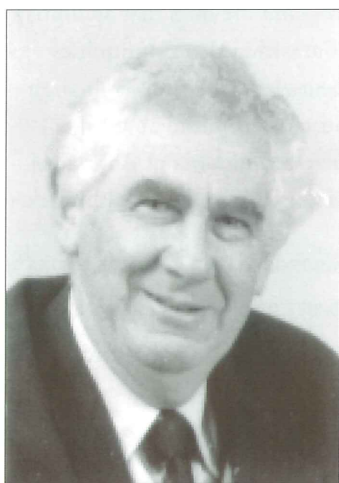
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## President – Lady Southey AM

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Lady Southey is a director of the Myer Family Companies and President of the Myer Foundation. She is Vice President of the National Stroke Foundation, and President of the St Catherine's School Foundation. Lady Southey is a great supporter of the Australian Ballet, a Trustee of the Australian Landscape Trust, a Life Member of the Nuffield Farming Scholars Association, and a sponsor of scientific ornithology. For over 20 years she has regularly driven a Red Cross ambulance for the Austin Hospital polio patients. Lady Southey was awarded an AM in 1999 for her service to the community in the support of health care, medical research and the arts.



## Vice President – Mr Ben Bodna AM

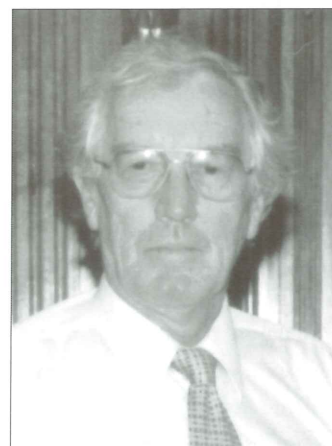
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Ben Bodna has served on the Council of Philanthropy Australia since 1994, including three years as President. Mr Bodna was Director-General of Community Welfare Services Victoria, Deputy-Secretary of the Law Department of Victoria, and that state's first Public Advocate. Mr Bodna is currently Adjunct Professor, School of Disability Studies at Deakin University. He was co-chair of the People Together Project, a member of the Purple Sage Project, and is a trustee of the Jack Brockhoff Foundation. In 1984, Mr Bodna received the Special Award for Community Service from VCOSS. In 1992, he was made a Member of the Order of Australia for community service and in 1996, the Victorian Council for Civil Liberties recognised him for "outstanding commitment to the promotion of human rights and freedom".

## Treasurer – Professor Tom Healy

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Tom Healy is a distinguished scientist. His appointments at the University of Melbourne have included Professor of Physical Chemistry, Dean of Science, President of the Academic Board, and Pro Vice Chancellor. From 1991 he was Director of the Advanced Mineral Products Centre. In 1999, he was appointed Professor Emeritus. In 1999 he was awarded the Wark Medal for contributions to Science and Technology. He was a member of the Australian Research Council from 1993-96, and Chair of the Institutional Grants Committee. As a Governor of the Ian Potter Foundation since 1990, Professor Healy has provided special expertise in science, the environment and education. He is currently Chairman of the Australian Landscape Trust.





## Mr Ian B. Allen OAM

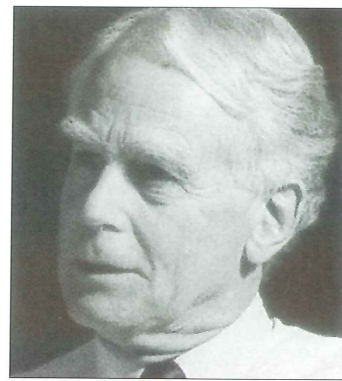
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Ian Allen BEc, MBA has been a board member of many community organisations. He worked in the electricity industry for over thirty years and has also been involved in the entertainment industry for over forty years as a performer, musical director, producer and promoter. He was a Director of the Victorian Rock Foundation and Ausmusic. He is currently secretary of the Australian Entertainment Agents Association, and a board member of Youth Assist Inc, which operates the Visy Cares Centre at Dandenong. In 1998, Ian Allen received the Order of Australia for services to rock music and youth. Mr Allen is a Trustee of the Pratt Foundation, Visy Cares and The Pratt Family Scholarship Fund. This is his first term on the Council of Philanthropy Australia.

## Mr Barry Capp

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Barry Capp BE (Civil), BCom, BA worked for many years in financial and commercial roles and has had experience in company reconstructions. He is Chairman of National Foods Limited and Australian Infrastructure Fund Limited. He is currently a Director of Westpac Banking Corporation, Freight Corp, Melbourne University Private Limited, Tassal Limited, Hellaby Holdings Limited, Melbourne Entreprises International and Touchcorp Limited. Mr Capp is Chair of Trustees of the William Buckland Foundation and Chairman of the Board at Trinity College, University of Melbourne.



## Ms Dur-e Dara OAM

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Dur-e Dara is a Melbourne restaurateur, musician, businesswoman and consultant in the hospitality industry. She was the manager and co-owner of the award-winning Stephanie's Restaurant. Dur-e Dara is Convenor of the board of the Victorian Womens Trust, board member of the Victorian Wineries Tourism Council, Business Matrix Victoria, and President of the Restaurant and Catering Association of Victoria. She was awarded the Order of Australia in 1997. She joined the Council of Philanthropy Australia in 1998.



## Dr W.T (Tim) Duncan

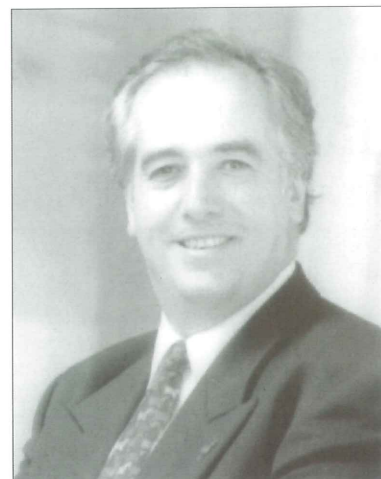
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Dr Tim Duncan joined the CRA Group in October 1994, and is Head of Australian External Affairs. He is responsible for Rio Tinto's Aboriginal Relations program and for the development of its Community Partnership and Community Foundation Programs. He works closely with Rio Tinto's Australian businesses and is responsible for developing their partnership and community programs. Dr Duncan was formerly a journalist with The Bulletin, BRW, and The Australian. He has worked in Victorian state politics and was a policy advisor with the Business Council of Australia. He was a specialist in Argentine economic history and is co-author of "Australia & Argentina: On Parallel Paths".

## Mr Peter McMullin

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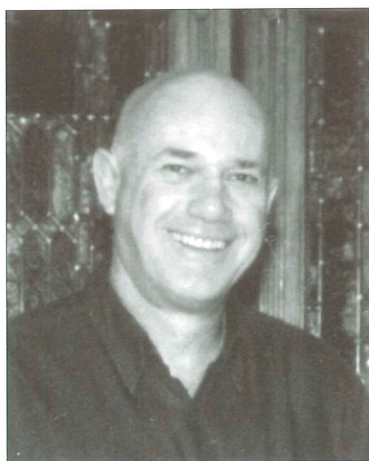
Peter McMullin is a solicitor who has worked in private practice as well as for the Public Advocate. He has been a member of the Small Claims, Residential Tenancies, and Commonwealth Refugee Review Tribunals. His extensive community involvement includes board membership of VCOSS, Action and Resource Centre for Low Income Families; Centenary of Federation Victoria Committee; and the Melbourne International Comedy Festival. He chaired the People Together Project Inquiry into Public State Education. In 1996, Peter was elected to the Melbourne City Council and served as Deputy Lord Mayor. Peter is a Trustee of the Education Foundation, and a Board member of the Melbourne Community Foundation. This is his first term on the Council of Philanthropy Australia.



## Hon. Warwick L. Smith

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Warwick Smith is an Executive Director with Macquarie Bank Limited. A former legal practitioner, Mr Smith was elected to the Federal House of Representatives in 1984. He served in the Howard Government as Minister for Sport, Territories and Local Government, Minister assisting the Prime Minister for the Sydney 2000 Games, and Minister for Family Services. In 1994, Mr Smith was awarded the Charles Todd Memorial Medal for Communicator of the Year, and in 1999 he received the Chairman's Award presented by the Australian Telecommunications Users Group. This is his first term on the Council of Philanthropy Australia. He lives in Sydney.



## Mr Graeme Wise

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Graeme Wise started The Body Shop in Australia in 1983, with a strong commitment to putting something positive back into society in general, and in particular the communities in which the business trades. The company he directs operates 66 stores throughout Australia. Graeme's community involvements include Director, The Big Issue street newspaper, Board of Management of Prahran Mission, Board Member of The Brotherhood of St Laurence, member of Who's Minding the Children Task Force and Board Member of First Australians Business.



# TAX NEWS

## Taxation Laws Amendment Bill (No.8) 1999: New Incentives

Philanthropy Australia would like to thank all those members who have helped us over the last two years encouraging the government to change the tax act in a number of ways.

We are delighted to announce that Parliament passed the Philanthropy amendments on 9 May 2000. The amendments remove a large number of disincentives to personal giving. It remains only for them to receive Royal Assent and a number of measures will operate from 1 July 1999.

The new amendments include:

- An income tax deduction for non-testamentary donations of property with a market value of more than \$5000, regardless of when the property was purchased or acquired by the donor.
- A capital gains tax exemption for testamentary gifts of property donated to organisations, bodies or funds eligible to receive tax deductible donations.
- Capital Gains Tax exemption for gifts of property made under the Cultural Gifts Program unless the property is reacquired for less than market value by the donor.
- A new category of 'private funds' to be included in the gift provisions. These new funds will not be required to seek donations from the public at large but will still be required to meet all of the other 'public fund' conditions to be approved.

- Greater incentives for donations of property made under the Cultural Gifts Program, allowing deductions for all gifts accepted by the program to be apportioned over a period of up to five years.

Deductions for gifts of property to environmental groups and heritage bodies can also be apportioned over a period of up to five years.

The Government has agreed to the establishment of an independent enquiry into the definitional issue relating to charities, churches and not-for-profit organisations. It is intended that the enquiry will be completed by the end of the year.

Vanessa Meachen

## Tax Reform to Increase Dividends for Registered Charities

The Federal Government announced on 13 April that it will legislate to refund excess imputation credits to registered charitable organisations from 1 July 2000. It is apparent that the Government is committed to rectifying an anomaly, which has effectively taxed dividend income earned by charities.

