

Giving in Australia: Why and how Australians support not-for-profits



The not-for profit sector and the charities, social enterprises and community organisations provide much of Australia's social infrastructure.

The value of this sector is demonstrated by the five in six Australians who give to not-for-profits, and the \$143 billion given in the last year, most of it by the community rather than government. The esteem in which the sector is held is demonstrated by the size of the charity workforce, which employs one in every ten Australian workers.

The 2019 Australian Communities Trends Report and accompanying infographic is produced by McCrindle to equip leaders in the sector to respond with relevance to the changing environment and the emerging trends. This 2019 study builds on past research and offers

insights to help Australia's not-for-profit leaders continue to be a positive force for change.

The rise of the 'need responder' and supporting local

Australians givers are increasingly 'need responders' with two in five (40%) most likely to give when they hear about a need or issue on a once off, rather than on an ongoing basis. They are also more likely to want to support charities which directly assist in responding to an issue, rather than those which raise awareness of an issue (38% compared to 29%). Australian givers prefer to take care of their own backyard first, with 61% preferring to support charities with a local/national focus.

Australians give more than just their money

In addition to giving financially, in the past 12 months, two thirds of Australian givers (66%) have also donated goods, while one in three (32%) have volunteered. Advocacy and raising awareness is also on the rise with one in five Australian givers supporting not-for-profits in this way (21% in 2019 compared to 15% in 2017).

Knowing and trusting an organisation is key to unlocking support

The last few years have seen Royal Commissions and other inquiries refocus and recalibrate Australians' trust. For two thirds of givers (66%), knowing and trusting the organisation is an extremely or very significant motivator for getting involved. There is also a need for personal values to align with the organisation receiving the donation (58%). Organisations who can gain and keep trust, through transparency and values-based offerings, will thrive in the trust-as-premium environment.

The transparent reporting of administration costs is the most important characteristic of a charity according to almost seven in ten givers (69% extremely/very important). Australians want to support an organisation with a proven track record (68%), that provides a detailed breakdown of where donations are allocated (67%) and the impact they are having (62%).

Younger generations keen to support both traditional charities and social enterprises

While overall, Australians prefer to give to traditional charities rather than social enterprises (54% cf. 15%), Australia's younger generations (Gen Z and Gen Y) see the value of both types of organisations. More than a third of Gen Z (35%) and Gen Y (34%) don't see a difference between social enterprises and traditional charities, agreeing that both are

passionate about supporting causes, and so would support either.

Among older Australians, the preference is to support traditional charities over social enterprises, with 68% of Builders and 71% of Baby Boomers preferring to support traditional charities.

Do you see a difference between social enterprises and traditional charities and do you have a preference for either when deciding to give?

wdt_ID Response Gen Z Gen Y Gen X Baby Boomers Builders

Looking to the future

Between demographic shifts, social changes and constant technological advancement, Australian communities are transforming. There are also big generational transitions taking place. From 2019, there will be more Australians born since 1980 than before 1980. While the emerging generations are purpose-driven and socially conscious, they are also less likely to commit long-term to a specific charity or not-for-profit organisation.

Close to eight in ten (79%) Australians agree that charities will struggle in the future as younger Australians are less actively involved than previous generations. Engaging this post-loyal generation will be key, as from 2019 Generations Y and Z will comprise the majority of the workforce and earners— outnumbering Generations X and the Baby Boomers for the first time.

This article was featured in [Fundraising and Philanthropy \(F&P\)](#) and [Probono Australia](#).

For more information

If you found this article interesting, download our free [Australian Communities Report and Infographic](#) for more information on the trends impacting the future of the not-for-profit sector.

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