# PHN's and Philanthropy as Partners Forum

v1

29 October 2024

"A child sits around the campfire listening to a community elder sharing the parable of two wolves.

Inside every person," the elder begins, "lives a bad wolf and a good wolf. They are locked in an eternal struggle, each trying to dominate the other: one is bad, driven by ego, anger, greed, jealousy; the other is good, driven by humility, kindness, compassion and community.

Everyone must learn how to harness their respective power and find a balance between them or be condemned to life without peace and without purpose."
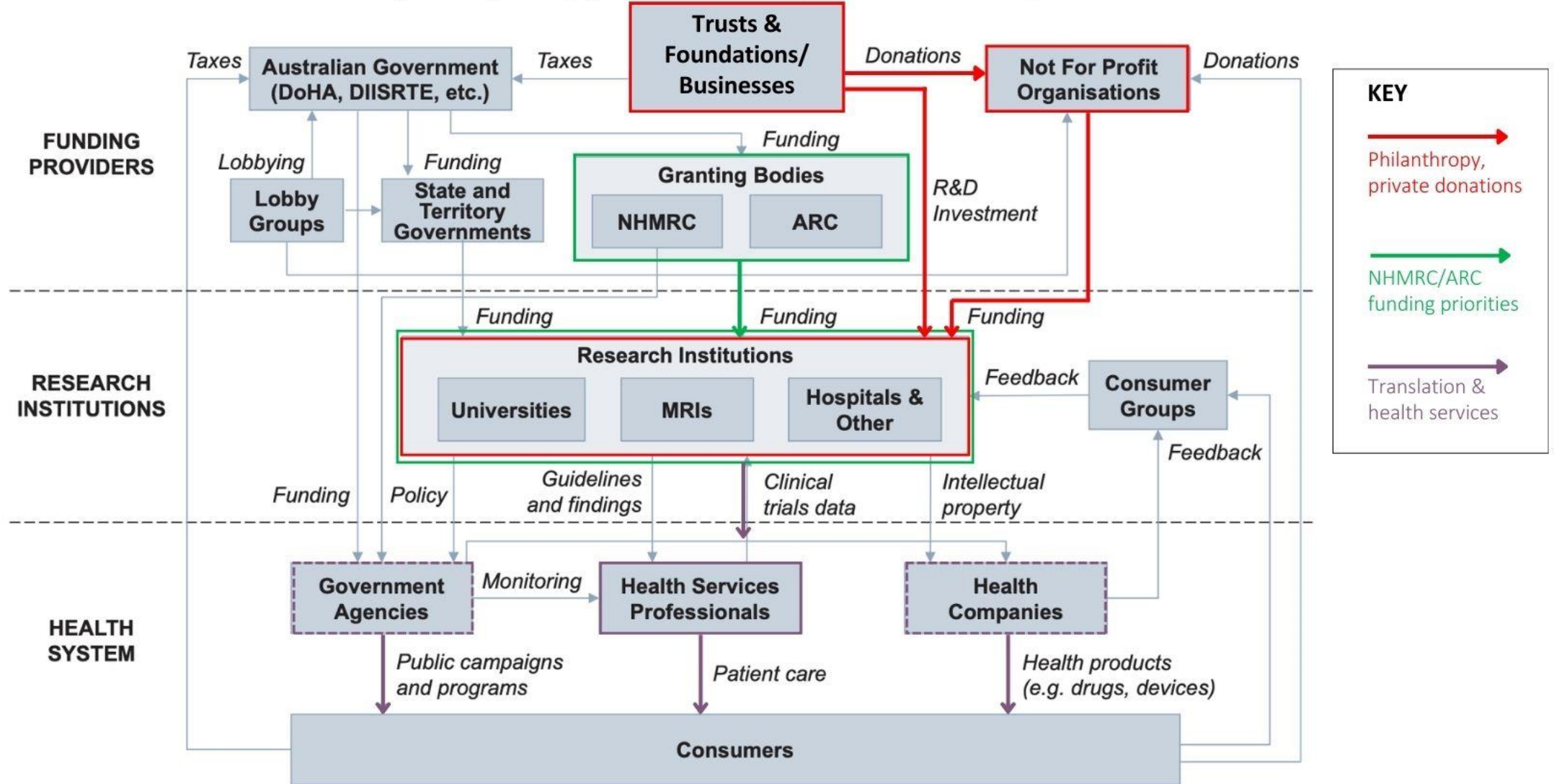
"And in the end", asks the child, "which wolf wins?