This will have a significant impact on the returns available from investing in companies paying fully franked dividends, as illustrated in Table 1 (which assumes companies do not increase dividends when the company tax rate falls to 30%).

The impact is that for no additional risk, the reward from investing in shares in terms of dividend flows shall increase substantially. This is a fundamental change to the investment environment and all investment committees and boards should seek appropriate advice and consider its impact on investment policy and long term asset allocations.

David Doolan

### Info

Warakirri Asset Management Pty Ltd  
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Table 1

Registered Charity Investors Impact of Receiving Refund of Franking Credits				
	WITHOUT REFUND	WITH REFUND	WITHOUT REFUND	WITH REFUND
<b>Item/Company Tax Rate</b>	<b>34%</b>	<b>34%</b>	<b>30%</b>	<b>30%</b>
Cash Dividend	\$1,000	\$1,000	\$1,000	\$1,000
Franking Credit	-	\$515	-	\$429
<b>Grossed up Cash Dividend</b>	<b>\$1,000</b>	<b>\$1,515</b>	<b>\$1,000</b>	<b>\$1,429</b>
<b>% Increase from franking refund</b>		<b>51.5%</b>		<b>42.9%</b>

# NEWS AND VIEWS

## New project to develop grantmakers' charter of governance and responsiveness

Philanthropy Australia has joined researchers from Deakin University's Centre for Citizenship and Human Rights in a new project to develop and evaluate a charter of governance and responsiveness for the philanthropic sector.

This project aims to develop a charter reflecting the needs and aspirations of Australian grantmakers in light of international practice. It will also evaluate the charter's pilot use. The project will use action research techniques to include grantmakers as full partners in the project. The researchers will contribute knowledge of international practice, and will facilitate focus groups and other exchanges so that grantmakers can assess current models, and develop and evaluate their own charter.

Michael Muetzelfeldt and Sue Kenny from Deakin University have been awarded funding for this two year project through the Commonwealth Government's Strategic Partnerships with Industry – Research and Training (SPIRT) scheme, and Philanthropy Australia is contributing key components of the project as the partner organisation. This follows the SPIRT grant awarded to the same team last year, which is funding Anthony Hooper to do doctoral research into strategic philanthropy.

### Info

Michael Muetzelfeldt:  
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e: [muetzel@deakin.edu.au](mailto:muetzel@deakin.edu.au)

## Philanthropy and the Community

Research currently being undertaken seeks to identify the distinctive nature of philanthropy in Australia. The research is a joint project between Deakin University and Philanthropy Australia and is being conducted by Anthony Hooper. His article in the monograph concentrates on strategic philanthropy and reveals the lack of detailed research in Australia on the operating principles and rationales of grant-making compared to other countries such as the United States.

He is gathering information on patterns of philanthropic activity, and the challenges and issues facing the sector. Trusts and foundations will be approached for their assistance in compiling a detailed profile of the breadth of philanthropic activity. The research provides trusts and foundations with the opportunity to contribute their perspectives on their work and the contribution it makes to society. Some of the research questions include:

- In what ways does philanthropy contribute to the fabric of the community?

- What issues confront philanthropy?
- What factors might increase the effectiveness of philanthropy in responding to social and environmental issues?

### Info

Anthony Hooper.  
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## The Foundation for Young Australians

On Thursday June 1, the Prime Minister launched a new national organisation for youth: 'The Foundation for Young Australians.' The Foundation incorporates the Australian Youth Foundation and the Queen's Trust for Young Australians. The Prime Minister announced that the Federal Government would give \$15 million for the creation of Centenary scholarships and other initiatives for young people.

### Info

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## The Australian Directory of Philanthropy 2000/2001 (10th Edition)

● Available This Month ●

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\*GST inclusive – Persons intending to purchase before July 1 2000 should  
confirm the pre-GST price with the provider.



## Members pay tribute to Ian Roach

Philanthropy Australia's first Members' Forum for 2000 was a special reception to honour Ian Roach, the recently retired Chairman of Trustees of the William Buckland Foundation.

The Foundation is one of Philanthropy Australia's Leading Members, and in his fifteen years as a trustee, most of those as Chairman, Ian Roach has been closely associated with and strongly supportive of the national association of grant-makers.

Over 120 members, fellow trustees, grant recipients and friends gathered at the University of Melbourne's elegant Ian Potter Gallery for the occasion.

In her introductory words, Philanthropy Australia's Executive Director, Elizabeth Cham noted that under Ian Roach's leadership, the William Buckland Foundation had developed into one of the most innovative private grantmakers in Australia, by taking risks, but also achieving maximum impact. Strategic philanthropy, she said, is based on the understanding that money alone does not change social conditions, but when directed by and to those with energy, commitment, skill and expertise, huge shifts can be achieved.

Vice Chancellor Professor Alan Gilbert welcomed guests to the University of Melbourne, pointing out that the university itself and the gallery in particular, would not exist without the generosity of philanthropists.

Philanthropy Australia President, Eve Mahlab noted that while

philanthropy had a tradition of being quiet and low key, it was important to celebrate achievement, to make philanthropy more visible and thereby encourage others to join in the challenge. Grants, large or small, if effectively applied, can have significant impact, she said.

Seven people representing a selection of Buckland grant recipients also paid tribute to the work of Ian Roach, outlining their particular organisations, projects, and the difference that Foundation grants have made.



Ian Roach, former Chairman of Trustees of the William Buckland Foundation, with Winsome McCaughey, Executive Director, AFCH and Elizabeth Cham, Executive Director, Philanthropy Australia.



Ian Roach with his wife Judy and James Guest, Chair of The Jack Brockhoff Foundation.

A booklet outlining 29 projects funded by the William Buckland Foundation between 1986 and 1999 was presented to Mr Roach, who thanked all those who had spoken and attended.

### Info

● For a copy of the booklet 'A Tribute to Ian Roach AO', contact Philanthropy Australia.

p: 9620-0200

e: [pa@philanthropy.org.au](mailto:pa@philanthropy.org.au)



# NEWS AND VIEWS

## \$250,000 Boost For Cancer Research And Control

A new partnership between Australia's peak national cancer organisation and leading fruit beverages company will boost funding of national cancer research and control by more than \$250,000 over the next five years.

The Australian Cancer Society has entered into a partnership with the Sunraysia Natural Beverage Company to support cancer control in Australia. Sunraysia has pledged to donate 5 cents from the sale of each bottle of selected natural fruit juices, guaranteeing a minimum of \$50,000 each year for the next five years.

The Minister for Health and Aged Care, Dr Michael Wooldridge, officially launched the business/charity partnership at Parliament House on March 7.

Australian Cancer Society CEO Professor Alan Coates said the support of businesses such as Sunraysia was essential to enable cancer organisations to maintain and increase research funding and cancer prevention and control programs.

"Sunraysia's donation of at least \$50,000 per year is a significant contribution to our efforts to control cancer in Australia," Professor Coates said.

This year, more than 75,000 new cases of cancer will be diagnosed in the Australian population. At current incidence rates, almost 1 in 3 Australians will be affected by cancer before the age of 75.

Dan Presser, Group Managing Director of Sunraysia, said he



Dr Michael Wooldridge, the Minister for Health and Aged Care

strongly believed in the importance of the corporate-charity contract.

"Any company that grows with the support of the community must give back to the community," Mr Presser said. "This partnership is a vehicle for better health in Australia."

### Info

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## Jeffrey Yost, Nebraska Community Foundation

Jeffrey Yost, the Vice President and Corporate Officer of the Nebraska Community Foundation, recently made a visit to Australia to discuss the work of community foundations and the important role they can play in community development, with particular focus on rural areas. While in Melbourne in April he addressed a group of Philanthropy Australia members and associates, as a joint initiative of the Melbourne

Community Foundation, Philanthropy Australia, the Foundation for Rural and Regional Renewal and the University of Melbourne.

Mr Yost explained the role of the Nebraska Community Foundation and several of the community revitalisation projects that the Foundation has been involved with since its inception in 1993. His presentation had particular relevance and interest to members involved in funding or servicing the rural sector; the Nebraska Community Foundation serves a state where 90% of communities have fewer than 2500 people. In the last two financial years, the Foundation has distributed an average of \$3.5 million to community betterment projects, including the Nebraska Microenterprise Project, which has created over 8000 new jobs in home business through the provision of small loans and technical assistance.

Mr Yost said that community and economic development must occur concurrently in order to have a lasting beneficial effect. He explained many of the challenges facing rural areas, including the retention of skilled youth, keeping abreast of massive technological change, and the problem of wealth leaving rural communities through bequests to heirs in urban areas. Mr Yost detailed the Foundation's efforts in educating and motivating people to give to their local communities. He said that altruism was alive and well if we made it easy for people to give.

### Info

i: [www.nebcommfound.org](http://www.nebcommfound.org)

## Big Brothers – Big Sisters and National Foods Limited join forces

Philanthropy Australia has recently facilitated a corporate match of BIG proportions between the Big Brothers – Big Sisters (BB-BS) charitable organisation and National Foods Limited.

National Foods, the owners of brands such as Pura Milk and Yoplait, approached Philanthropy Australia seeking a suitable link with an organisation where they thought their sponsorship could really make a difference to the lives of young people in need and/or at risk.

BB-BS is a mentor program assisting isolated and at-risk young people aged between 7 and 17. Volunteer mentors are matched to young people on the waiting list of the program to act as friends and adult role models. A responsible adult role model is so often the key to what is missing in the life of a young person.

Volunteer mentors offer 3 or 4 hours of their time weekly for a period of 12 months. However, typically the program sees friendships develop which last much longer.



Ian Greenshields (Corporate Affairs, National Foods Ltd), John Allen (Development Manager, BB-BS), Katherine Sylvan (Manager, BB-BS), and Max Ould, (Managing Director, National Foods Ltd)

After several months of discussions with representatives of BB-BS, the board of National Foods decided on a \$1 million support scheme.

At a recent BB-BS special event, Max Ould, Managing Director of National Foods announced the sponsorship outlining a substantial cash component, staff support, and cause-related marketing opportunities spanning the next three years. Mr. Ould described the association between the two organisations as a major step in his company's strategy with regard to

corporate citizenship and community involvement. The opportunities for National Foods staff to be involved are numerous.

John Allen, the Development Manager for BB-BS states that he admires the vision of National Foods in becoming involved in such a multi-faceted sponsorship, especially for one of the smaller agencies.

The sponsorship will see the expansion of Big Brothers – Big Sisters over the next few years. Three new case workers are already employed in Melbourne to reduce the waiting list of young people.

