



ROB HOMER

You can't take it with you

When Chris Cuffe needed help showing the wealthy how easy it is to donate to good causes he drafted David Gonski and Belinda Hutchinson onto the board of Australian Philanthropic Services, writes **Joanne Gray**.

CHRIS CUFFE

We've got no one group really promoting philanthropy, so that's how Australian Philanthropic Services (APS) came about. It's a not-for-profit itself – I founded the thing. It now has about 70 clients who have set up private ancillary funds or public ancillary funds (PAFs), or who get grant-making advice from us.

David Gonski got the government over the line about 12 years ago in getting this [private charitable trust] structure up, so I always thought if I could convince him to join this board, it would make a lot of sense.

And similarly with Belinda Hutchinson, who has

Gift of giving: from left, David Gonski, Belinda Hutchinson, Chris Cuffe.

quite a high profile in her space, and has talked publicly about philanthropy. After 12 years, there's now about 1000 PAFs in Australia, with about \$2 billion. They give away about \$170 million a year, and they're growing reasonably well. But 1000 PAFs in 12 years is not a very big number.

I'd love people to know about PAFs in the same way as self-managed superannuation funds are used. It's been difficult for them to get the knowledge out, because there has not been any independent organisation they could feel comfortable working with. That's one of the great attributes of APS.

Because we're a non-profit, we charge very modest fees. Our interest is to see these things proliferate, not to make money out of it. We set up and administer PAFs, and give people grant-making advice.

So if people say "We want to give money away, but we'd like a bit of help, how do we go about it?" or they might have a favourite charity they'd like due diligence done on, we give advice on that.

Are high net worth people stingy or are they lacking in knowledge? I'm a strong believer that they lack the knowledge and the tools to be able to do this. If, in 10 years' time, we're not getting a great take-up, maybe you can conclude that Australians aren't great givers.

People talk of philanthropy as giving back. I hate that term. From my perspective, it is something I want to do, because I like doing it.

I like helping other people. Our family likes helping people. So you could say, well, I'm self-motivated to give, so that makes me happy. Is that a bad thing? No, it's a great thing.

DAVID GONSKI

First, I believe that Australians in general are not philanthropic. And the question then is, why are [charitable donations] per capita greater in other developed nations such as the US, Canada, or the UK? If you look at the work that the Petrie Foundation has done, it's not the average person's giving that pulls us down, it's the more wealthy's giving. And when I approached in 1999 the very question of why the wealthy are not giving, the difference was that we had a whole taxation system that didn't facilitate giving. You certainly couldn't

be trustees for your own family, you certainly couldn't keep it confidential. So the real credit, to be blunt, was John Howard's. I was the one who chaired the committee, I helped to bring this all together, but he was the one who had the guts to put it through.

I do think the mentality is changing. We have an enormous intergenerational flow of money. People like Bill Gates, who was recently here, asked the very real questions, such as do you want to just make money and then be forgotten, and perhaps cause a problem for your children by giving them money and not giving them the joy of making it? I think a lot of people are open to PAFs, not to give all their money away, but to thinking there might be something of a higher joy. There's a joy in being successful, and part of that is doing something for the community. And I believe a lot of people are thinking that way, because it's easier to do it, and things like APS [mean] it's easy. It's not a chore.

It used to be the talk around the party table, of how well you're doing, what was your bonus, can we afford a bigger house. Today it is very much about what you're doing: are you helping with education, with welfare? What are you going to be remembered for? And I would say the concept of legacy is becoming as important as perhaps the joy of owning an asset during the lifetime. People realise that this isn't a dress rehearsal.

APS [is] not only doing it well, but they're not out to fleece you. Somebody wanting to make grants – you're looking to make sure your money goes where you want it to. Organisations like APS can help you work out whether that grant is correct.

I've had one situation where a charity didn't do what we expected. Let me tell you, it hurt. One, it didn't achieve what we wanted it to. Two, I felt it was just a waste, and three, I felt a fool. So I'm very careful with the donations I give through my foundation, and I think somebody like APS can help to be part of the armoury, to make sure that you get what you pay for.

The concept of the [billionaires'] pledge is good, if it's instigating people to think about giving ... that if you have extra money there is no point just keeping it. [Daniel Petrie] believes, and I think he's right, although I can't prove it, you can't take it with you when you go. If that's the case, all he says is, examine the idea: Have you got more than you need?

I don't believe in anonymous giving. I believe that one should demonstrate to others that you give. If you don't own up to it, so to speak, it doesn't instigate others to actually give. A lot has been said of Simon and Catriona Mordant's gift to the Museum of Contemporary Art [Sydney] of \$15 million ... the real point in my opinion is that

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Belinda Hutchinson

a whole group of people, merchant bankers and others, suddenly said "well, if Simon can do that, what about any of us?" So it set a chain going. And I know at least two people who came and saw me, and as a consequence both set up PAFs, and they've never given before.

BELINDA HUTCHINSON

I've had a long involvement in the not-for-profit sector, then my husband and I set up a family foundation about seven years ago, and we engaged our children in it. It's been a really fulfilling exercise for our family. So I think that's what attracted me when Chris suggested that I come onto the board of APS. I said to him I really agree with you. It's been a fantastic thing for our family, I would really like to encourage others to do it, and if we can help with a strategy and a plan, then hopefully introduce individuals to APS, that would be a great thing to do.

But David [Gonski] was one of the first people to say, "I think we need to go public and say what we're doing, and really act as role models for the community."

A lot of people out there, we could all name a whole bunch of people, if you look at a percentage of assets they give away, well...[they] may do things quietly behind closed doors, I don't know. It's not for me to comment. But I think there's a lot of people out there who you could say, you have got capacity to give.

It's been a really rewarding experience for us, you actually get back more than you give. You really do. I think there's \$2.8 billion in PAFs now, well why shouldn't there be \$10 billion? In the next 10 years, we should set ourselves a real goal. We've got the capacity to do that, you know. It's not that hard.