



The Australian Finance Podcast Episode Transcript

Episode: Using your money to make an impact this Christmas | Rask Giving Campaign 2021

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Speakers: Kate Campbell, Owen Rask, Peter Singer, Doug Taylor

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Episode transcript:

Owen:

Kate Campbell, welcome back to this very special episode of the Australian Finance Podcast. So good to have you with me.

Kate Campbell:

Good to be here, Owen, for a very special episode today.

Owen:

Yes, it is an extra, extra special episode. We often say that, but this one is indeed an extra special episode because we're doing something different for the show this year. As many people will know, we spent a lot of the early part of 2021 focused on financial resilience, and we tried to profile the story of some listeners and some people out there who had been through some hardship financially, and what they'd done to come through the other side. And that was really inspiring. And this time we're hoping to inspire everyone in a different way. So, if you're listening to this and you're thinking, what can I do with my money, have an impact and feel good about it? Please listen on.

Owen:

Kate, can you tell us a bit more about the Rask Christmas Giving Appeal.

Kate Campbell:

This year, we really wanted to personally give back and encourage our wider community and networks to give back to two organisations specifically, but giving back to any organisation is good in our books. But these two particular organisations are The Smith Family, which is focused on educating young Australians and really closing that gap when it comes to education and making sure that everyone has equal access to all of the things, including school books and excursions and career development programmes. And the other organisation is the Life You Can Save, which we've spoken to Peter Singer on the show before, so listeners may be familiar with his name. But this organisation is mostly focused internationally. But it's focused on getting you in touch with the charities that are doing the most good in the world and are doing it effectively, and they measure this impact. So they really narrow down the selection for you. So when you donate to them, you can donate to their chosen charities that really are saving the most amount of lives.

Kate Campbell:

So, I guess in today's episode, we're just going to introduce it. We're going to talk to Peter and we're also going to talk to Doug from The Smith Family, a little bit about their organisations, what they do, and how you can personally get involved this Christmas time.

Owen:

That's right. So we've invited these two experts in their field and these two leaders in their field, to tell us a little bit about their organisations. The first one that we're going to speak to is Peter Singer. And I should say Professor Peter Singer.

Owen:

So, to introduce The Life You Can Save, and how this organisation makes an impact, we spoke to Peter. Peter is a professor of bioethics at Princeton and Melbourne Uni, with a background in philosophy. He works mostly in practical ethics and is best known for his work with animal rights, global poverty and ethics, generally speaking. In 2021, this was a big piece of news out, he was awarded the Berggruen Prize for Philosophy and Culture, and he personally received \$1 million for this. He later said that he will be donating this money to charity, so he's really living up to his, I guess, word, in terms of giving back. Listeners of the Australian Finance and Australian Investors Podcast may already be familiar with the philosopher and advocate for effective giving and his organisation, The Life You Can Save.

Owen:

When we did a podcast episode with Peter in the past, we were fortunate that one of our listeners actually donated a substantial sum of money to The Life You Can Save. And that made its way into the annual report of The Life You Can Save. And I think if we look back at you and I, on what we've done through this podcast, I think this is one of the things that we'll be really proud of. So, The Life You Can Save makes "smart giving simple", by curating a group of non-profits that save or improve the lives of people per dollar. They are focused on creating a

world where everyone has an opportunity to build a better life and where there's no suffering or death due to extreme poverty. With that being said, here's our chat with Peter.

Owen:

Peter, thank you for taking some time to join Kate and I for this podcast episode. This is a very special episode for us where we're talking about giving and effective giving in particular. I'm hoping that maybe we can just dive straight into The Life You Can Save, and how you determine where money should be given and which charities are worthy of receiving our donations.

Peter Singer:

Right. Well, The Life You Can Save is a charity that I founded after I published a book with that title in 2009. And it got quite a strong response, with people wanting to give, because the book was about how easy it is for affluent people to save lives, and not just to save lives, but to restore sight in people who are blind or prevent them becoming blind, or provide healthcare that saves them from all sorts of health problems, and sometimes prolongs their life, of course. And a lot of people wanted to know, well, which are the most effective charities to give to, that are helping people in extreme poverty? And of course, in a book you can mention the ones that at the time you publish, but you can't keep updating and revising as you get newer information. So we set up a website initially, which then became a full fledged organisation, which now exists both in Australia and the United States and has tax deductible status.

