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The Power of Advocacy

Making the Case for
Philanthropic Support
for Advocacy

The Power of Advocacy: Making the Case for Philanthropic Support for Advocacy



We are confronted with some difficult and wicked social and environmental challenges in Australia. As the philanthropic sector seeks to address these challenges in partnership with charities and communities, we must adopt creative and nimble approaches and strategies. We must be open minded, embracing innovation and taking calculated risks.

If we are to have an impact and strive towards more and better philanthropy, it means using all the tools in our philanthropy toolbox. One of those tools is funding policy advocacy.

There was a time when only a very small group of Australian philanthropic organisations funded policy advocacy. There was some legal uncertainty around whether funding policy advocacy was charitable, and this led to many trustees and philanthropists steering clear of advocacy.

This is no longer the case. The historic High Court decision in *Aid/Watch Incorporated v Commissioner of Taxation* [2010] confirmed that policy advocacy by charities, which is undertaken to further a charitable purpose, is itself charitable. This decision was subsequently legislated in the *Charities Act 2013* (Cth).

Funding policy advocacy has been embraced by a wide range of philanthropic organisations with different focus areas, origins and sizes, and is being used to achieve change across a diverse range of cause areas.

The fact that 'policy advocacy's time has come' was made clear at Philanthropy Australia's 2017 *Philanthropy Meets Parliament Summit*, held in Canberra on 11-12 September 2017. Day 2 of the Summit focused exclusively on the impetus for philanthropy to fund policy advocacy.

Day 2 included a range of speeches, presentations and panels which articulated the case for funding policy advocacy, explored the political, economic and legal aspects of funding policy advocacy, and demonstrated the impact that funding policy advocacy is having across a range of cause areas.

This report, which builds on a shorter overview launched at the *Philanthropy Meets Parliament Summit*, seeks to:

- Explain what policy advocacy is
- Outline the rationale for philanthropy funding policy advocacy
- Set out the law regarding funding policy advocacy
- Address some misconceptions, and
- Present eight case studies of philanthropy funding policy advocacy

WHAT IS ADVOCACY?

Policy advocacy involves working to achieve change in a particular cause area by seeking to influence public policy – including laws, regulations and government practices.

Atlantic Philanthropies, a limited life foundation established by businessman Chuck Feeney and which has granted US\$8 billion, adopted funding policy advocacy as one of its key strategies.

In its publication *Investing in Change: Why Supporting Advocacy Makes Sense for Foundations* (May 2008), it outlines a variety of activities which fall within funding policy advocacy.

Research and Dissemination: Credible research is an excellent tool for raising the profile of a problem and explaining the ongoing impact of a policy or condition on individuals, communities and nations.

Raising Awareness: Increasing public consciousness is important to advance action on an issue, because important constituencies are often not fully aware of the problem or its dimensions. These efforts can take many forms, including communication through the media, advertising, speeches to influential audiences and giving parliamentary testimony.

Community Organising: Supporting communities that organise on their own behalf is a critical component of funding policy advocacy, enabling those most affected to voice their concerns and promote their interests with government officials and powerful private entities.

Grassroots Mobilisation: Demonstrating broad-based public support for policy change is crucial to success. Mobilising coalitions to visit elected representatives or to generate greater public awareness of an issue can be highly powerful in bringing about policy change.

Building Capacity: Supporting staff, infrastructure and membership development of policy advocacy organisations is another important way to enable long-term change.

Policy Development: Developing policy options can aid change by providing advocates, elected representatives, policy makers, and others with credible suggestions for solving problems and supporters with a goal to rally around.

Lobbying: Linked with policy development, some funders may support advocacy organisations to directly engage with elected representatives and policy makers, to directly influence the outcome of policy debates.

Litigation: Taking legal action to achieve desired changes or fight undesired policies and practices is a tool that advocates have long used effectively.

Different advocacy approaches will be suited to different circumstances and issues. Some, such as litigation, often deal with urgent issues, others such as research and dissemination will focus on building a longer-term evidence base for change. A variety of approaches is often used to address an issue at different stages of a campaign.