### Info

For more information on BB-BS please contact John Allen on:  
p: (03) 9427 7388

● For more information on how Philanthropy Australia can assist you with your good corporate citizenship plans please contact Jane McCaffrey on:  
p: (03) 9620 0200

## Change of address for the Sunshine Foundation

The Sunshine Foundation has moved! Correspondence should be sent to:

Administrator  
Sunshine Foundation  
PO Box 126  
East Melbourne VIC 3002



# NEWS AND VIEWS

## Bendigo Bank launches an ethical investment first

On the 8<sup>th</sup> of May Bendigo Bank launched the first ethical deposit account to be associated with an Australian bank. This follows the signing of an agreement between the Bank and Community Aid Abroad's Ethical Investment Trust. Bendigo is offering the investment account on behalf of the Trust.

"This arrangement was enacted after the Trustees assured themselves of Bendigo Bank's commitment to ethical investment and community values," said the Trust's Chairperson, Kathleen Townsend.

"These values are evidenced by bank initiatives such as Community Bank, which seeks to secure long-term branch banking services and enhanced capital management for regional and suburban communities."

Under the agreement, Bendigo Bank will pay the Ethical Investment Trust commission on all investments in the new account. Investors also have the option of passing on all or part of their interest earnings to the Trust, which in turn distributes all its income to support the work of Community Aid Abroad in Australia and overseas.

Funds raised through the investment account will be loaned to borrowers screened by the Trustees against the Trust's investment criteria, which embraces social and environmental values. Bendigo Bank will manage the loans on behalf of the Trust.

"We are well aware there are investors who care not only about receiving a return on their investment, but who care about how that return is generated," said



Photo: Robert D'Mech

Greg Gillett (General Manager - Retail, Bendigo Bank), the Honourable Marsha Thomson MP (Minister for Small Business) and Kathleen Townsend (Chair, Ethical Investment Trust)

Bendigo Bank Group Managing Director Rob Hunt.

The option now exists for Trusts and Foundations to ethically invest with the new account.

### Info:

Owen Davies, Bendigo Bank  
p: (03) 5433 9866,  
m: 0418 521 817

● The Ethical Investment Fund deposit account is available through Bendigo Bank's 103 branches across Australia or by telephoning:  
p: 1300 366 666 (local call)

## Interest Free Loans program reviewed by Ian Potter Foundation

The No Interest or Interest Free Loans program provides low income earners with small loans for the purchase of household goods and other essential items. The unique feature is to provide credit to a group in the community normally considered a financial risk. Monies received from loan repayments provide the capital base from which new loans are made.

The Ian Potter Foundation has supported 27 agencies in undertaking this initiative over the last eight years. There are new IFL's

being established every day and interest is growing in most states. The Good Shepherd Youth and Family Service have encouraged the exchange of information and support through their NILS network. The Network produced the "Common Principles & Accountability of No Interest Loans Schemes" which is the standard document which most agencies use when establishing a new scheme. Recently Western Australia established a loan program with a base of \$1.5 million provided by the Department of Family and Children's Services.

The Ian Potter Foundation has undertaken a review of the whole program area. Margaret Roberts was employed as a consultant to look at the outcomes of grants and a document will be available shortly.

While contact has been made with all the agencies funded and other key identified people, other interested parties are invited to make contact.

### Info

Scott Anderson  
The Ian Potter Foundation  
p: (03) 9650 3188  
i: [www.ianpotter.org.au](http://www.ianpotter.org.au)



## Putting the Dot in Philanthropy

E-commerce, portals, listservs, charity malls – what does it all mean, and what implications does it have for philanthropy? Over 100 attendees from both the grant-making and grant-seeking communities came closer to understanding these and other issues at the 'Putting the Dot in Philanthropy' conference at the Sofitel Hotel, Melbourne, presented by Philanthropy Australia and the Myer Foundation in April this year. Special international guests as well as Australian speakers offered the benefit of their experience in online systems and all kinds of technology, providing examples of the many ways the Internet can be used as a medium for inspiration, coordination, information dissemination, education and greater communication.

The first international speaker, Sharon Burns of the MacArthur Foundation, began her presentation on 'Tips, Technologies and Trends in E-Philanthropy' with some statistics; over 44% of the adult Australian population uses the Internet regularly. Her point was that if the people are online, then philanthropy should be there also. Ms Burns provided a clear overview of developing a Web strategy, differences between direct marketing and Internet solicitation, the use of discussion forums such as Usenet newsgroups, bulletin boards and listservs, and various methods of using the Web for fundraising.

Of the Australian speakers, Andrew Funston from Victoria University offered some information on the 'digital divide' between the information-rich and information-



Selected members of the panel (left to right): Greg Lanier (Sapient), Michael Walsh (Givewell), Jo Lane (Sausage Software), Jack Heath (Inspire Foundation), Sharon Burns (MacArthur Foundation).

poor in Australia, with some strategies for changing the inequitable situation and enabling disadvantaged young people to take part in the new opportunities offered by the Internet.

The success of the conference in stimulating debate and ideas indicates that Australian grantmakers and grantseekers have a healthy interest in exploring the potential of the new technologies to change the face of Australian philanthropy in the 21<sup>st</sup> century and beyond.

Vanessa Meachen

### Info

For more information visit our website:  
i: [www.philanthropy.org.au](http://www.philanthropy.org.au)

## Foundation for Rural and Regional Renewal appoints chief executive

Regional development specialist Peter Cook has been appointed Chief Executive of Australia's most significant rural philanthropic body, the Foundation for Rural and Regional Renewal (FRRR).

Mr Cook has worked closely for many years with regional communities across four States to achieve economic development and has been Chief Executive Officer of Western Australia's Great Southern Development Commission for the past five and a half years.

Mr Cook said one of FRRR's key roles would be to bring together Federal, State and regional agencies to support the aspirations of the regions in rebuilding communities.

"With the establishment of the FRRR, organisations can now invest in a national body that works with governments – but is not government – to give regional enterprises guidance in strategies to develop and implement their ideas in establishing and pursuing appropriate economic development."

He will take up his position on 13 June.

### Info

For further details or to arrange an interview, contact Julia Balderstone:  
p: (03) 9211 2444  
m: 0413 852 796

● See also article on page 28

# NEWS AND VIEWS

## International Fellows 12<sup>th</sup> Annual Conference

Every year a unique network of philanthropic scholars and practitioners are invited to gather for a special conference – the Johns Hopkins International Fellows in Philanthropy Conference. This year Australia has been selected to host the conference, which is titled *Communities, Capital and Collaboration: The Role of the Third Sector in Strengthening Communities in Australia*. Australian participants will join the Fellows to create an extremely significant and timely event, bringing together a rare combination of people.

The purpose of this conference is to shed light on the role of philanthropic grantmakers, nonprofit organisations and social researchers in their funding and collaboration with communities. A key question that the conference will address is how to be effective in such a role, taking into account the



The Johns Hopkins University  
Institute for Policy Studies  
Center for Civil Society Studies

changing nature of communities, the shifting roles of government and corporations, the impact of globalisation, and the availability of new and powerful technologies.

Although the word philanthropy is widely used in Australia, definition and use of the word is contentious, and another task of the conference will be to clarify the notion of philanthropy in language and practice.

Don't miss this opportunity to meet and learn with grantmakers, grant recipients and leading thinkers on the future of philanthropy.

### Info

Shauna Shaw at the Lance Reichstein Foundation

p: (03) 9650 4400

i: [www.philanthropy-conference.org](http://www.philanthropy-conference.org)

e: [organise@philanthropy-conference.org](mailto:organise@philanthropy-conference.org)

● The conference takes place 24-26 July 2000 at the Hilton Hotel & YWCA, Melbourne.

## The Ian Potter Cultural Trust

To mark its seventh anniversary and the allocation of over \$500,000 in grants, The Ian Potter Cultural Trust has embarked on a review to trace the stories of the 200 Australians supported by the Trust. Providing grants for individuals to further their education, to travel or to gain experience in their chosen field, the Trust has expanded rapidly since its launch in early 1993 and today plays a key role in assisting in the career development of young artists. The Trust seeks to assist those involved in the fields of literature, music, the performing and visual

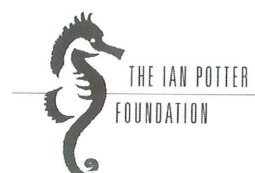
arts, crafts, design, film, video, television, radio, community arts, moveable cultural heritage and Aboriginal and Torres Strait Islander arts.

### Info

i: [www.ianpotter.org.au](http://www.ianpotter.org.au)

● For the outcomes of the review:

p: (03) 9650 3188



## Bravo!

As part of his work in the campaign to achieve global immunisation, Philanthropy Australia's Patron, Sir Gustav Nossal AC CBE, has been Chairman of the Strategic Advisory Council of the Bill and Melinda Gates Children's Vaccine Program since 1998. In December last year Mr and Mrs Gates announced that their initial donation of funds to the Children's Vaccine Program would be increased tenfold to \$A1.5 billion, one of the most generous acts of philanthropy ever recorded. Congratulations to Sir Gustav for his success in leading the campaign against vaccine-preventable diseases.

Congratulations also to Sir Gustav on having been named Australian of the Year for 2000. Philanthropy Australia is proud to have the support of such an inspirational Australian.

And finally, congratulations to members/trustees; Professor Geoffrey Blainey (Ian Potter Foundation); Mr Frank Lowy (Westfield Foundation) both awarded ACs, Ms Jill Reichstein (Lance Reichstein Foundation) awarded an OAM and Mr Royce Pepin (Lord Mayor's Charitable Fund), awarded an AM.



Genevieve Timmons (see p.25) at the Hopkins conference in Moscow, 1998



ONE MELBOURNE PRIMARY SCHOOL DEMONSTRATES PHILANTHROPY IN ACTION, NOT ONLY RAISING MONEY FOR THE SMITH FAMILY, BUT RAISING AWARENESS OF THE ISSUES OF GIVING AND RECEIVING.

## Philanthropy at School

Models of thoughtful philanthropy can have an extensive trickle-down effect. In this case, the model was the Sidney Myer Fund - Coles Myer Christmas voucher program which annually donates through a range of welfare and aid agencies some \$300,000 in \$25 vouchers to needy parents for their children. These are covered by recipients because, unlike food parcels or gift handouts, they allow them to exercise choice and to have the normalising experience of shopping in department stores rather than op shops. Vouchers are truly a gift with dignity. They also reach a wider range of children. Research has shown that less than 5% of the toys donated to aid agencies are for children older than twelve and very few are for boys.