Peter Singer:

But the organization's purpose is not really to attract donations to The Life You Can Save itself, though obviously it's nice to get a bit for the work we do, but to direct people to the most effective charities. So we curate a list of about 20 effective charities, and they've been independently assessed by various research organisations, and we aggregate the research from different organisations. Most prominent is one called Give Well, which has been in this field for about 12 years, I think, now. And they have a team that is completely independent of any of the charities, and their job is just to make sure, not just that the organisations are well run, that's something that's important of course, but you could have a well run organisation that just was funding things that turned out not to be very effective.

Peter Singer:

So what the research does is, it actually looks at the impact the organisations are having on the ground. Do we know that this is helping? Do we know that distributing bed nets against malaria is going to save the lives of children who would otherwise die from malaria? That might seem intuitively obvious, but we really want to know that that's right. And we want to know roughly what it costs for the distribution of nets per child's life saved. And you can do that, if you have comparative studies of villages where bed nets are distributed and villages that haven't yet anyway, received bed nets. Then you can actually test that. You can quantify it.

Peter Singer:

And there are many other things. They're not all as clear cut as that. But there are many other interventions. I already mentioned restoring sight in people who are blind because of

cataracts or preventing trachoma, which is the leading preventable cause of blindness. Those are things that we can do very cheaply and we can find effective organisations who are doing this at very low cost. And we want to direct people there because some of these organisations are 10 times, 50 times more effective than others. And I'm not saying the others are frauds. That occasionally happens, but it's very rare. But some organisations, they're just not doing the things that will give you the biggest value for your money, and that's what we wanted people to give to, because we want to maximise the benefits of what people are donating.

Kate Campbell:

I really do appreciate The Life You Can Save's approach to that, because I know it can be disheartening when you hear about an organisation you donated to, suddenly 60 cents in the dollar just goes to the running cost of the organisation and not to the people you actually want to help. So having that data-driven approach is really, really beneficial.

Peter Singer:

Yes, that's right. We do want to really know, what we are doing and where the money is going, that it's helping the people we want to help, and that it's helping them in really clear cut ways that either save lives, improve their health or in some cases actually help them to get out of poverty. That's a little more difficult, but we also have organisations like Village Enterprise, which has been shown, through its mentoring programme, and providing a bit of seed capital and helping people learning how to save, it's actually been shown that it improves the chances of the people it helps from actually getting out of poverty themselves.

Kate Campbell:

Given the challenges of the last two years with COVID around the world, I mean, we've been fairly lucky in Australia to have a lot of government support going through it, but is it more important now than ever to support these organisations overseas that we might not think about on a daily basis?

Peter Singer:

It definitely is more important than ever. If you look back over the last 25 years, you can see a steady fall in the number of people in extreme poverty. Extreme poverty is defined by the World Bank as living on less than \$1.90 US per day. So maybe \$2.50 or something like that, or maybe a little bit more, in Australian dollars. So, this is a really extreme level of poverty and that had been falling until the pandemic. That had been steadily falling down to in 2019, it was 736 million. It's now, the World Bank estimates, risen again, because of the pandemic and because of the economic slowdown in the affluent countries, which has put more people out of work in the less developed countries. So it's risen, the World Bank says, to 833 million. So, almost a hundred million rise.

Peter Singer:

And in human terms, that involves a great deal of extra hardship, more people who need help, but we hope that as the global economy revives, that will start to fall again, but we want it to fall faster and we want to help people more, in the best possible ways.

Peter Singer:

The other thing that's important is, even if we are getting in Australia, to high levels of vaccination, and many of us have less to fear from the pandemic, in the less developed countries, there's still very low vaccination rates because they haven't been able to obtain the vaccines, basically. And sometimes of course, they don't have the infrastructure to distribute them around the country.

Peter Singer:

But some of the organisations we have, can actually help with this. So we are recommending, Development Media International, which is an organisation that puts out health information over local radio broadcast in low income countries where that's the only way people have of getting information. They don't have the internet. They don't have television. They don't have newspapers really, but many of them have radios and they listen to the radio stations. And Development Media International has again shown quite clearly by looking at areas where they are broadcasting and putting their advice on the radio and other areas where they're not, they've shown that people take this advice, that they go into health clinics, that they get health checkups, that they get information, in this case that they will know how to keep themselves safer from COVID, when they can get vaccinated and so on. So yeah, it's really very important work that we have now in the aftermath of the pandemic for us, but what still is quite a serious stage of the pandemic for much of the world.

