



Australian Government



THE PRIME MINISTER'S
COMMUNITY
BUSINESS
PARTNERSHIP

WORKPLACE GIVING

YOUR BUSINESS CAN
MAKE A DIFFERENCE TO
YOUR COMMUNITY





FOREWORD

Australians can be proud of their generous nature in times of adversity. This year in particular I have been heartened by the overwhelming reaction from Australian businesses that have responded generously in times of community crisis, providing assistance both at local and international levels.

Workplace Giving Australia provides businesses with the information and tools to extend that goodwill, and is one way that businesses, community organisations and the Government can work together to make our communities stronger.

Workplace Giving Australia has been developed as an initiative of the Prime Minister's Community Business Partnership.

The Partnership is a group of business and community leaders who advise the Government on issues such as corporate social responsibility, community business partnerships and philanthropy. As Deputy Chair of the Partnership, I strongly support this initiative, which aims to increase levels of giving in Australia.

Workplace Giving Australia provides employers with access to tools to support employee engagement in the community, while contributing to employee morale and mobilising significant funding for community benefit.

Businesses play a vital role with the Howard Government in building stronger families and communities.

Yours sincerely

A handwritten signature in black ink that reads "Kay Patterson". The signature is written in a cursive style with a long, sweeping underline.

Senator Kay Patterson

Minister for Family and Community Services

WORKPLACE GIVING

Workplace giving is a simple and effective way for your staff to regularly donate to charitable organisations through automated payroll deductions. It allows employees the opportunity to make regular donations through their pay and provides ‘time-poor’ people with a way to support their community.

Workplace giving is a voluntary programme that (under a pre-tax system) results in an automatic tax deduction for your employees, without the need for them to keep and claim receipts.

Employees pledge a nominated amount to an organisation with deductible gift recipient status (DGR status)* and the donation is automatically deducted from their pay and sent to the organisation.

In Australia, hundreds of businesses already operate a workplace giving programme, helping to bring a strong sense of community into the workplace.

Through workplace giving, businesses can **build reputation and profile** in the community to become an ‘employer of choice’. Workplace giving is a simple way to enhance your business’ involvement in the community, with clear business, employee and community benefits.

* A deductible gift recipient (DGR) is a charity or other organisation that is approved by the Australian Taxation Office as entitled to receive tax deductible donations. Not all charities are DGRs and a great variety of organisations, for example libraries, universities, etc, can be DGRs. You can check an organisation’s DGR status via the Australian Business Register at www.abr.gov.au

Case study

‘Our business is making a difference...’

The Sydney Opera House has significantly contributed to the community through the arts for over 30 years, however more recently they have begun contributing in a different way.

At the end of 2004, the Opera House launched a workplace giving programme. The programme offers their 600 employees the opportunity to make regular donations to community groups through automated payroll deductions.

“We believe establishing a workplace giving programme is an effective and easy way for our company to contribute to the community.”

“We already have a good reputation within our community, but we see workplace giving as another way to demonstrate our community commitment.”

Staff can participate by donating to four identified community groups, or they can forward the details of a personal favourite organisation they want to support to payroll.

Already donations have contributed to providing counselling and care for families with sick children, scholarships for young people, support groups for women affected by domestic violence and assistance for countries affected by the tsunami.

“Our staff know they make a difference through workplace giving simply by donating the cost of a coffee each week.”

Case study

Showing leadership

Giving is encouraged at Bain, with their employees often taking the time to use their professional skills to work within the community sector. That is why the introduction of a workplace giving programme made sense – building on the existing community spirit within their business.

Since launching their programme in 1999, Bain has achieved an impressive participation rate of over 60 per cent of their 100 employees. Bain believes that their employees take pride in the fact that their organisation is showing leadership, proving that medium sized companies can also make big differences to the community.

“Almost half a million dollars has been donated by our employees since we launched our giving programme. A regular donation really builds into something that makes a significant difference for the community.”

“Our staff has been motivated not only by the immediate tax benefits of the programme, but more importantly the significant impact they know they are making on the community.”