There are many options for philanthropic organisations to use their funding strategically to support policy advocacy. The variety of advocacy approaches means advocacy can suit the diverse range of philanthropic organisations in Australia, with their differing focus areas, risk appetites, and preferences regarding engagement with the policy development and political process.

EXAMPLE – THE NDIS

The National Disability Insurance Scheme (NDIS) is a national scheme which supports people with a permanent and significant disability. It was established by the Federal and State Governments after many years of advocacy by people with disabilities, disability charities, carers and other voices. This advocacy was supported by philanthropy.



THREE REASONS TO FUND ADVOCACY

Policy advocacy can be a very effective strategy to achieve long-lasting, broad based, systemic change. Our laws and policies, corporate behaviours and public sentiments shape social and environmental outcomes.

Often, we can only achieve systemic change if those laws and policies, behaviours and sentiments are analysed, tested, challenged, and changed through invigorating our democratic processes. In this way, communities at the margins of our democracy are empowered to have a voice and to speak truth to power.

This is what funding policy advocacy aims to achieve.

Tackling the Root Causes Rather than Just the Symptoms

Funding policy advocacy is a strategy that focuses on targeting the root causes of social and environmental challenges, rather than just addressing the symptoms.

Take the hypothetical example of a factory polluting a river. A lot of money can be spent downriver funding the installation of water filters and treating impacted wildlife. But focusing only on addressing the *symptoms and effects* of the pollution will be futile if the factory keeps polluting the river.

Whilst a response to the immediate needs of distressed wildlife is of course necessary, it would be more effective to address the actual *cause* of the pollution, thereby finding a long-term solution to this problem. This could involve funding efforts upstream to ensure the factory complies with the law, or if the law doesn't stop the pollution happening, efforts to change the law.

Supporting the Public Interest and Balancing Out Private Interests

The development of public policy in Australia involves a contest between different interests. In this contest, the private interests of particular industries, sectors, businesses, individuals and other groups can often dominate and prevail over the broader public interest. This is something which economists and political scientists have been studying for quite some time, and the sub-branch of economics and political science which focuses on these issues is called 'public choice theory'.

Public choice theory tells us that it is easier to organise smaller groups to advocate for policy positions, and that the potential benefits which the adoption of particular policy positions may provide to those groups acts as an incentive for them to organise.

Whereas, it is harder to organise larger groups, such as a significant segment of the public, to advocate for policy positions. Whilst the adoption of particular policy position may provide large benefits to the broader community, when spread across such a large group the benefits to each individual may be small. Therefore, the incentives for larger groups to organise to advocate for policy positions which are in the broad public interest are diluted and insufficient to generate activity and momentum.

For example, a particular industry may benefit from government regulation which reduces competition between key players in the industry and increases their revenue. However, this increased revenue comes at the expense of the broader community, who pay higher prices for the products the industry produces and may not be able to

access as much of the products as they need because of their price. Therefore, the community is worse off overall. Because the benefits of the regulations are concentrated within the industry, they will invest in lobbying to keep it in place. On the hand other, although the overall cost of the regulations can be very large, when spread across each member of the broader community, they are relatively small – each person may only pay a few dollars more when they purchase products produced by the industry. This is not enough of an incentive for the broader community to collectively organise and advocate for the removal of the regulation. We see this dynamic play out across a range of different policy areas in Australia.

Of course, this does not mean that there are no groups advocating for policy positions which are in the broad public interest. There are numerous charities, think tanks and other groups doing this, across a range of cause areas. Movements and coalitions for change do emerge, and they do achieve policy change resulting from their advocacy. However, they can face challenges and have difficulty attracting the resources they need to sustain their activities and advocate effectively.

Philanthropy plays a key role supporting advocacy in the public interest, balancing out private interests. In doing so, it helps invigorate our democracy, and ensure that the voices of the broader community, including those at the margins, are heard and given due regard in the development of policy.

Enhancing the Impact of 'On the Ground' Activities

Many philanthropic organisations fund 'on the ground' activities by charities, such as service delivery. Often philanthropy plays a role supporting innovation, for example by funding new approaches to tackling social and environmental challenges.