Owen:

Mm. Peter, I think it's only hit home for many Australians and indeed people in developed parts of the world, in recent times, seeing the pandemic, seeing the uncertainty around the healthcare system, around information, all of these things, has really hit home for people. And I think this time, speaking from here in Australia, coming into Christmas, I think now more than ever, there's a great effort for people to give back and support those around them, because it has been a very trying time.

Owen:

I'm aware, that in The Life You Can Save, there are effectively different options that you can choose to give, ranging from donating to The Life You Can Save directly, specific charities or doing a combination of any of those. This Christmas, what would you want to impress upon people in terms of making a donation? How would you like to see people give at this time and what just consider giving at this time?

Peter Singer:

Well, obviously, I'd always like people to give generously and to think about how fortunate we are in Australia, that we are protected from many of the worst things that happen, that we have adequate income generally, and we have government support if we need it. We have free healthcare. We have safe drinking water. We have free schools, all of those things that not everybody in the world can manage to have. And really relatively small sums for us that are not very significant, can make life or death differences for other people in low income countries. Like

so, restoring sight and Fred Hollows Foundation, which is one of the charities we recommend, says it can do it for \$25. Well, even if that's an underestimate and it's 50 or a hundred dollars, obviously we would pay tens of thousands of dollars to get our sight restored if we needed to. But generally, because we have a national healthcare system, we don't even need to pay that.

Peter Singer:

So, I would ask people to give generously, of course. I would ask them to think about the difference they're making and particularly, ironically in a way perhaps, during this pandemic era, many investors have done very well. The stock market has done well. My Australian superannuation fund did very nicely during the pandemic. Thank you. So, others who are benefiting this way, I think, can think about sharing and can think about our good fortune. Think about the more caring attitudes that maybe we had in our communities during the pandemic, and extend that more broadly, extend that to those who are still likely to experience the worst of the pandemic and who also in any case were disadvantaged and need some help.

Peter Singer:

When people give, they do have the option of going to the website of The Life You Can Save and going to best charities and they can read about the charities and they can donate directly to the charities through that website. But a hundred percent of what they donate will go to those charities that they select.

Peter Singer:

An alternative, that I hope some donors will consider, is to donate to the 10/90 fund. Of that then, 90% of what you donate will go to those charities, but 10% will go to keep The Life You Can Save going. It does cost something to keep any organisation going, and we think 10% is a reasonable ask so that we can continue to spread the message, continue to grow and raise more money for the effective charities. We're also interested in numbers ourselves. We've shown that for every dollar we spend on our own administration, \$17 are generated for the effective charities. So we think what we're spending on ourselves is good value for everybody too.

Owen:

Mm. It's such a good time. And just to be clear, for our listeners as well, you can set up regular giving. So I think this is a fantastic thing. You don't have to just give at Christmas, you can do this on an ongoing basis and it's made so much easier by The Life You Can Save.

Owen:

Kate, I think we have a special collaboration with The Life You Can Save. I'm hoping you can just share that with our listeners.

Kate Campbell:

Yeah, absolutely. So, The Life You Can Save has a wonderful book by Peter Singer, and that has been revised and it comes in all forms. So, if you're an audio book listener, you can just log into your podcast player and listen to the whole audio book and podcast form. There's a free

ebook, but The Life You Can Save is also giving away a hundred copies of the paperback book, posted to you at no cost, to our listeners this Christmas time as well. So we've got a special link, which you can also donate to The Life You Can Save as well through that link. But it's thelifeyoucansave.org.au/rask, and we'll have that in the show notes.

Kate Campbell:

So this book is a fantastic way to learn more about effective giving and all the causes, The Life You Can Save supports. And I think it's a really good foundation, if you're thinking about how you can make more of a personal impact in the world. And so even if you can't get your hands on a copy of the paperback, I'd still recommend listening to the audio book or the ebook. And you'll find all the details by following that link as well.

Owen:

So Peter, on behalf of Kate and I, but also all of our listeners, thanks for taking some time to join us today.

Peter Singer:

Thanks very much, Owen and Kate. It's been great to have the opportunity to talk to you and to talk to your listeners. And of course I'm hoping for a positive response from many of them.