Inspired by the respectful emphasis of this charitable program, two parents at Spensley Street Primary School in Clifton Hill who are involved in the philanthropic and not-for-profit sector decided to try to emulate it. Sandra Whitty (Researcher, the William Buckland Foundation) and Sue Woodward (Board member, SANE) suggested that the school enhance its annual Christmas Wishing Tree of donated gifts for the Smith Family by promoting the use of vouchers, while at the same time educating the school community in the issues involved.

Articles were written for the school's weekly bulletin, discussions were held in staff meetings and the

parents' club, some classes even had role-plays of sensitive and insensitive "charity". The response from everyone – staff, students and parents was enthusiastic. Over a three-week period \$1,886 was collected. Not bad for a school of 315 students! The money was used for \$25 vouchers that were distributed to families by the Smith Family.

Smith Family Development Manager, Leigh Wallace, was delighted. "I hope this concept can spread to other schools next year," he said. We hope so too.



Sandra Whitty



Principal Maureen Colarossi and Smith Family Development Manager Leigh Wallace with students of Spensley St Primary.



Junior School Council President Alex Palmer (12) presents Leigh Wallace with the generous cheque from her school.





## SPECIAL *PHILANTHROPY* FEATURE

# RESEARCH IN PHILANTHROPY

### Philanthropy: End or Means?

DR DIANA LEAT, VISITING FELLOW IN PHILANTHROPY, ADDRESSED THE MEMBERS AND FRIENDS OF THE TRINITY COLLEGE FOUNDATION, UNIVERSITY OF MELBOURNE, IN APRIL. THIS IS AN EDITED VERSION OF HER SPEECH.

Philanthropy without purpose, strategy or understanding is ultimately ineffective. In short, we need philanthropic education.

We seem to have lost sight of the goals of philanthropy and substituted the means for the end. In modern parlance philanthropy seems to be about fundraising – and big end of town fundraising at that.

Prime Minister John Howard has called for more philanthropy as part of a new social coalition, however the term philanthropy is open to interpretation. In some instances it refers to any act of giving anything; in other interpretations 'philanthropy' refers primarily to giving of money.

The notion that philanthropy is fundamentally about money is subtly but deeply rooted in much of what goes on in the charity/non profit sector. Voluntary organisations, including trusts and foundations, are often ranked primarily in terms of how much money they raise or disburse.

Similarly, the emphasis on fundraising, including tax incentives, is part of a deeper assumption that if more people give more money, then the result will be 'more philanthropy'.

The difficulty with this is that it turns a means or an input – money – into an end. Arguably, philanthropy is about outcomes, rather than inputs or outputs.

**Philanthropy is a means not an end. The end is to create a 'good' society in which we respect each other and the environment; a society which is socially, economically and environmentally sustainable because it is fundamentally just and maximises the potential of all its resources.**

One of the best guides on how to make a 'good' society is Robert Fulghum's "All I really need to know I learned in kindergarten": "These are the things I learned: share everything, play fair, don't hit people, put things back where you



found them, clean up your own mess, don't take things that aren't yours, say you're sorry when you hurt somebody; wash your hands before you eat. . . live a balanced life, learn some and think some and draw some and paint and sing and dance and play and work every day some; take a nap every afternoon, watch for traffic; hold hands and stick together; be aware of wonder.'

If this is the goal of philanthropy then there are many ways it can be achieved other than through the giving of money. For example, we might encourage businesses to treat their workers and the environment properly, rather than exploiting both and then giving charitable donations which are spent undoing the damage they have directly or indirectly done. Or we could get some real steam into the movement for ethical investment.

There is ample room for money to make a difference, but the act of giving of itself is not enough. It is obviously possible to spend large sums of money without achieving any positive outcome; conversely it is possible to spend a smaller amount of money to positive effect.

Sources of money cannot be divorced from outcomes. For example, there is no net social benefit if profit generated by polluting rivers is then given as a philanthropic donation to an environmental organisation. It would be better not to pollute and give nothing.

Funding endless re-invention of wheels – and sometimes square wheels at that, is hardly a good use of money. There is nothing effective about funding innovation unless it is disseminated and marketed. Furthermore, the emphasis on innovation can be costly for grant seekers who have to play the game of endlessly pouring old wine into new bottles.

**How effective is philanthropy? The real answer is that no-one knows.**

Foundations don't pay much attention to evaluation – indeed with a few heroic exceptions they are remarkably un-self critical. Fundraising foundations measure their success in terms of the amount raised – goal displacement par excellence – and grant-making

foundations generally don't measure their performance much at all. Foundations leave themselves wide open to claims that they are expensive and ineffectual.

There was a time when foundations could afford to work in splendid isolation arguing that they had no relationship with the state. Today, whether they like it or not, foundations are caught up in a game which requires new knowledge and relationships.

To be effective foundations need education – about themselves and their limitations, about their potential roles, about different routes to public benefit, about ways of maximising the value of their limited incomes, about the ways in which they can, at the very least, avoid wasting their money, if not actually doing harm. This sort of education is particularly urgent in the changing policy context.





THE STRATEGIC EFFICACY OF PHILANTHROPIC FOUNDATIONS WAS PUT UNDER FIERCE SCRUTINY LAST YEAR IN AN ARTICLE BY M.PORTER AND M.R.KRAMER ENTITLED 'PHILANTHROPY'S NEW AGENDA: CREATING VALUE', PROMPTING WIDESPREAD DISCUSSION AMONGST PHILANTHROPISTS AROUND THE WORLD.

DR DIANA LEAT (VISITING FELLOW, PHILANTHROPY AUSTRALIA) SUMMARISES THE MAIN POINTS OF THE ARTICLE BELOW, AND STEVE BURKEMAN (TRUST SECRETARY AT THE JOSEPH ROWNTREE CHARITABLE TRUST, YORK, UK) OFFERS HIS CRITIQUE OF SOME OF THE ARTICLE'S CHIEF CONCERNS.

## "Philanthropy's New Agenda" – a summary of Porter and Kramer

M.Porter and M.R. Kramer, "Philanthropy's New Agenda: Creating Value", *Harvard Business Review*, Nov-Dec. 1999.

According to M.Porter and M.R.Kramer, the performance of philanthropic foundations is far from ideal. They contend that foundations lack the strategic focus necessary to effect the greatest social benefit. The key points raised in their article are as follows.

### The Cost of Foundations

Foundations have a responsibility to achieve a social impact disproportionate to their spending, not least because some of the money they give away belongs to all of us. Too few foundations work strategically to improve their performance.

Foundations are a costly way of creating social benefit, as these figures indicate:

- on average US foundations donate only 5.5% of their assets to charity per annum;
- when \$100 is contributed to a charity the nation loses \$40 in lost tax revenue but the charity has \$100 to spend on social benefit; thus the benefit is 250% of the lost tax revenue;
- by contrast, when \$100 is contributed to a foundation, the nation loses the same \$40 but the immediate social benefit is only \$5.50 i.e. less than 14% of the forgone tax revenue;
- at a 10% discount rate the present value of the foundation's cumulative contribution after 5 years is only \$21, and after 100 years it is still only \$55.

The conclusion is that 'we as nation pay up-front for deferred social benefit'. Two additional sets of costs exacerbate the problem even further: administrative costs and costs for grantees in complying with application and reporting processes. 'Foundations, then, are an expensive way to allocate dollars to social enterprises.'

### Creating Value

While costly to operate, foundations may create value 'when their activities generate social benefits that go beyond the mere purchasing power of their grants'. They can do so in four ways: selecting the best grantees, signaling other funders, improving the performance of grant recipients, and advancing the state of knowledge and practice.

### Foundations Need Strategy

'Strategic giving now refers to almost any grant made with some purpose in mind. Rarely does a foundation's strategy serve – as it does in business – as a definition of its distinctiveness and a discipline that dictates every aspect of the organisation's operations.'

The following principles must be adopted if the concept of strategic giving is to be effective:

- the goal is superior performance in a chosen area;
- strategy depends on choosing a unique positioning;
- strategy rests on unique activities;



Dr Diana Leat

- every positioning requires trade-offs.

### The State of Current Practice

● 'Strategy demands focus, yet foundations generally spread their resources – both money and people – too thin. A fragmented pattern of giving and the constant pressure of responding to individual grant requests leaves little time for developing expertise, assisting grantees, or examining social problems in depth.'

● 'Foundations which should be able to take the long view, tend to focus on grant-making quarter-to-quarter.'

● 'While foundations express a strong interest in innovation and advancing the state of knowledge about society's problems, very few fund studies explore the relative effectiveness of different approaches to a given problem.'

● 'Too often foundations overlook projects aimed at fostering the



## Steven Burkeman Responds

Steven Burkeman is Trust Secretary at the Joseph Rowntree Charitable Trust. He writes here in a personal capacity.

growth and replication of new initiatives, and they fail to support the grantee over an appropriately long time span.'

● 'The overall failure to evaluate the results of foundation grants is the most telling danger sign of all. Almost no money is set aside for program evaluation.' Evaluations that do take place are problematic in three ways: they focus on outputs not outcomes; they are done by grant recipients themselves, raising questions about objectivity; and they are assessed at single grantee level (rather than at the level of overall goals).

### Addressing the New Agenda

To perform effectively, foundations should start with positioning – research the environment they are operating in, consider its unique strengths and weaknesses, and develop a strategy in accordance with this. 'Each activity – how proposals are solicited, for example, and how grantees are supported – must be tailored to the chosen strategy.'

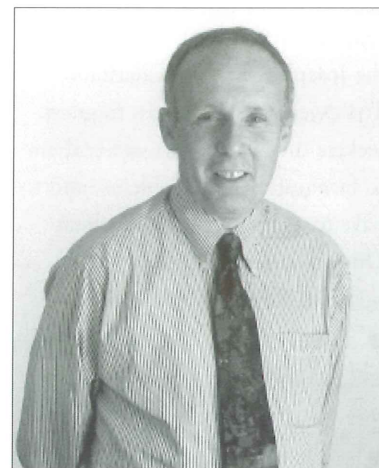
Porter and Kramer conclude: 'Until foundations accept their accountability to society and meet their obligation to create value, they exist in a world where they cannot fail. Unfortunately, they also cannot truly succeed.'