*If just 10 per cent of the Australian workforce donated \$5 a week from their pay through workplace giving, an extra \$250 million per year would be raised for our communities.**

* Based on ABS Australian labour market statistics March 2005.

WHAT ARE THE BENEFITS FOR YOUR BUSINESS?

By establishing a workplace giving programme and making it easy for employees to participate, businesses are contributing to the social well-being of communities in Australia, and **making a real difference**.

A workplace giving programme provides an opportunity for your business to:

- ▶ demonstrate **community spirit**;
- ▶ be seen as an ‘employer of choice’;

- ▶ build business reputation and profile;
- ▶ contribute to staff morale and loyalty; and
- ▶ build close relationships with community organisations.

Once established, workplace giving provides you with a low cost way to support employee engagement in the community.



“We recognise that there is an increasing expectation from current employees, as well as those employees we are trying to recruit, that organisations have programmes in place that encourage and support employees to get involved in the community.”

Zurich Financial Services Australia

WHAT ARE THE BENEFITS FOR YOUR EMPLOYEES?

Millions of Australians donate to numerous groups at various times of the year and many have a preferred community organisation to which they donate. A workplace giving programme is an easy and convenient way for employees to pledge a nominated amount to a deductible gift recipient (DGR)* on a regular basis. The amount is deducted on payday and sent to the selected organisation.

Donating through workplace giving provides an opportunity for your employees to:

- ▶ receive a tax deduction without the need to keep receipts for tax purposes;
- ▶ **receive an immediate tax benefit** from their weekly, fortnightly or monthly wage. For example, assuming an employee is on a 48.5 per cent tax rate, if the employee gives \$10 it costs him or her \$5.15 (operating under a pre-tax workplace giving system);



- ▶ make a donation decision privately – without pressure from fundraisers. It is up to the individual to decide how much they wish to donate and to which organisation;
- ▶ know that **the donation is received at minimal cost** by the community organisation – less money is spent on fundraising and more can be used for the actual cause;
- ▶ make an important contribution to the community; and
- ▶ make a connection with the community, which could lead to further involvement through volunteering or social activities.

Additionally employees only have to make one initial decision to donate through workplace giving – once a donation has been set up there is nothing else for the employee to do and their donation can continue until they wish to make a change.



“For everyone in our firm, we have found it tremendously exciting to be able to support 30 very worthy charitable organisations in Australia and the Asia Pacific region.”
Mallesons Stephen Jaques

WHAT ARE THE BENEFITS TO COMMUNITY ORGANISATIONS?

Financial assistance is vital to the ongoing work of community organisations. Workplace giving funding enables community organisations to better plan activities, goals and budgets based on a **regular flow of income**. This means that greater community outcomes can be achieved. Funding from workplace giving programmes allows community organisations to:

- ▶ receive regular, stable and on-going funding;
- ▶ receive donations as a lump sum from an employer, reducing processing and administration costs;
- ▶ potentially reduce expensive fundraising activities;
- ▶ **make business connections** providing an opportunity to highlight their work; and
- ▶ achieve greater community outcomes, do more 'good work' and help more people.

Community organisations also often find long-term donors through workplace giving – employees who are passionate about a particular cause often give to an organisation for many years through a payroll deduction system. These individuals alone can (across a number of years) achieve significant outcomes for the community.



Case study

Caliburn (independent corporate advisors) have 28 employees, and 21 participating in their workplace giving programme. Their giving programme was established in 2002 and since inception this team has managed to raise \$137,506 for six community organisations.

Since 2002, Caliburn has contributed to a number of projects including assisting four HSC students complete their study, a food security programme in East Timor, an early intervention programme for at risk young people, a food kitchen for homeless people in the city and a youth centre. The staff are passionate about these achievements as they choose the organisations to support.

When asked about their high participation rate Caliburn says;

“I suspect that as we all have such busy lives we tend to feel we want to do something for others. Workplace giving just makes that so simple to do.”

Caliburn has taken the extra step of introducing employer matching, providing an added incentive for their staff to donate through workplace giving, and doubling the outcomes for the community organisations they support.

“The founders of our company actively support the programme. I think that sets a good example and really highlights the programme as something that is centrally important to Caliburn, we even feature the programme in our Annual Review to clients.”