An outcome of this process can be that new approaches are proven to be more effective than existing approaches. If the learnings from funding 'on the ground' activities are not shared and promoted, then this is a missed opportunity to increase the impact of philanthropic support.

In this way, providing funding for policy advocacy to highlight the success of new approaches can complement funding for 'on the ground activities'. Such funding enables charities to engage with government about their findings, in order to influence decision making and promote the adoption of new and more effective approaches more broadly.

EXAMPLE – ENHANCING THE IMPACT OF 'ON THE GROUND ACTIVITIES'

A foundation funds a charity to deliver a new program aimed at tackling inner city homelessness. Following an evaluation of the program, it proves to be much more effective than other approaches. With additional funding from the foundation, the charity has the capacity to engage with government about the evaluation's findings which leads to the government funding the program and rolling it out nationally.

WHAT DOES THE LAW SAY?

In the past there was some legal uncertainty around whether funding policy advocacy was charitable. This stemmed from the ‘political objects doctrine’ which was established in the United Kingdom case of *Bowman v Secular Society Ltd* [1917].

The Aid/Watch Decision

In the *Bowman* decision, the House of Lords decided that charities could not hold political objects – not because it is illegal to advocate but because charity had to be for the public benefit, and it is hard to judge whether political objects benefit the public.

However, the historic High Court decision in *Aid/Watch Incorporated v Commissioner of Taxation* [2010] held that this was not the law in Australia.

In this case, the Commissioner of Taxation argued that Aid/Watch was not a charity because it did not deliver any overseas aid, but rather it undertook advocacy aimed at ensuring that the Australian Government’s overseas aid policies reflected the needs of people in developing countries.

In its decision, the High Court upheld Aid/Watch’s charitable status because it undertook advocacy to further a charitable purpose, that of improving the effectiveness of foreign aid. The majority decision categorically rejected the political objects doctrine, and held that it did not apply in Australia.

The High Court concluded that advocacy by charities is necessary for the healthy functioning of our constitutional system of government. In effect, it wasn’t just saying that advocacy was acceptable, it was saying it was essential.

In practical terms, the implication of the *Aid/Watch* decision is that where a charity undertakes advocacy to further its charitable purpose, such as the relief of poverty or disadvantage, undertaking such advocacy is itself charitable.



The Charities Act 2013 (Cth)

The High Court’s decision has since been codified in legislation, through the introduction of the *Charities Act 2013* [Cth], which lists advocacy in its definition of charitable purpose.

Under the *Charities Act 2013* [Cth], charity is defined as follows:

charity means an entity:

- (a) that is a not for profit entity; and
- (b) all of the purposes of which are:
 - (i) charitable purposes... that are for the public benefit...; or
 - (ii) purposes that are incidental or ancillary to, and in furtherance or in aid of, purposes of the entity covered by subparagraph (i); and
- (c) none of the purposes of which are disqualifying purposes...; and
- (d) that is not an individual, a political party or a government entity.

The list of charitable purposes in the *Charities Act 2013* [Cth] includes:

- (l) the purpose of promoting or opposing a change to any matter established by law, policy or practice in the Commonwealth, a State, a Territory or another country, if:
 - (i) in the case of promoting a change—the change is in furtherance or in aid of one or more of the purposes mentioned in paragraphs (a) to (k); or
 - (ii) in the case of opposing a change—the change is in opposition to, or in hindrance of, one or more of the purposes mentioned in those paragraphs.

However, there are some limitations on what a charity can do. It cannot have any disqualifying purposes, which the *Charities Act 2013* (Cth) defines as:

- (a) the purpose of engaging in, or promoting, activities that are unlawful or contrary to public policy; or

Example: Public policy includes the rule of law, the constitutional system of government of the Commonwealth, the safety of the general public and national security.

Note: Activities are not contrary to public policy merely because they are contrary to government policy.

- (b) the purpose of promoting or opposing a political party or a candidate for political office.

Example: Paragraph (b) does not apply to the purpose of distributing information, or advancing debate, about the policies of political parties or candidates for political office (such as by assessing, critiquing, comparing or ranking those policies).

Note: The purpose of promoting or opposing a change to any matter established by law, policy or practice in the Commonwealth, a State, a Territory or another country may be a charitable purpose...