Diana Leat  
Philanthropy Australia

Messrs Porter and Kramer have joined that small but growing band of people who, knowing foundations from the inside, dare to say out loud that all is not as it ought to be. This can only be said by whistle-blowers, for grant-seekers are understandably loath to bite the hand that might feed them. Those who work for trusts are accustomed to fulsome praise, uncritical thanks, and generally fawning sycophancy. Too many accept this happily and unquestioningly, basking in a warm glow that may lead them to believe their own publicity, rather than questioning sceptically why it is that someone to whom one has just sent a big fat cheque should appear to think that the sender is a truly wonderful person. Nor do they question the idea that the money isn't really theirs in the first place, and the munificence certainly isn't. So – almost any thoughtful criticism of foundations should be welcomed as a helpful counter to the prevalent climate of smug complacency (that should reduce the number of Christmas cards I get next year).

That said, one or two of Porter and Kramer's prescriptions perhaps need a bit more thought. They say that a foundation's success should be measured by the success of those it funds. That's all very well, but we have a long way to go before we can be sure that foundations actually *know* the truth about what they've funded. Porter and Kramer emphasise the need for evaluation,



Steven Burkeman

but this begs a number of questions. First, there is lot of baggage in the way when funders initiate evaluation of those they fund. As Edwards and Hulme<sup>1</sup> make clear:

"measuring performance in relation to the kind of development subscribed to by most NGOs is an extraordinarily difficult task. . . As Drucker points out, the ultimate objective of 'non-profit' agencies is 'changed human beings'. There are few agreed performance standards available to NGOs in this realm. . ."

Next, the pressure of evaluation may encourage a culture of dishonesty, or distort the work in unhelpful ways. Those doing that work (as distinct from those who sign the cheques) do not operate in sealed boxes free from the pressures of changing environments. They can be easily blown off course, may have to change, adapt – and often *should*, rather than pressing on blindly (which is what they may be tempted

(continued overleaf)

to do if they've made specific goal-oriented promises to their foundation funders). That's why at the Joseph Rowntree Charitable Trust we try to get across to grant seekers the fact that we *expect* them to face unforeseen problems, and to have to adapt to cope with them. Our guidance for applicants includes the questions:

- How sure are you that this work will produce the results you hope for?
- What risks are you taking?
- What might stop the work being effective?

Then there is the issue of accountability. I am all in favour of translating charity as change. I have argued elsewhere, most recently in last year's Allen Lane lecture<sup>2</sup> that charity which doesn't lead to change merely reinforces the inequities which give rise to the need for charity in the first place. But: what change? Based on what legitimacy? Porter and Kramer fudge the question. On the one hand, they point out that foundations have the freedom to develop new approaches to social problems because they are *'free from political pressures'*. On the other, they make the point that the money that accrues to foundations through their tax privileges belongs to us all and that therefore the foundations have responsibilities to create real value for society. Their article ends with a plea for foundations to:

"... accept their accountability to society"

To which I say *Amen* – for without it, and its stable-mate, transparency, we cannot all decide whether what foundations are doing is what we want them to do: but once you have transparency and accountability, you also have (in the widest sense of the word) political pressures. But, as Porter and Kramer point out, political pressures are the very things the freedom from which enables foundations to do what Porter and Kramer say they are obliged to do... Gerald Freund<sup>3</sup> puts the issue more starkly, citing Vaclav Klaus, the former prime minister of the Czech Republic who:

"decries tax deductions for not-for-profits, calling philanthropy inherently undemocratic because it subverts the democratic inclinations of the state."

So here we are, in Paradoxville, USA. This is a central issue, at the heart of the debate about the legitimacy of endowed foundations.

But there is much in Porter and Kramer's article for which progressive philanthropoids will surely give thanks: the need for foundations to focus on what they call the 'acid test' of what not to do – in order to focus more effectively on fewer things; the call for strategy based on a SWOT analysis; and the recognition that foundations need above all to *think* about what they're doing, and to be self-questioning and self-critical. If you can get hold of it, do read the full article, which includes some fascinating examples

from progressive US foundations. I'm sending 'Philanthropy's New Agenda' to all my trustees: some interesting debates lie ahead...



Steven Burkeman

<sup>1</sup> Edwards, M and Hulme, D Eds (1995) *Non-Governmental Organisations – Performance and Accountability: Beyond the Magic Bullet*, Earthscan London

<sup>2</sup> <http://www.allenlane.demon.co.uk/newpage2.htm>

<sup>3</sup> Freund, G (1996) *Narcissism and Philanthropy – Ideas and Talent Denied*, Viking Penguin, New York

## Info

- The article 'Philanthropy's New Agenda: Creating Value' may be ordered via:  
i: [www.effectivephilanthropy.com/publications/](http://www.effectivephilanthropy.com/publications/)

- Steven Burkeman will be our special guest at The Annual Trustees Function in Melbourne on November 1. He will also visit Sydney (November 6), Brisbane (November 8) and Hobart (November 15). Watch News and Views for further details.

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This article was written for the Spring 2000 edition of *Trust Monitor*.

Thanks to Susan Forrester, Editor 'Trust Monitor' UK, for permission to reprint.

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THE JOHNS HOPKINS FELLOWS IN PHILANTHROPY PROGRAM IS RUN AT THE CENTRE FOR CIVIL SOCIETY STUDIES IN BALTIMORE, USA.

EACH YEAR EIGHT PEOPLE ACTIVE IN NONPROFIT AND PHILANTHROPIC WORK COME TOGETHER FROM COUNTRIES OUTSIDE THE UNITED STATES, FOR A SEMESTER OR ACADEMIC YEAR OF ADVANCED STUDY AND RESEARCH.

WITH THE SUPPORT OF THE REICHSTEIN FOUNDATION, GENEVIEVE TIMMONS COMPLETED A SENIOR FELLOWSHIP IN 1999.

MS TIMMONS DESIGNED AND CONDUCTED A RESEARCH PROJECT ON THE RELATIONSHIP BETWEEN PHILANTHROPIC GRANTMAKERS AND THE ADVOCACY ORGANISATIONS THEY FUND. THIS RESEARCH IS NOW THE BASIS FOR FURTHER WORK IN AUSTRALIA, AS A POST GRADUATE DEGREE AT THE UNIVERSITY OF MELBOURNE, SCHOOL OF SOCIAL WORK. FOLLOWING IS A BRIEF SUMMARY OF THE RESEARCH IN PROGRESS.



## Underwriters for Social Change

Traditionally, one of the roles of non-profit organisations has been to improve the lives of disadvantaged groups in society. Advocacy organisations have emerged as a special niche in the non-profit sector. Their work may be to provide community education, organise public meetings or conferences, circulate information, attract media attention, carry out research, offer training, build collaborative partnerships and alliances, or make representation to policy makers and legislators.

Non-profit organisations are facing increased competition for funding, and the roles of many agencies are being narrowed to service delivery by shifts in government policy and economic reform. There is increasing scrutiny of the relevance, purpose, legality and effectiveness of advocacy as a nonprofit activity in both the USA and Australia. As a result, it appears that some agencies have been drawn away from their functions of advocacy, and the frank and fearless representation of issues affecting disadvantaged groups.

Philanthropic dollars are often a limited but strategic source of

funding for advocacy and public policy activities. Philanthropic support offers the flexibility and discretion to undertake effective advocacy work which might otherwise not be possible.

Only some foundations, trusts and individual donors offer support to advocacy groups. Unwillingness and/or lack of confidence by other funders could be due to a number of factors : confusion about the use of the term and its association to wider issues of civic participation; lack of appropriate legal advice to the grantmaker; an inability of the grantseeker to articulate their requests appropriately.

The way in which individual grantmakers define advocacy and the criteria by which they assess requests for funding from advocacy projects is largely unexplored and unexplained.

The purpose of this research was to examine the expectations, perceptions and priorities of partners in philanthropy-supported advocacy. The definition, form and outcomes of advocacy and social action were also explored with a

range of philanthropists, grantmaking associations and non-profit organisations based in Baltimore and Washington.

Interviews will be conducted with an Australian sample to extend the data sets and allow international comparison.

As there is little existing research in this area, the study will map some of the territory around philanthropic grantmaking, and explore the cultural influences which shape the exchange between the grantseeker and the grantmaker.

The research is also intended to inform the way in which grantmakers and grantseekers negotiate and build funding partnerships. These processes are worthy of exploration, to ensure maximum return on the limited dollars invested, and also to encourage other potential supporters to invest in advocacy as a legitimate and important type of nonprofit activity.





BARRY GABERMAN IS A SIGNIFICANT FIGURE IN INTERNATIONAL PHILANTHROPY, WITH OVER TWENTY YEARS EXPERIENCE AS A PROGRAM OFFICER AND FUND MANAGER. CURRENTLY SENIOR VICE PRESIDENT OF THE FORD FOUNDATION AND CHAIRMAN OF THE INTERNATIONAL MEETING OF ASSOCIATIONS OF GRANTMAKERS, BARRY SHARED HIS KNOWLEDGE WITH MEMBERS AND ASSOCIATES AT PHILANTHROPY AUSTRALIA'S ANNUAL TRUSTEES' FUNCTION IN SYDNEY.

THIS IS AN EDITED VERSION OF HIS ADDRESS.

## Focus on Civil Society: Barry Gaberman speaks

What is civil society? Why should we care about civil society? What is needed to keep civil society healthy?

In general, we are used to thinking about society in two sector terms, a public sector or government, and a for-profit sector of business.

However, we have come to recognise that there is cluster of organisations in society that belongs to neither of these two sectors. For the longest time we saw them as a messy array of very diverse institutions in terms of their objective and scale. We defined them by what they were not rather than by what they were; they were not for profit organisations, or they were non-governmental

organisations, and yet they did seem to have at least six characteristics in common. They were formally organised, self-governing, not profit distributing, independent of government, they served the public purpose rather than a private benefit, and membership in them was voluntary.

Recognising these common characteristics, we began to think of this cluster of institutions as a sector, and we labelled it with a new set of names. It was the voluntary sector, the third sector, the independent sector. These days, it is called civil society.

In the US, this sector comprises 1.5 million organisations, and accounts for almost 10% of the gross domestic product. It employs 8% of the paid workforce, and annually expends more than \$600 billion. In Australia, the sector expends about \$20 billion, comprises about 5.2% of the gross domestic product, and employs some 7.2% of the paid workforce. These are 1995/96 figures, and it is probably a bit larger today. All of these numbers don't include the value of volunteers.

