

## ***Media Release***

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### **Landmark new research shows corporate philanthropy in Australia is opaque, confused and ineffectual**

New research released today by think tank Catalyst Australia shows that Australian companies could improve the effectiveness of their corporate donations relatively easily, by developing simple strategies to monitor their giving with an eye to it's impact.

The new report, "What gives? How companies invest in communities" looked in detail at 12 major Australian companies and found that together they donate a significant half a billion dollars to the community annually.

The report also finds however that the reporting regime around the donations was opaque and that improved reporting standards and disclosure would lead to better targeted philanthropy and significant reputational enhancement for the firms concerned.

The report finds that "most companies undertake their community investment activities without a strong framework, strategy or tools to measure the performance, impact or effectiveness of their approach" and that "improved disclosure would lead to a better understanding of the significant flow of resources from companies to areas of community need."

The report found that the biggest donors were BHP Billiton and Rio Tinto and that BHP lead the pack by contributing 1% of its pre tax profit. Most other firms studied donated 0.7-0.9%. Wesfarmers were the most effective firm studied at leveraging community contributions from other sources, mostly customers and staff. Wesfarmers efforts resulted in extra funds totalling almost one and a half times their own contribution.

Commenting on the reports findings, Catalyst executive Director Jo-anne Schofield said that a reporting standard needed to be developed to benchmark corporate donating and improve consistency, and outcomes.

"There is a clear need for companies to be able to measure the impact of their giving so as to make it more effective."

"Corporate community investing clearly helps make Australia a better place, and every dollar spent has an enormous potential to change lives. We hope the report encourages companies and communities to work collaboratively to shape innovative new approaches so those dollars will be best put to work."

Copies of the full report can be downloaded at <http://www.catalyst.org.au/>

For media comment please call Joanne Schofield, executive director Catalyst Australia on 0439 966 144.