Summary

Most policy advocacy activities such as undertaking research, data collection and analysis, and engaging with the public, media and governments to improve, support or oppose policies and laws, can be funded without restriction provided:

- The provision of the funding complies with the philanthropic organisation's governing documents (for example it must be consistent with the organisation's charitable purposes)
- The charity is undertaking the policy advocacy to further its charitable purposes
- The policy advocacy is not politically partisan – for example, it cannot involve endorsing a particular party or candidate for political office by issuing 'how to vote cards', although it can rate the positions of parties or candidates with regard to particular policy issues. It also cannot be unlawful or contrary to public policy – for example, it cannot involve advocating for the non-democratic overthrow of government.

EXAMPLE – RAISING AWARENESS ABOUT INVESTMENT IN EARLY CHILDHOOD EDUCATION

An early childhood education charity receives a grant from a foundation, for the purposes of raising awareness about the importance of increased government investment in early childhood education.

The charity uses it to fund a research report on the economic benefits of increased government investment in early childhood education, and makes recommendations about the level of investment required. There is a media campaign for the report's release, and the charity's CEO arranges meetings with Ministers, MPs and Senators to advocate for the adoption of its recommendations.

In the run up to the next Federal Election, the charity issues a 'report card' outlining the position of different political parties and candidates regarding the report's recommendations.

ADDRESSING SOME MISCONCEPTIONS

COMMON MISCONCEPTIONS ABOUT POLICY ADVOCACY

Misconception	Reality
Policy advocacy doesn't deliver tangible benefits	Changes to policy and practice achieved through advocacy can and do lead to tangible benefits affecting the lives of individuals and the community – as the case studies in this report show. Often a relatively modest amount of funding can assist in delivering large scale systematic change. There is of course a possibility that advocacy initiatives may not succeed, but one role of philanthropy is to take risks and support bold initiatives aiming to benefit the community.
Policy advocacy is legally risky	Philanthropic organisations can legally fund charities to undertake policy advocacy, a situation confirmed in the High Court's 2010 decision in the <i>Aid/Watch</i> case. This is now enshrined in legislation through the enactment of the <i>Charities Act 2013</i> (Cth).
It's not philanthropy's role to get involved in politics	Sometimes achieving systemic change necessitates engaging in our democratic process in order to change policy and practice to address the root causes of social and environmental problems and benefit the community. However, this does not mean that policy advocacy is politically partisan – its focus is on changes to policy and practice, and the <i>Charities Act 2013</i> (Cth) specifically limits the ability of charities to be politically partisan.
Advocacy is difficult to measure and evaluate	By using a well-designed evaluation framework the outcomes of policy advocacy can be reviewed, measured and evaluated.
Advocacy is too controversial	Many policy advocacy activities will be uncontroversial, and the overwhelming majority of foundations supporting advocacy have never been embroiled in a public controversy. However, it is important to recognise that some policy advocacy will be controversial. That's because achieving systemic change involves debate amongst stakeholders and sometimes there is disagreement about the need to adopt particular policy positions – for example, private interests may resist change which is in the public interest. That fact that policy advocacy may be controversial only underlines its importance to achieving systemic change which benefits the broader community.

CASE STUDIES

CASE STUDY 1

Affordable Housing

Donkey Wheel Foundation, Australian Communities Foundation and Reichstein Foundation

The Australians for Affordable Housing (AFAH) advocacy campaign aimed to highlight issues around the lack of affordable housing for many Australians. The campaign's key objective was to change policy and improve outcomes for the most vulnerable members of the community.

The official launch took place in 2007 but the campaign's origin can be traced back to a year earlier when representatives of over 20 community organisations began working together. These organisations were concerned about declining levels of access to affordable housing and realised that without significant action from all levels of government the situation would continue to deteriorate.

The group understood that, as the issues of concern to the communities weren't being discussed in the media, they were struggling to get interest from government. In order to achieve policy change, the group needed to run an extensive media campaign through which it could apply ongoing pressure to compel politicians and policy makers to act.

Philanthropic support provided the essential breakthrough that enabled the campaign to develop savvy media strategies and a public profile, ensuring that it could progress its goals and adopt a national focus.