Civil society is a term that's been used by many writers from Plato to Putnam. The problem is that they all tend to use it differently. As a US judge once said when defining hardcore pornography, "I can't define it, but I know it when I see it." We might not be able to define civil society to everyone's

satisfaction, but we do seem to know the institutions of civil society when we see them. They are the institutions that provide services, often to the most isolated and marginalised members of our population; that educate and train; that do independent policy analysis and assessment; that are engaged in advocacy to make sure that people's dreams and demands are heard; that strengthen our awareness, our identity and our enjoyment through artistic expression and cultural understanding. There is even a specialised set of institutions that provide expertise and financing to all those other institutions.

For many this would be an incomplete picture for two fundamental reasons. First, in its descriptive simplicity it does not acknowledge the centrality of the individual – the citizen- as the key actor. Citizens form such institutions to advance their interests through collective action. The institutions of civil society, therefore, are a means to an end, not ends in themselves. Second, this description does not touch on the behavioural dimension of civil society; the fact that these institutions welcome participation, promote tolerance, and enhance inclusion, to mention a few of the elements that build social capital. In other words, while all civil society institutions are part of the not for profit sector, not all not for profit institutions qualify as being part of civil society.



Barry Gaberman addressing the Council of Philanthropy Australia on December 7, 1999 at the State Library of New South Wales.

Even with consensus about civil society, why should we care? If we look at Eastern Europe, Africa and Asia, we would be reasonable to ask what there is to prevent the regression to more authoritarian regimes in the future. My answer is that in large measure, a viable civil society and the social capital that it builds is the best protection we have against this regression. A viable civil society is the key variable that makes this current period different around the world from the past. In short, a healthy civil society protects citizens from excessive public or private abuse of power.

These institutions provide needed goods and services. More importantly, they fill a niche in society, where cost or lack of political support keep business and government from responding. They provide a vehicle for citizens to express themselves on public policy issues and to participate in providing services for public good. They often train citizens how to function in organisations and turn ideas in action.

Finally, there is growing evidence that a strong civil society improves the performance of government, and enhances effective social and economic development. It builds bonds between citizens and protects core democratic values like freedom of expression and association.

There are five components necessary to keep civil society healthy. First is a legal framework that empowers

rather than shackles voluntary associations. Second is a tax structure that provides incentives to contribute. Third is a system of accountability that builds confidence, including regulation by government, self-regulation, and good internal governance. Fourth is effective institutional capacity, which involves professionalism, good leadership, and evaluation. The fifth and final element is the availability of resources.

A vibrant society requires the best from all three sectors. It should not be a competition between sectors, but rather a matter of determining what the comparative advantage of each are, and in crafting policy, practice and partnerships that play to those advantages.

The boundaries between the three sectors are blurring, and it will be more difficult in the future to categorise institutions as new hybrids appear. Another challenge is that public trust in the institutions of all three sectors is down, and will push the demand for greater accountability. The question for trusts, foundations and corporate giving programs in particular, will be whether they embrace this trend and develop appropriate systems of

accountability and transparency, or whether they have such systems thrust upon them, which may be less appropriate and more onerous.

To participate effectively in the future, foundations and corporate giving programs will have to move away from 'charity' and towards a strategic view of philanthropy. The Ford Foundation has certainly been moving away from grant making as an end in itself, and is beginning to think about developing strategies to solve problems.

Finally, I believe that peak bodies or intermediaries, will become more important. The philanthropic area now has some 40 associations world wide, most of them at the national level like Philanthropy Australia. These organisations provide representation, information, they perform a convening function, build skills, and enhance the level of philanthropy in society. It is no longer a debate of whether these peak bodies are constituted to provide leadership or provide service – in fact they must do both – but to be able to do both they must be adequately resourced. This is a task that must be seen as a priority by its members.



Professor Tom Healy, Mr Graeme Wise, Mr Alan Schwartz, Ms Dur-e Dara OAM, Elizabeth Cham, Lady Southey AM, Former President Eve Mahlab AO and Barry Gaberman .



THE FRRR WILL TAKE A LEADERSHIP ROLE IN ASSISTING REGIONAL COMMUNITIES TO RESPOND TO SOCIAL, CULTURAL AND ECONOMIC CHANGE. IT WILL COLLABORATE WITH COMMUNITIES AROUND AUSTRALIA AND STRENGTHEN THEIR CAPACITY TO TURN CHANGE INTO OPPORTUNITY.

# THE TIME HAS COME: Foundation for Rural and Regional Renewal

## What is the Foundation for Rural and Regional Renewal?

It is rare that a concept for a new foundation aimed at addressing a pressing need in the Australian community can be refined, planned and implemented within twelve months.

The Foundation for Rural and Regional Renewal ("FRRR") is being developed as an innovative philanthropic body to support the social and economic regeneration of rural and regional communities in Australia. FRRR will encourage partnerships between communities, philanthropy, business and government and will support projects which have the capacity to make a difference to a whole community.

The Foundation for Rural and Regional Renewal will operate in three key areas:

- Strategic grant-making program (for example: funding key rural development projects based on sound research and community consultation).
- Rural capacity building (for example: training, mentoring, networking).
- Information and research (for example: providing up to date socio-demographic data about rural regions together with information about expert advice and other successful programs in Australia and overseas).

The Foundation was initiated by The Sidney Myer Fund and then supported by the Commonwealth

Government. Both the Deputy Prime Minister, Hon John Anderson MP, and Mr Baillieu Myer AC, Chairman of The Sidney Myer Fund, have been personally committed to establishing FRRR.

## Where did FRRR originate?

The concept of a Foundation for Rural and Regional Renewal came initially from The Sidney Myer Fund which was concerned about the major social and economic challenges facing rural and regional Australia. During the 1998 Cranlana Program think tank on rural issues, The Sidney Myer Fund recognised the need for an independent foundation that focused on rural Australia and would play a unique role as an operating foundation, building a bridge between rural communities, government, business and philanthropy.

The Sidney Myer Fund made a grant of \$1million over four years to seed fund the Foundation for Rural and Regional Renewal. FRRR is one of the key projects funded as part of *The Sidney Myer Centenary Celebration 1899-1999*.

Following initial research into a variety of overseas models, including the United Kingdom's Rural Partners in the Countryside, The Aspen Institute's Rural Development and Community Foundation Initiative, and the state government supported rural development initiatives in the State of Nebraska, a Planning Workshop was convened in June 1999 by Helen Morris and Baillieu Myer AC



Rural Australia photos courtesy of FRRR



of The Sidney Myer Fund, with the support of the Hon John Anderson MP, to think through the purpose and structure of a foundation focused on developing rural communities in Australia.

In order to gain advice from The Aspen Institute program and from forty key players from the regional and philanthropic sectors around Australia, Meriwether Jones, the Director of the Aspen Institute's Rural Economic Policy Program was invited to be a guest participant and presenter at the Workshop.

The Planning Workshop participants concluded that there was a need for a national foundation supporting rural and regional communities and that a model using national and regional community foundations would generate the most impact. FRRR would work in partnership with other organisations, complementing and adding to initiatives, not duplicating.

### Support from the Federal Government

In October 1999 during the Regional Australia Summit, the Australian Government announced its commitment to supporting the work of the Foundation for Rural and Regional Renewal through a grant of \$10.7 million in 1999/2000 and a further \$3.8 million to be available as an incentive grant over the period 2002/2001 to 2008/2009. \$10 million of the initial grant is to form the core of the capital fund which FRRR will develop over time. Interest on the capital fund will be used to fund

rural and regional development programs and projects.

FRRR is now approaching companies and state governments to develop a partnership to implement rural capacity building programs and jointly fund strategic rural and regional development projects. The response has been positive and encouraging.

### Translating the concept into reality

Recognising that FRRR needed highly skilled leadership, The Sidney Myer Fund and Hon John Anderson MP considered the composition of the first Board carefully. The Board of FRRR is chaired by Rt Hon Ian Sinclair, who was personally involved in the initial planning workshop, and includes eminent people from business, philanthropy, government and the rural community (see photo overleaf).

The chosen legal structure for FRRR is a company limited by guarantee with charitable status which is able to receive tax-

deductible donations. As FRRR's objectives are different from existing bodies with public benevolent institution status, special legislation will be passed by Parliament during the autumn 2000 session. Freehill Hollingdale & Page has generously provided pro bono legal advice to FRRR during the establishment phase. A confidential Business Plan was prepared for the establishment phase of the project and, more recently, a draft Business Plan has been prepared for the Board of FRRR to use as the basis for a detailed strategic planning process. The first Board meeting took place in early March and staffing and the head office location are being finalised.

### Inaugural Grant Program

FRRR is keen to make a difference as soon as possible and the first Grant Program has been advertised. The first round of projects are due to be announced before the end of this financial year. FRRR is keen to fund projects which stimulate the

(continued overleaf)





Board of FRRR  
Back Row, L to R: Mr Mark Bethwaite, Mrs Margaret Smith AO, Mr Sidney Myer, Mr Baillieu Myer AC, Mr Ken Matthews, Ms Winsome McCaughey, Mr Bill Kelty, Mr Ken Cowley AO.  
Front Row: The Rt Hon. Ian Sinclair (Chairman), Hon. John Anderson MP.  
Not pictured: Don Argus AO, Mr Gatjil Djerkurra

renewal of whole communities and which tackle one or more of the following issues:

1. The development of innovative business ventures and/or the use of advanced information technology and electronic commerce to enhance or create business opportunities. Projects should lead to potentially sustainable economic and social benefits.
2. Support youth to remain in secondary and tertiary education, and/or reduce unemployment and enhance youth leadership skills.
3. Support indigenous Australians to realise their social and economic aspirations.
4. Support people to access education and training which will lead to improved job prospects, especially in new or expanded businesses.
5. Recognise and enhance the role of women in rural community building, farm management and business development.
6. Recognise and enhance the role of volunteers in building the capacity of rural communities.
7. Environmental projects which add value to existing products, demonstrate best practice

in natural resource management and sustainable development and/or create jobs in new or emerging environment related businesses.

8. Cultural projects which result in an increased sense of belonging to the local community and/or create employment.
9. Health or community services projects, which address key issues in a rural area such as suicide, depression, preventive health, or seek to improve access to services through the development of new networks or links which extend current services.
10. Projects which enhance the community wellbeing of a region through the improved use of community resources, for example in areas such as business planning, project management, community planning skills.
11. Establishment of regional community foundations, preferably linked with a key project in another area of interest.
12. Rural capacity building projects focused on leadership training, mentoring, networking, partnership building.
13. Economic and social research projects that add to the body of knowledge available to rural and

regional communities to enable them to plan their futures effectively.