The good wolf or the bad wolf?"

The elder looks up from the fire.

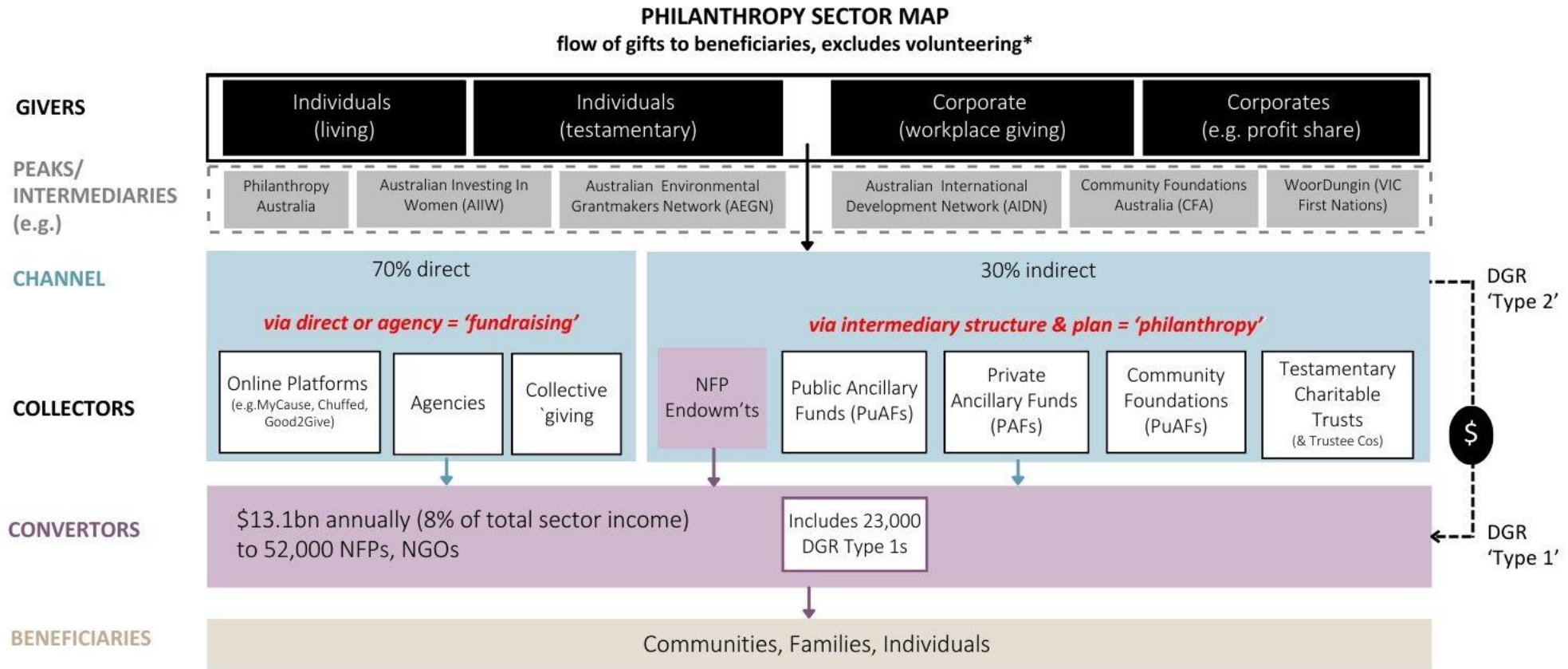**"Ah well, that depends entirely on which wolf you feed..."**