The AFAH campaign was a huge success. Housing affordability became a central issue in the 2007 Federal election, resulting in some major social housing initiatives announced by the incoming government. \$50,000 of philanthropic support helped leverage \$2 billion of government commitments towards affordable housing.



CASE STUDY 2

Australia's National Marine Park Network

Diversicon Environmental Foundation, David Thomas Foundation, Ross Knowles Foundation, Earth Welfare Foundation, Marirryny Foundation, Madden Sainsbury Foundation, Mullum Trust and individuals including Mr Jock Clough, Mr Graeme Morgan and Mr Kerry Harmanis

In 2007, a national coalition of conservation organisations was built to advocate for a new network of marine parks. The campaign was led by Pew Environment Group and the Save Our Marine Life alliance of environmental groups.

Australian governments had previously committed to establish a marine park network, however, by 2007 this had largely been forgotten and there was no longer public or political momentum to create the foundation for effective marine conservation in Australia. The coalition received \$433,000 in philanthropic funding, which enabled the coalition to produce high quality public education materials, perform public outreach and polling of attitudes to marine parks, carry out a rigorous economic assessment and undertake advocacy for the cause.

On 14 June 2012, after extensive campaigning Australia's Federal Environment Minister the Hon Tony Burke MP announced that Cabinet had decided to declare a national network of marine reserves in Commonwealth waters.

On 16 November 2012, the Australian Government implemented the new network of marine reserves – the world's largest network of marine reserves at over three million square kilometres (over a third Australia's coastal seas), including the world's largest marine park, the Coral Sea Marine Reserve.

Australia is the first nation in the world to implement a national network of marine parks. This result would have not have been achieved without the public campaign supported by philanthropy at key times.



CASE STUDY 3

Erasing Historical Criminal Convictions for Homosexuality

The Eric Ormond Baker Trust

Despite the de-criminalisation of homosexuality in Victoria in 1981, many people still had criminal records stemming from prior years.

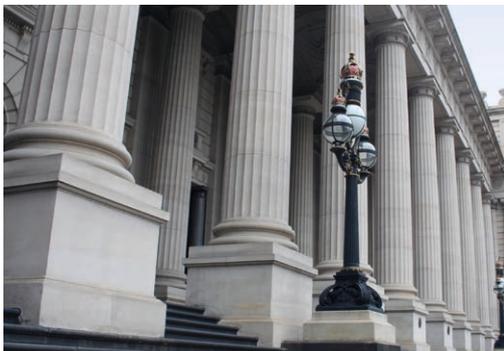
To address this, the Human Rights Law Centre (HRLC) formed a coalition of LGBTI community groups and in late 2012 and throughout 2013 campaigned for change, in consultation with the then State Liberal Member for Prahran, the Hon Clem Newton-Brown MLA.

The announcement in 2014 of the introduction of legislation to erase these criminal records was a resounding victory for the coalition of NGOs and those whom they represented. However, there was more work to do if the reform in Victoria was to be adopted across Australia.

The trustees of the Eric Ormond Baker Trust observed the campaign and the announcement of new legislation in Victoria and reached out to the HRLC to offer a \$30,000 grant to use the Victorian example to advocate for similar legislation and schemes to be adopted across Australia.

This supported HRLC not only to provide direct legal services to enable clients to lodge their expungement applications, but also to work with a coalition of LGBTI community groups and community legal centres to secure the successful passage and implementation schemes to erase convictions in Queensland, New South Wales, Australian Capital Territory and Tasmania and provide technical assistance to ministers and government officials.

Since the introduction of the scheme in Victoria, all other states and territories have either introduced expungement schemes or have committed to introducing them.



CASE STUDY 4

Establishment of ClimateWorks Australia

The Myer Foundation

In 2009, The Myer Foundation determined that Australia needed a new approach to drive action on climate change – one that understood the interests of business, government and investors and could provide trusted, independent and credible advice regarding Australia's transition to a prosperous low carbon future.

