



The fund-amentalists



When it comes to philanthropy, Australians perpetuate the myth that we are generous, but it seems we have much to learn when it comes to giving, writes CLAIRE HALLIDAY

“We define philanthropy as a planned and structured giving, of money, time, information, goods and services, voice and influence to improve the wellbeing of humanity in the community,” says Gina Anderson.

As the chief executive of Philanthropy Australia – the country’s peak, 400-member-strong organisation representing those who promote giving – she believes philanthropy is at the tipping point. That’s the topic to be explored at the bi-annual Philanthropy Australia Conference in Melbourne, from August 31-September 1.

According to author Malcolm Gladwell (*The Tipping Point: How Little Things Can Make a Big Difference*), the concept of “the tipping point” comes from the world of epidemiology and is the name given to that moment in an epidemic when a virus meets critical mass – “the moment on the graph when the line starts to shoot straight upwards”.

But while Australians like to perpetuate the myth that we are generous, Peter Winneke points to figures that show there is still plenty of room for improvement.

As company secretary of The Myer Foundation and Sidney Myer Fund, Winneke established the

A giving couple: Philanthropists Chris Arnold and wife Margot Costanzo at their Kew home.

Community minded: Sarah Davies, the CEO of the Melbourne Community Foundation, in the Carlton Gardens. (SHANNON MORRIS)

philanthropic services team at The Myer Family Company (www.mfco.com.au) in 2004 and has since established more than 50 family foundations.

“Our ‘rule of thumb’ is you need \$500,000 to make it worthwhile,” says Winneke, whose majority of clients are self-made entrepreneurs looking at making “social investments”.

“Our philosophy is that, as the philanthropic dollar is so scarce, it should be about change, not charity,” he says.

In the US, wealthy Americans gift 4% of their income to charities. In Australia, where 8000 Australians earn more than \$1 million a year, the ATO’s analysis of the 2007/09 tax returns, says Winneke, shows that we only give 0.4% to charity, with 8 million out of 12.6 million individual taxpayers not claiming any deduction for a charitable gift.

According to Winneke, a greater number of wealthy Australians should give more consideration to the money they will leave their children.

“I would question the merit of leaving significant income streams to children,” he says. “As Warren Buffett says: ‘Leave enough to your children to do anything in life, but not enough to do nothing.’”

Education around the issue, Winneke says, needs to start at home where children learn from the philanthropic actions of their parents.

“However, I feel there is need to introduce it at the curriculum level at school, as it will have long-term positive consequences for our nation,” he says.

“We need to grow a culture of sharing our success and have less focus on growing our personal balance sheet.”

If Winneke has his way, there will come a time when people clamour for the *BRW* special annual issue that publicises Australia’s “most generous” list.

Until then, even for the many Australians whose annual earnings are far from the \$1 million mark, Winneke says philanthropy is still achievable.

“The literal interpretation of philanthropy is ‘love of mankind’. So you simply need to carry out good deeds, including volunteering,” he says. “To establish your own foundation, you need around \$500,000. Those with lesser means could establish a fund with a community foundation.”

Under the umbrella of Melbourne Community Foundation (MCF) – established in 1997 as the first independent community foundation in Australia –

about 160 groups and individuals have done just that.

Promoting itself as a more convenient, cheaper and easier way of establishing a perpetual source of giving, the MCF aims to, in consultation with its members, generate and distribute philanthropic resources to address emerging social issues and meet the needs of local communities.

“I personally believe, very strongly, that we can each contribute to our community,” says Sarah Davies, CEO at MCF.

Of the 160 funds currently set up through MCF, Davies says that about 20-30 would be involved in some form of fundraising, while others are contributed to by individuals, or groups of individuals involved.

While most are \$100,000-\$500,000, Davies says the largest is \$4 million.

Take advantage of the MCF’s welcoming Gumnut Account, though, and for as little as \$2000 per year deposited into this unique philanthropic savings account, giving back to the community is a realistic option for many Melbourne families.

At the present per annum growth, Davies says yearly deposits of \$2000 may grow to the \$20,000 needed to start a legal, sub-fund within about eight years.

Chris Arnold opened his, with wife Margot Costanzo, two years ago and has watched the figure grow to \$6000 – thanks to regular contributions from the couple.

“As the children increase their paid work income, they will become involved, too,” says Arnold, executive director of the Skin & Cancer Foundation Victoria.

“Being part of a community is important.”

In the past, Arnold says that much of the family’s philanthropy, by necessity, has been through personal effort and volunteering of time, rather than financial contributions.

“When MCF established the Gumnut fund, we saw it as an ideal way of establishing our own fund to develop a corpus we could direct into our chosen community projects,” he says.

When the fund eventually matures into the \$20,000 amount that will enable the family to fund grants to their preferred charities or causes, Arnold says it will be decided by family consultation and a genuine interest in a particular issue.

“We do need to encourage those at the top end of society to give more but I think it’s important to understand that it’s not all about the money,” says Gina Anderson of her push to get more Australians interested in philanthropy.

“It’s about engagement. Sometimes, even a small amount of money, carefully considered, can make a huge amount of difference.”

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» Philanthropy Australia Conference 2010 – Philanthropy at the Tipping Point? is across two different Melbourne venues from Tuesday, August 31-Wednesday, September 1

» For more information, visit www.philanthropy.org.au

The Million Dollar Lunch

On Friday July 30, Crown Casino hosted the annual Million Dollar Lunch in the Palladium ballroom. Now in its sixth year, the event raises money for the KOALA (Kids Oncology and Leukemia Action) Foundation.

Raising more than \$1.4 million, the lunch proved to be another culinary feast as guests were treated to dishes from Gordon Ramsay’s Maze, Number 8, Nobu and Maha.

Richard Ashcroft, former lead singer of The Verve, dazzled the audience with a spectacular rendition of *Bitter Sweet Symphony* and the cast of *Mary Poppins*, fresh from their opening night, performed a classic number.

Along with influential business figures such as Jeanne and Anthony Pratt, Rob Clemenger and Myer CEO Bernie Brookes, celebrity guests included Daniel MacPherson, Rebecca Gibney, Sandra Sully, Sonia Kruger, Matt Preston and Rodger Corser.

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RAPHAEL & FIONA GEMINDER WITH ALEX WAISLITZ

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