Kate Campbell:

Now that you've heard from the wonderful Peter Singer, from The Life You Can Save, let's introduce you to The Smith Family, an organisation very close to our hearts, given their focus on education for young Australians. This year, The Smith Family Christmas Appeal aims to raise much needed funds to support the education of almost 12,000 young Australians, living in poverty. To speak more about The Smith Family and the impact they're having on Australian communities and where the money goes, we've got the CEO, Doug Taylor, on the show today.

Kate Campbell:

Hey Doug, thank you so much for joining Owen and I today, to share more about the important work that The Smith Family does in Australia, and how our listeners can help with making an impact with their money this Christmas time. And if we just dive straight in, are you able to give me a brief explainer of what The Smith Family does and how it makes an impact in our community?

Doug Taylor:

Yeah, very happy to, and thanks for the opportunity. There's probably donors listening in today and we really appreciate your support.

Doug Taylor:

The Smith Family is an education focused charity. We've been around for a hundred years and all of our work is on ensuring that young disadvantaged people, young people across the country, through education, have the chance to reach their potential. And we do that in a couple of ways. So through our Learning For Life Programme, we have a focus on providing

scholarships for children and young people, to support their education, to cover the basic costs that often are prohibitive for these families. So, could be excursions, uniforms, books, internet access and the like. So, we have scholarships.

Doug Taylor:

We have a team of workers, family support workers across the country, and their whole role is to equip and empower parents to be their first and primary educator of a child. That's really tough for a lot of the families we support, if they've not had a good educational experience in the past, to have that confidence in those skills.

Doug Taylor:

And then thirdly, we provide a range of programmes in about 700 disadvantaged schools, right across the country, that are focused on mentoring, getting young people access to workplaces and digital skills. So all of that sums up our work, and it's really focused on giving young people through education, the best possible start in life.

Owen:

Doug, I might just follow up with one question there. Why is Christmas time an important time for giving back?

Doug Taylor:

Christmas is a great time for giving back. It probably follows the end of financial year as the peak in giving. And look, I think, for all Australians, it's a time of thinking about family and thinking about the good things that we have in life, and kind of goes to our founding story. We were started a hundred years ago by a group of businessmen who were having a drink together and as they were celebrating and thinking about the presents they were buying for their children, they asked the question, so what does Christmas look like for disadvantaged children?

Doug Taylor:

And I think that's the question we often ask at this time of year, in thinking about all the wonderful things that we've had. And it's been a tough year for the Australian community. I think we'd all agree, all families and individuals have had challenges, but I'd just encourage your listeners today, to think about the real challenges that disadvantaged families have had over the course of the year through COVID. It's been a really tough year, particularly on the homeschooling front with not having the resources at home and just the extra challenges to unemployment and hardships. So, good time to give back in light of that as well.

Owen:

So, Doug, I noticed that when you go to the website, there are two ways that you can give. The first is making a donation outright. You can do monthly donations, which is a great thing. The other way is you can sponsor a child. Can you just walk us through those two different things? And in particular, the sponsoring of a child, I find that really interesting.

Doug Taylor:

Yeah. Thank you. That's right. So, I mean, at this time of year, we welcome both forms of giving. So people who'd like to give us a one off contribution at Christmas, that's great. But equally, sponsoring a child's a terrific way to give back. I do it. I support a Smith Family child. And what it means is, you make a monthly pledge, and that monthly contribution goes towards those things that I've mentioned before, buying physical things, supporting a worker and access to programmes. And the great thing is that you get information back on that child and their progress over the course of their education. And we've got, as I said, about 60,000 children in the sponsorship programme, many Australians supporting those children and young people. And we've got many supporters, who've been effectively supporting a child over their whole education experience from starting in kinder, right through to university. And it's an incredible relationship that gets developed.

Doug Taylor:

But what our donors talk about is just the sense of legacy that they're creating, in helping a young person get the best footing on life, which is a good education, empowers them to have more choices in life. And that's one of the ways that you can break this cycle of disadvantage that too many young children and students face in Australia.

Owen:

So Doug, can you just explain a little bit to us, how you measure your impact on families and on children?