The Myer Foundation partnered with Monash University to create ClimateWorks Australia, an independent, research-based, not-for-profit organisation committed to catalysing reductions in greenhouse gas emissions in Australia. ClimateWorks Australia is not only positioned to help stakeholders explore and resolve barriers to change and plan implementation strategies but also to advise government on policy.

ClimateWorks Australia now has an extensive and successful track record assisting federal, state and local governments achieve their emissions reduction goals.

Initially supported by The Myer Foundation, with total support amounting to \$6.6 million, ClimateWorks Australia has since received support from other foundations, including a grant of \$3 million over three years from The Ian Potter Foundation and similar support from an anonymous donor.



CASE STUDY 5

Empowering the Voice of Community through SNAICC CAGES Foundation

SNAICC – National Voice for our Children is the national peak body for Aboriginal and Torres Strait Islander children’s services. SNAICC plays an integral role for its members as they collectively advocate for the rights, needs and aspirations of Aboriginal and Torres Strait Islander children and their families, directly to government and by raising public awareness.

In order to advocate effectively it is imperative that SNAICC has the right resources and capabilities internally. Since 2015 CAGES Foundation has committed funding of \$75,000 per year towards building capacity in SNAICC’s media and communications area. The funding has been provided for general use internally and has been utilised towards developing strategy and supporting salary expenditure.

As a result this funding has benefitted important programs that SNAICC is currently undertaking such as Family Matters, which aims to eliminate the over-representation of Aboriginal and Torres Strait Islander children in out-of-home care, and National Aboriginal and Torres Strait Islander Children’s Day, which sees local communities celebrate the strengths and culture of their children on 4 August each year.

CAGES Foundation believes in the value of empowering the voice of community and sees peak bodies such as SNAICC as a critical component of ensuring this happens. A relatively small investment has demonstrated a real potential for long-term positive social change through greater understanding, better ways of working and, most importantly, hearing a genuine voice of community. CAGES recognises that SNAICC is well connected to communities and able to represent and advocate for their concerns with integrity. It also brings great efficiency to communities and stakeholders by capturing the evidence of widespread issues and potential solutions for them.



CASE STUDY 6

The Home Stretch The David Taylor Galt Trust, The William Buckland Foundation, Gandel Philanthropy, The Sidney Myer Fund

If successful the Home Stretch campaign will lead to what could potentially be the biggest change to the child welfare system in Victoria, and ultimately across Australia, for decades to come. Support for the campaign builds on a long history of funding by philanthropy in the out-of-home care (OOHC) an area where a number of change strategies have been tried. It is led by Anglicare Victoria in partnership with the Centre for Excellence in Child and Family Welfare.

This campaign aims to achieve legislative change throughout Australia to extend the age at which young people must leave OOHC from 18 to 21 years old. The project will start with a targeted and rigorous advocacy campaign in Victoria, with the aim of achieving change in this state to provide a spring board to speed up the pace of similar change in other states and territories.

Research confirms that within 12 months of young people’s leaving OOHC in Australia, 50% of them experience at least one of the following challenges: homelessness, unemployment, incarceration, or becoming a new or unprepared parent. It is clear that the termination of care by state governments at 18 years is not consistent with our society’s standards of parenting and family responsibilities in non-OOHC households.

There are already over 100 organisations – charities involved in the provision of out of home care support as well as those in the youth services and youth justice sectors more broadly – signed up as supporters of the campaign. This illustrates the significant amount of support that the campaign already enjoys from the sector.

The Victorian campaign has received \$500,000 between The David Taylor Galt Trust, The William Buckland Foundation and Gandel Philanthropy. The Sidney Myer Fund has committed \$233,000 over three years to support the national campaign.



CASE STUDY 7

Campaign to Abolish Nuclear Weapons The Poola Foundation, the late Tom Kantor, and The Dara Foundation

The Poola Foundation and late Tom Kantor began funding the Medical Association for the Prevention of War and the broader International Physicians for the Prevention of Nuclear War in the mid-1990s. By early 2006, these organisations felt an urgent need to renew and galvanise the movement towards nuclear weapons abolition and approached Eve Kantor and Mark Wootton at the Poola Foundation and Anne, Eve's mother, at the Dara Foundation to support the establishment of the International Campaign to Abolish Nuclear Weapons (ICAN).