FRRR is seeking key partnerships to build the capital fund, deliver programs to support leadership, business and community planning, and develop philanthropy in rural and regional communities. FRRR is very enthusiastic about working in partnership with other philanthropic organisations and would be interested to hear about possible collaborative work.



**Catherine Brown**  
Project Consultant, FRRR

### Info

Helen Morris  
p: (02) 9207 3040  
or Catherine Brown  
p: (03) 9481 5456  
● Visit the FRRR website:  
i: [www.frrr.netconnect.com.au](http://www.frrr.netconnect.com.au)



# MEMBERS' FILE

## Activities of Philanthropy Australia members across the country



The RACV has a long history of assisting Victorians. It has provided a valuable and valued service to millions of Victorians since it was formed as a motorists' social club in 1903. Over the years, RACV has earned a reputation for being trustworthy, reliable, caring and responsive.

As a Victorian business built on servicing the needs of its members, RACV takes seriously its broader obligations as a responsive corporate citizen. It has been actively in community activities for many years through local sponsorships and support for organisations.

In 1997, the RACV Foundation was established to manage the RACV's continuing support for charities and worthwhile community causes. Since its inception, it has distributed over \$100,000 to worthy projects and organisations.

The Foundation invites applications for funding for community based projects with broad reach and profile in the following areas:

- Conservation, environment and heritage
- Cultural development and arts
- Health and well-being
- Recreation and leisure
- Community education and training
- Communication and information



Warrnambool Surf Life Saving Club Nippers and RACV Foundation funded equipment.

At this early stage, the Foundation is unable to consider grant requests for over \$5,000. Preference is given to projects and organisations who are less likely to attract funding through conventional sources.

### Info

To make a tax deductible donation to the Foundation or to receive further information, contact Sue Roff.

p: (03) 9627 3873

e: [sue\\_roff@racv.com.au](mailto:sue_roff@racv.com.au)

### Recent Grants

The December 1999 funding round saw \$29,750 distributed:

#### **Bellarine Peninsula Community Health Centre**

\$5,000 for development of a public relations action plan

#### **Brotherhood of St Laurence**

\$4,650 for Public Tenancy Advocacy Project

#### **East Gippsland Institute of TAFE**

\$5,000 for the Gippsland Food Centre

#### **Gippsland Auto Museum**

\$5,000 for a feasibility study

#### **Horsham Riding for the Disabled**

\$4,000 for a new horse float

#### **Rumbalara Aboriginal Co-operative**

\$2,200 for Expanding Social Interaction Through Sport

#### **Western Rural Services Consortium**

\$2,000 for marketing of the Rural Information Service

#### **Yarra Valley Arts Council**

\$900 for the Summer Arts School 2000 Scholarships







"Kangaroo and Wimmera River Dreaming", 1997, by Stuart Harradine  
(Wotjobaluk) (AH 2471 Koorie Heritage Trust Inc. Collection)

## CULTURAL CONNECTIONS: IAG and Indigenous Culture in Australia

AN INSPIRING AND DIVERSE GROUP OF PRESENTERS SPOKE ABOUT INDIGENOUS CULTURE TO THE INDIGENOUS AFFINITY GROUP AT THE VICTORIAN COLLEGE OF THE ARTS IN MARCH

Presentations by different organisations covered current initiatives in all aspects of the day's theme, 'Indigenous culture: expression, preservation, management and the future'. Keynote speaker Patrick Dodson, as well as Sonia Smallacombe, ATSIC's manager of the Indigenous Cultural and Intellectual Property Task Force, gave informative and thought-provoking addresses on the legal and political contexts of the theme.

Sonia Smallacombe described the widespread exploitation of Indigenous cultural and intellectual property rights in the form of misuse and unauthorised reproduction of works of art, designs, languages, oral traditions, songs and dances and biological and ecological knowledge. Existing legal protection in the area of intellectual property is inadequate because such laws do not provide the recognition

of collective rights or allow for the protection of oral expressions of culture.

Andrea James, a VCA graduate, now its Koori Development Officer, described the Aboriginal Access Program she introduced with the support of Professor Andrea Hulls to bring the number of Indigenous students at the VCA up from one in 1995 to fourteen in 2000.

Increasing Indigenous students' access to VCA places by demystifying and funding the application process has been very important. Indigenous students with talent have been disadvantaged in the selection process in the past by factors such as a lack of funds for folio preparation, lack of information about course selection and the application process. A more ingrained factor is cultural exclusivity: Indigenous students are far less likely to have had formal

training like ballet or music lessons since childhood – experience somewhat assumed for entry into institutions such as the VCA.

Helena Gulash from the Australian Indigenous Cultural Network gave the audience a sneak preview of a fantastic software program for storage of archival and cultural materials being developed by the AICN and the Pitjanjatjara Council (South Australia).

The software is designed to be appropriate and accessible to all members of the community, both young and old. The interface bears the colours of the Aboriginal flag and its toolbars and buttons use the local language and iconography familiar to the community. The program will allow Indigenous communities to store and access archival materials of all formats (video, audio, text) on a computer archive system.

The AICN, established by the Australia Foundation for Culture and the Humanities and chaired by Patrick Dodson, aims to link together the many community-based Indigenous centres and cultural collections across Australia. A specific aim is to help communities reclaim and gain access to cultural materials held in public institutions such as museums. This will provide opportunities to enhance community knowledge and sharing of that knowledge with non-Indigenous people.

Joel Wright from the Victorian Aboriginal Corporation for Languages spoke about community based local language revival programs in Victoria. VACL was established as an umbrella body for local programs after recommendations from the Inquiry into the Separation of Aboriginal and Torres Strait Islander Children from their Families gave the grass-roots programs official sanction and recognition. This allowed them to apply to state agencies for funding.

Once considered lost, the Indigenous languages of Victoria are now perceived to be retrievable but are certainly the most threatened group of Indigenous languages in Australia. Despite this, Victorian initiatives continue to face funding shortfalls, as most funding is focussed on areas in which languages are less endangered. For Victorian Indigenous communities, language revival is strongly linked to cultural integrity, strength and identity.

Kim Kruger, Daphne Milward and Sue Clark described the development of a pilot Arts Management Course aimed at training Indigenous arts managers in all aspects of the field. They outlined their extensive community consultation process, as well as the process for selection of students. This initiative is supported by the WCF Thomas Charitable Trust through ANZ Trustees. Set in the context of the exploitation of Indigenous artists by non-

Indigenous managers in the Aboriginal art industry as described by Patrick Dodson, the importance of supporting Indigenous arts managers was clear.

Gayle Harradine from the Koorie Heritage Trust presented artworks from this important repository and exhibition space for new and historical Indigenous cultural material from Australia's south-east. The KHT is managed and controlled by Koories and the current facility comprises two exhibition spaces, a reference library and research centre, educational facilities, curatorial/conservation workroom, storage, and a retail outlet.

The Indigenous Affinity Group provides a fantastic forum for information on and contact with Indigenous community initiatives. Given the widespread lack of informed understanding of indigenous issues in Australia, it is hoped that the opportunities for philanthropic partnerships such as those provided by the IAG will begin to attract a wider audience and more active participation by corporate, foundation and private grantmakers.



## Clare Land

### Info

- Julie Saunders, IAG Secretariat.  
p: (03) 9639 6272  
e: lumbu@connect.net.au
- For information on the Victorian Aboriginal Corporation for Languages, contact Joel Wright.  
p: (03) 9486 7800



Wally Cooper and visitor at the Royal Melbourne Show Koorie Heritage Trust Inc. Stand, 1999 (Koorie Heritage Trust Inc. collection)



# Philanthropy Internships

KYLIE MCRAE OF THE IAN POTTER FOUNDATION RECENTLY COMPLETED A ONE-MONTH INTERNSHIP WITH THE EUROPEAN CULTURAL FOUNDATION (ECF) IN AMSTERDAM. SHE DISCOVERED A REFRESHING APPROACH TO THE SUPPORT AND RECOGNITION OF CULTURAL ACTIVITY THROUGHOUT EUROPE. KYLIE WROTE THIS ACCOUNT OF HER TIME FOR *PHILANTHROPY*.

“Culture is that which gives daily life meaning”, according to the European Cultural Foundation’s website. This broad notion of culture, which has been adopted by a number of European foundations, cultural agencies and government bodies, challenges the notion of ‘culture’ as a synonym for ‘the arts’.

The shift in European thinking has meant a recognition that while all art is culture, not all culture is art. The move to adopt an approach which fosters social inclusion has certainly grown. During my time with the ECF, I was struck by the energy of organisations and individuals working towards a vision for Europe in which all citizens can participate. Foundations are playing a key role in this process.

There is a significant difference between the funding concerns of governments, and those of foundations. The policy focus of governments, including the European Commission’s Directorate of Education and Culture, with a budget comprising less than one per cent of the Commission’s overall spending, is largely to promote artistic excellence and facilitate greater access to the arts.

The strong European tradition of government subsidy to the arts – companies like the Paris Opera receive a vast majority of their budget from their national government – is unequalled in Australia. Thus organised philanthropy, itself relatively recent, has taken a different approach to

cultural activity and many foundations have aligned their support of the arts with social activism.

Recognising that the arts have the potential to change deep-rooted attitudes has inspired many foundations to use the arts as a tool for social improvement. Numerous projects initiated or supported by foundations like the ECF or the Foundation for Arts and Young People in Europe (EU NET ART) have used the skills of professional artists to work with marginalised or disadvantaged individuals. Over and over again, people have discovered through the arts, strength, skills and opportunities for self-development of which they were previously unaware.

Foundations are also encouraging inter-cultural collaboration. The ECF, for example, requires projects that it funds to be undertaken in partnership with cultural workers or companies of several different countries, thus helping to open channels of communication and actively enhancing mutual respect and understanding.

A Program Officer at the ECF tells the story of two people who worked together during a theatre workshop facilitated by the foundation. At the end of the week, both were overwhelmed at what they had achieved together, neither having thought such a thing remotely possible. One was Croatian, the other a Serb. Such experiences prove that individuals are the key to



changing the behaviour and prejudices of a society.

These issues are by no means exclusive to Europe. Mobility, immigration, multi-lingualism, and intercultural learning are equally pertinent to Australia. My time in Europe has led me to think about Australian culture and to question what it is to be Australian – what does it mean to come from a certain town, or a certain part of a town, and still feel Australian? How do we find common ground in an increasingly multicultural society? How can we forge a future in which all Australians can take part, and how can the arts best serve our cultural development? Will it, indeed, be possible to find common cultural ground while helping to strengthen the various cultural identities that shape Australia? I wonder to what extent a true multicultural society is one in which “multiculturalism” is an obsolete term.