Doug Taylor:

Yeah. Measurement's really important to us. We're conscious of the investment that Australians make in our work, and we want to do the best we can for students and families. So we're absolutely focused on ensuring that the work that we do is supported by evidence, proven practise and the like, and that all of our programmes ensure that young people are attending school, they're advancing through school, they complete school. And when they leave school, they're in further education or employment. So we're able to measure that and benchmark it the whole way through. And just to give you an insight into that, as one measure, 80% of the young people that we support, which are all disadvantaged young people, are in further education or employment, post school. And in part, we're a significant contributor to that. So, evidence and measurement matters, just like investment.

Kate Campbell:

Wonderful. And I know making financial contributions is really important and we are super supportive of that on this podcast. But if someone's not in the financial position, maybe because of COVID or they're just getting on their feet, are there any other ways they can contribute to the Smith Family mission and your goals, in a non-financial sense?

Doug Taylor:

Yeah, look, absolutely. We've got 12,000 volunteers that support our work right around the country. And if you jump on the website, there's all manner of ways that you can get involved with us, both in person, going into our schools, but also online. We've got a raft of programmes

where we have mentoring relationships online, even listening to a young person develop their literacy skills, via reading. So some really diverse ways that people can get involved in this way of giving back.

Kate Campbell:

Wonderful. And I think that would definitely be interesting to some of our listeners and they're definitely interested in helping other people learn and develop, and we're all very passionate on education. So, if our listeners are interested in either supporting the appeal directly, sponsoring a child or donating, where would you recommend they head?

Doug Taylor:

Yeah, look, please jump on the website, smithfamily.com.au and you'll see a lot of information I've shared with you, to tell you a bit about our work, but also tell you about the difference that you can make at Christmas, in giving back. And we're wanting to raise \$5 million to support 12,000 young Australians to ensure that we give them the programmes that get their education back on track, with the challenges of COVID, and onto a great footing for the future.

Owen:

Today, you've heard from Doug and Peter about ways to give and some of the most effective ways that you can share your wealth and help others throughout the world, or here in Australia, live better lives.

Owen:

Kate, we're encouraging all of the community to rally behind this appeal, and just consider spending some time or some money to give back, because there are many ways that we can all help, and I think it goes beyond just finances, right?

Kate Campbell:

Yeah. And I think one of the benefits of being in a stronger financial position and using all of the information and tools we've given you over the last few years, is to actually give back to your communities, both in Australia and globally. And that's certainly what Owen and I do personally, and as a business, and we'd love to encourage our listeners to do the same. And sometimes you just need a nudge or you can use this episode to nudge, for your family and friends, to consider giving back this Christmas time. And I think it does give you a good opportunity to reflect on the wonderful things you have achieved and you have done with your money, and also an opportunity to be grateful, because when you give back to other people, it really does give you both a positivity boost and also time to reflect on just how much you do have.

Kate Campbell:

We can sometimes get caught up in the moment and think life's pretty terrible, and we don't have that much, because we keep comparing our finances to someone else's. But when we look at organisations like The Smith Family and The Life You Can Save, and we can see how much just 50 or a hundred dollars, what that impact can have. And both of these organisations have

case studies and calculators. You can see actually how far your money goes, and I would really encourage all of our listeners to do that.

Owen:

Mm. And this is the thing too, Kate, that giving back also helps us mentally. We've spoken about this before in the podcast. It helps us physically and it can help us just even understand our finances better. Just having the ability to give back is a tremendous opportunity to improve our happiness and to improve, I guess, our satisfaction with life as well.

Owen:

So, even if you can't give financially, some things that you can consider doing, are speaking to people around you and talking to them about effective giving, and some of the charities that they support, helping them, educating them on their finances and getting them into a position where they can give back.

Owen:

The other thing is maybe read Peter's book. We've got links in the show notes, so you can go and check that out. You can visit [The Life You Can Save](#), and we've done many episodes on effective giving in the past.

Owen:

But if you have made a donation to any of these charities or any of these organisations, what we would love for you to do, is just drop into the Facebook group, find us on Twitter, find us on Instagram, and share what you've done. It doesn't have to be a massive amount of money. We're not here to boast about anything. What we want to do, is to just try and spread the word for effective giving at Christmas, because as a community, Kate, our community is very strong now. Over 50,000 people around Australia are listening to these podcasts. And that is just a tremendous, I guess, opportunity for us as a collective, to make a real impact on the communities directly in need, but also those around us.