The plan was to work in a collegial way, linking a broad range of organisations mostly already in existence (by 2017, ICAN had 468 partner organisations in 101 countries). They wanted to coordinate a global campaign, to engage young people, to form a high level international group to review and update the Nuclear Weapons Convention and to use the courageous transgenerational survivors of nuclear weapons and testing to illuminate the unacceptability of nuclear weapons. A suite of advocacy activities was implemented, ranging from research and dissemination, to raising awareness, to building capacity, policy development and lobbying.

In September of 2017, ICAN was instrumental and indispensable in the negotiation and signing of the United Nations Treaty on the Prohibition of Nuclear Weapons. At the end of 2017 ICAN was awarded the Nobel Prize for Peace in Oslo, "for its work to draw attention to the catastrophic humanitarian consequences of any use of nuclear weapons and for its ground-breaking efforts to achieve a treaty-based prohibition of such weapons".



CASE STUDY 8

Supporting Public Policy Think Tanks The Susan McKinnon Foundation

The Susan McKinnon Foundation is passionate about building Australia's long-term capacity to meet social and economic challenges by catalysing far-reaching policy and governance change. One of the ways it does this is through supporting a portfolio of think tanks, to enable them to continue their work conducting rigorous, evidence based analysis in key policy areas. The Foundation doesn't have an ideology and is non-partisan, purposefully supporting organisations across the ideological and political spectrum.

The Foundation believes that think tanks play an important role in Australia's policy making system – they have the skills and resources to conduct in-depth quality analysis and shape this into coherent arguments and they have the networks and relationships with public servants, politicians and media to effectively advocate for change. But most importantly they need the independence that philanthropic funding allows to ensure that they are in a position to seed the debate with fresh ideas and facts and in many instances, speak out for change that may not be palatable to all, especially those with vested interests. In the 2018 financial year it will make over \$0.5M in grants to the Grattan Institute, the Centre for Policy Development, the Australia Institute and the Centre for Independent Studies.

The Foundation's granting strategy is a combination of core funding, multi-year commitments and project-based grants. While it may be hard to measure impact, as policy change is a continual and long-term process and it is difficult to attribute change to specific actions, the Foundation believes that supporting think tanks delivers significant leverage and an opportunity for significant return on investment. Some examples include:

- The Grattan Institute's work has influenced decision makers on many significant issues including reducing the cost of surgical operations and pharmaceuticals; reducing superannuation fees; and targeting teaching to the range of abilities within individual classrooms.
- The Foundation's support of the Australia Institute has enabled it to take a key role in the push for a national corruption watchdog (also known as a 'federal ICAC'). The Australia Institute's campaign sponsored the formation of the National Integrity Committee, a group comprised of corruption fighters and former judges, who have advocated not just for the establishment of a federal ICAC but also what design principles it should adopt to ensure effectiveness. Research conducted by the Institute estimates the rising perception of corruption in Australia since 2012 could have reduced Australia's GDP by \$72.3bn, putting a number to the impact that success on this issue may achieve.

CONCLUSION

Civil society, including charities, not-for-profits and philanthropy, is a key part of our democracy. Charities are constantly advocating for a better Australia, but they can't do this alone.

Philanthropy has a vital role supporting civil society and its role in shaping a better and more inclusive Australia. Success is never guaranteed, but there is potential for significant and lasting leverage in terms of the systemic change that may result.

It is, of course, for each philanthropic organisation to determine its own objectives and the strategies it uses to achieve them. However, it is hoped that in striving towards more and better philanthropy in Australia, even more philanthropic organisations will consider the benefits of funding advocacy as part of their grantmaking.

As the peak body for philanthropy in Australia, Philanthropy Australia can support our Members as they take this journey.

WITH THANKS

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Advocacy is the basic tenet of democracy: a vital tool for surfacing the voices of marginalised or vulnerable citizens and for participation in the vital issues facing communities. It is a high-leverage, high-impact strategy with proven return-on-investment. If the philanthropic sector's role is to support a thriving democracy, it has a crucial role to play by funding advocacy.

Daniel Lee, Levi Strauss Foundation



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