# The McKeon Review (2013) mapped health system funding...



Source: The McKeon Review (2013)

# Philanthropy, defined as structured giving via an intermediary, complements direct or 'retail' giving to 50,000+ charities

In Australia, we have the additional layer of Deductible Gift Recipient (DGR) entities being either classed as Type 2 ('ancillary funds' like PAFs or PuAFs) and Type 1 (and its many sub-classes), where Type 2s can only distribute to Type 1s (as per 'ancillary fund guidelines' governed by the ATO)

**PHILANTHROPY SECTOR MAP**
**flow of gifts to beneficiaries, excludes volunteering***

**GIVERS**

| Individuals (living) | Individuals (testamentary) | | Corporate (workplace giving) | Corporates (e.g. profit share) |

**PEAKS/ INTERMEDIARIES (e.g.)**

| Philanthropy Australia | Australian Investing In Women (AIIW) | Australian Environmental Grantmakers Network (AEGN) | Australian International Development Network (AIDN) | Community Foundations Australia (CFA) | WoorDungin (VIC First Nations) |

**CHANNEL**

70% direct — 30% indirect

*via direct or agency = 'fundraising'* — *via intermediary structure & plan = 'philanthropy'*

**COLLECTORS**

| Online Platforms (e.g.MyCause, Chuffed, Good2Give) | Agencies | Collective `giving | NFP Endowm'ts | Public Ancillary Funds (PuAFs) | Private Ancillary Funds (PAFs) | Community Foundations (PuAFs) | Testamentary Charitable Trusts (& Trustee Cos) |

DGR 'Type 2'

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**CONVERTORS**

$13.1bn annually (8% of total sector income) to 52,000 NFPs, NGOs

Includes 23,000 DGR Type 1s

DGR 'Type 1'

**BENEFICIARIES**

Communities, Families, Individuals

*The value of volunteering to the non-profit sector is 1.7 times the value of every dollar donated (Cause Report, 2016, JBWere)*
*Source: Australian Charities Report 9th Edition ACNC (2023)*

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# 'Health' is a significant recipient of Grants & Donations in Australia

- The top 30 recipient areas of grants & donations in Australia in 2021, according to the ACNC, show that there is significant potential.

- This data is based on ACNC classifications.

| Grants & Donations Made for Use in Australia | |
|---|---|
| Unknown or not classified | 816,968,252 |
| Higher education | 800,554,750 |
| Education | 493,273,726 |
| Education support | 343,083,063 |
| Philanthropy promotion | 335,166,475 |
| Health and medical research | 269,507,431 |
| Education partnerships | 207,006,915 |
| Legal aid | 197,409,480 |
| Performing arts | 168,873,603 |
| Housing for people with disabilities | 161,527,124 |
| Primary and secondary education | 132,369,474 |
| Healthcare quality | 129,435,335 |
| Community development | 120,171,066 |
| Community healthcare | 104,999,827 |
| Healthcare access | 97,445,829 |
| Health | 95,820,514 |
| Christianity | 69,863,046 |
| Justice rights | 64,774,994 |
| Cancers | 60,536,467 |
| Research and development | 57,698,335 |
| Community service organisations | 55,696,756 |
| Public health | 54,494,528 |
| Arts and culture | 54,171,285 |
| Diseases and conditions | 52,491,712 |
| Family services | 48,295,822 |
| Healthcare administration and financing | 48,127,189 |
| Basic and emergency aid | 47,794,666 |
| Census | 46,325,385 |
| Legal services | 45,503,957 |
| Arts services | 43,939,104 |

This is funding to multiple segments

*Source: ACNC 2021 data published 2023*

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Thank you

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