PHILANTHROPY AUSTRALIA'S RESOURCE CENTRE HOLDS A WIDE RANGE OF BOOKS, JOURNALS, AND REPORTS RELATING TO PHILANTHROPY, GRANT-MAKING, GRANT-SEEKING AND RELATED AREAS. THE RESOURCE CENTRE MATERIALS ARE AVAILABLE FOR BROWSING BY PHILANTHROPY AUSTRALIA MEMBERS, AS WELL AS MEMBERS OF THE RESOURCE CENTRE.

## RESOURCE CENTRE NEWS: recent acquisitions

### Publications

Dalton, Peter. *The Key to Fundraising Success*. (A fundraiser for 18 years, Peter Dalton presents an accessible and informative guide to fundraising written specifically for the Australian sector.)

Wheeler, Graham. *Legalities: guidelines for running a community organisation* (NCOSS). (An excellent introduction to the process of forming and running a community organisation, suitable for smaller and beginning groups.)

*The Charities and Non Profit Book*, Millennium Edition 2000.

*The Rockefeller Foundation: A History. The Rockefeller Foundation: A New Course of Action.*  
Details the Rockefeller Foundation's mission for the 21<sup>st</sup> century.

Ashby, Julian. *Towards Voluntary Sector Codes of Practice: a starting point for voluntary organisations, funders and intermediaries.*

Clarke, Michael and Stewart, John. *Community Governance, Community Leadership and the New Local Government.*

Flory, Peter. *Building a Fundraising Database using your PC: a step by step guide for small voluntary organisations.*

Macfarlane, Richard. *Unshackling the Poor: a contemporary approach to local economic development.*

Wilson, Andrew and Charlton, Kate. *Making partnerships work: a practical guide for the public, private, voluntary and community sectors.*

Pharoah, Cathy and Smerdon, Matthew. *Dimensions of the Voluntary Sector: key facts, figures, analysis and trends* (CAF).

### Journals

*Aboriginal Studies Association Journal*, 1999

*ACF Trust & Foundation News*, issue 52 (March/April/May 2000)

*Across the Board*, February 2000

*Alliance* (CAF), vol. 5, no.1

*Australian Academy of Science Newsletter*, Jan-April 2000

*Citizen's Income newsletter*, Issue 1 2000

*Early Childhood Matters, the bulletin of the Bernard Van Leer Foundation*, February 2000

*Federation News, newsletter of the National Council for the Centenary of Federation*

*Future News*, vol. 5 no. 1, February 2000

*Future News*, vol. 5 no. 2, March 2000

*Genescene: the Garvan Institute of Medical Research Quarterly Newsletter*, issue 1

*Healthy Companies*, no. 6

*Heart to Heart (Baker Medical Research Institute)*, Summer 2000

*NAVA Nesletter*, March 2000

*Opera Foundation Australia Notes*, Issue 1, March 1999; Issue 2, July 1999; Issue 3, November 1999

*Philanthropy New Zealand*, vol. 2 no. 19, March/April 2000

*The Sasakawa Peace Foundation Newsletter*, vol. 3 no. 23

*State Library of Victoria News*, no. 12, March-May 2000

*Trust and Foundation News*, Issue 52, March/April/May 2000

*The Florey*, Issue 3 (Autumn 2000)

*UTS News*, no. 1, 21 Feb – 5 March 2000; no. 2, 6 – 19 March 2000

*VCOSS Noticeboard*, March 2000

*Voluntas*, vol. 10 no. 4

### Annual Reports

ANZ Charitable Trusts Report 1998/99

ATSIC – Aboriginal and Torres Strait Islander Commission Annual Report 1998-99

Arts Access Annual Report 1998-99

Finnish Cultural Foundation Review 1999

International Diabetes Institute 1999 Annual Report

Victorian Women's Trust Annual Report 1998-99

Western Mining Corporation Community Report 1999

WMC Limited Environment Progress Report 1999

Vanessa Meachen,  
Resource Centre Manager







## Home conferences

### **National Aboriginal & Torres Strait Islander Diabetes Network Conference**

When: 21-22 June, 2000

Where: Mermaid Waters, Gold Coast, QLD

Enquiries: Indigenous Conference Services Australia, 16 Olden Court, Hydeaway Bay, QLD 4800

p: (07) 4945 7122

f: (07) 4945 7224

e: icsa2@bigpond.com.au

### **Practical Strategies for Sustainable Futures**

#### **First National Conference on the Future of Australia's Country Towns**

When: 28-30 June, 2000

Where: Bendigo, Victoria

Enquiries: Trevor Budge, Research Planning Design Group, PO Box 2750, Bendigo, VIC 3554

p: (03) 5441 6552

f: (03) 5441 6694

e: rpdgroup@netcon.net.au

i: www.bendigo.latrobe.edu.au/campserv/crsc

### **The Social Origins of Health and Well-Being: From the Planetary to the Molecular**

When: 10-11 July, 2000

Where: National Convention Centre, Canberra

Enquiries: Susan Lindsay, Health Inequalities Research Collection, National Centre for Epidemiology and Population Health, ANU, ACT 0200

p: (02) 6249 5008

f: (02) 6249 0740

e: Susan.Lindsay@anu.edu.au

### **Communities, Capital and Collaboration**

#### **The 12th International Conference of the Johns Hopkins International Fellows in Philanthropy**

When: 24-26 July, 2000

Where: Hilton Hotel and YWCA, Melbourne, Vic

Enquiries: Shauna Shaw at the Lance Reichstein Foundation

p: (03) 9650 4400

i: www.philanthropy-conference.org

e: organise@philanthropy-conference.org

### **International Forum for Child Welfare**

When: 7-11 August, 2000

Where: Novotel Brighton Le Sands, Sydney, NSW

Enquiries: Sharyn Low, Conference Convenor, PO Box 23, Pitt Town, NSW 2756

p: (02) 4572 3079

f: (02) 4572 3972

e: sharyn@zeta.org.au

i: www.acwa.asn.au/wf2000

### **Australian Health Promotion Association**

When: 29 October – 1 November 2000

Where: Hotel Sofitel, Melbourne

Enquiries: ICMS Pty Ltd, 84 Queensbridge St, Southbank, Vic 3006

p: (03) 9682 0244

f: (03) 9682 0288

e: health@icms.com.au

i: www.icms.com.au/health/

# Abroad conferences

## **Southern African Grantmakers' Association**

When: 22-23 June 2000  
Where: Johannesburg, South Africa  
Enquiries: Tracy September  
p: 0011-27-11-403-1610  
f: 0015-27-11-403-1689  
e: [saga@saga.wn.apc.org](mailto:saga@saga.wn.apc.org)

## **Association of Charitable Foundations**

[acf@southampton2000](mailto:acf@southampton2000)  
When: 27-29 June 2000  
Where: Southampton, UK  
Enquiries: Association of Charitable Foundations, 2 Plough  
Yard, Shoreditch High Street, London EC2A 3LP, UK.  
e: [bookings@acf.org.uk](mailto:bookings@acf.org.uk)  
i: [www.acf.org.uk/](http://www.acf.org.uk/)

## **The Third Sector: For What and For Whom? International Society for Third Sector Research Fourth International Conference**

When: 5-8 July, 2000  
Where: Trinity College, Dublin, Ireland  
Enquiries: ISTR Secretariat, The Johns Hopkins University,  
559 Wyman Park Building, 3400 North Charles Street,  
Baltimore, MD 21218-2688 USA  
p: 0011-1-410-516-4678  
f: 0015-1-410-516-4870  
i: [www.jhu.edu/~istr/conferences/dublin/index.html](http://www.jhu.edu/~istr/conferences/dublin/index.html)

## **Council On Foundations**

### **Ninth Annual Corporate Community Involvement Conference**

When: 30 July - 1 August, 2000  
Where: Fairmont Hotel, Chicago, IL  
Enquiries: Council on Foundations, 1828 L Street, NW.,  
Washington 20036-5168  
p: 0011-1-202-466-6512  
f: 0015-1-202-785-3926  
i: [www.cof.org/](http://www.cof.org/)

## **Leadership in a Changing Environment**

### **16th Fall Conference for Community Foundations**

When: September 25-27, 2000  
Where: Midwest Express Center, Milwaukee, Wisconsin  
Enquiries: Council on Foundations, 1828 L Street, NW.,  
Washington 20036-5168  
p: 0011-1-202-466-6512  
f: 0015-1-202-785-3926  
i: [www.cof.org/](http://www.cof.org/)

## **Association for Research on Nonprofit Organizations and Voluntary Action**

When: 16-18 November, 2000  
Where: New Orleans, Louisiana, USA  
Enquiries: Executive Office: Indiana University Center on  
Philanthropy, 550 W.North Street, Suite 301, Indianapolis,  
IN 46202  
p: 0011-1-317-684-2120  
f: 0011-1-317-684-2128  
i: [www.arnova.org](http://www.arnova.org)





# Philanthropy Australia Inc

## Leading Members

THOMAS FOUNDATION

**WILLIAM BUCKLAND  
FOUNDATION**



THE MYER FOUNDATION



## New Members

Philanthropy Australia would like to warmly welcome the following new members:

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The Feilman Foundation

The National Foundation for  
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Besen Family Foundation

BHP Community Trust

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 Australian Refugee Foundation  
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 Duke of Edinburgh Awards  
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 The Garvan Research Foundation  
 The Bobby Goldsmith Foundation  
 The Hammond Care Group  
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 Inspire Foundation  
 The Landcare Foundation

Lend Lease  
 The Leukaemia Foundation  
 Microsearch Foundation  
 Monash University  
 The Northcott Society  
 Royal Botanic Gardens Melbourne  
 Rusden Foundation  
 The St. James Ethics Centre  
 The Smith Family  
 The State Library of Victoria Foundation  
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 University of South Australia  
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 Variety Clubs of Australia  
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 Vision Australia Foundation  
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## International Links

Philanthropy Australia maintains ongoing links with the following associations of grantmakers around the world:

Council on Foundations (Washington)  
 The European Foundation Centre (Brussels)  
 The Canadian Centre for Philanthropy  
 Asia Pacific Philanthropy Consortium

## Pro Bono Support

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 Phillips Fox Lawyers  
 Rio Tinto Ltd  
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 Mr Graeme Wise  
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# Philanthropy Australia Inc

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