WORKPLACE GIVING PROGRAMME OPTIONS

There are two main options for developing a workplace giving programme for your business: either in-house, or engaging an external advisory organisation.

Establishing a workplace giving programme in-house

An in-house workplace giving programme is delivered through your payroll system, where your payroll team is responsible for contacting and providing the donations directly to the not-for-profit organisations your staff choose to support. The Australian Taxation Office's technical guide *'How to set up a Workplace Giving Program'* will provide you with the information you need to establish a giving programme in-house (see CD ROM or www.partnerships.gov.au).



Establishing a workplace giving programme with an advisory organisation

The second option for developing a workplace giving programme (and one that is usually favoured by businesses with more than 200 employees) is to consider engaging an advisory organisation to assist you in establishing a programme. Advisory organisations can assist in developing, launching and managing workplace giving programmes. These organisations may operate on a fee for service basis. There are several established not-for-profit advisory organisations including:

Australian Charities Fund

Telephone (02) 9024 8630

Website www.australiancharitiesfund.org.au

Charities Aid Foundation

Telephone (02) 9413 9977

Website www.cafaustralia.org

United Way Community Funds of Australia

Telephone (02) 9299 5507

Website www.unitedway.asn.au

Raising awareness of an existing workplace giving programme

If your business already has a workplace giving programme you may want to consider new ways to highlight the programme to your staff.

The CD ROM (in this kit) contains templates that may help refresh and promote an existing programme including staff emails, staff surveys and an example workplace giving article inviting staff to participate.

WHERE TO FROM HERE?

Support is available to assist you in either developing a new workplace giving programme or improving your businesses existing workplace giving programme. Resources include:

► CD ROM (included in this kit)

The CD ROM has information to assist businesses in establishing an in-house workplace giving programme. It also has tools and templates for businesses that would like to refresh, relaunch, or better promote an existing in-house programme. Information on the CD includes:

- Australian Taxation Office's technical guide 'How to set up a Workplace Giving Program';
- questions and answers on workplace giving;
- pledge form templates;
- example staff surveys;
- draft emails to promote workplace giving to your staff;
- draft articles for staff newsletters; and an
- employee flyer.

► Website support at www.partnerships.gov.au

The Prime Minister's Community Business Partnership website provides fact sheets; useful contacts; workshop updates; and links to advisory organisations that can assist your business in developing a workplace giving programme.

► Workplace Giving Workshops

Free workshops will be held across Australia to assist businesses in establishing workplace giving programmes. For more information, or to register interest, please visit the Prime Minister's Community Business Partnership website at www.partnerships.gov.au

► Email Advice Service

This free service offers day-to-day support to implement or re-launch your workplace giving programme. Advice can be provided on where to get started, choosing community organisations, or any other workplace giving issues. You can also request additional copies of this kit. Email: enquiry@workplacegivingaustralia.org.au



“The community groups we support reflect the interests and concerns of our staff. We know that through the work they do our gifts can have a big impact on the lives of many people.” Diageo

Case study

Workplace giving – a valuable investment...

Mercer Human Resource Consulting established a 'Contributing to our Community Committee' to coordinate their community activities. One of the major activities of 'Contributing to our Community' is their annual community giving month.

"We set aside one month a year to highlight our community work and during this time approach all our employees and invite them to become engaged. We try to provide a number of ways for employees to become involved including blood donation drives, food drives, volunteer days and of course our ongoing workplace giving programme."

Mercer have let their staff take ownership of the 'Contributing to our Community' programme which they believe is the key to its success.

"Our staff are so enthusiastic in organising community events and encouraging greater participation. As an employer, the resources involved in setting up a community day, or a workplace giving programme is a valuable investment in our people and our community."

For further information on other ways your business can become involved in your local community see www.partnerships.gov.au





“We encourage other businesses to consider establishing a workplace giving programme. For an employer, it is just about providing opportunities for your staff to participate in the act of giving.”

CitiPower and Powercor





'Workplace Giving Australia' is an initiative of
'The Prime Minister's Community Business Partnership',
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www.partnerships.gov.au