

What are the different types of aid?

Aid (also known as Overseas Development Assistance or ODA) is the assistance governments, non-government organisations (e.g. World Vision Australia), businesses, and individuals of one country give to the people of another country to help reduce poverty and achieve sustainable development.

Bilateral aid

1. Bilateral aid is assistance given by a government directly to the government of another country. In 2013–14, the Australian Government spent \$5.031 billion on overseas aid.¹ Bilateral aid is usually the largest share of a country's total aid and is often influenced by strategic geo-political purposes as well as humanitarian ones. For example, in 2013-2014 the Australian Government provided over \$1.062 billion to Papua New Guinea and Pacific island countries. Over the same period, only \$243.8 million of Australian Government ODA was spent in Sub-Saharan Africa.²

Non-government aid

I volunteer my time and energy to support World Vision campaigns.
I've written letters to my Member of Parliament & run a Fair Trade chocolate stall at school with my friends.



My family sponsors a child in a developing country and I write letters to encourage and support her.



2. Non-government aid is assistance provided by non-government organisations (NGOs) like World Vision Australia. The money for this aid is mainly provided by public donations from individuals and businesses. For World Vision Australia, this includes money raised through events like the 40 Hour Famine and Child Sponsorship programs. In 2013-14, World Vision Australia received 71% of its funds from the Australian community, 12% from the Australian Government's overseas aid program, and 17% from other sources. It spent 79.5% on field programs, 7.1% on administration and 13.4% on fundraising.³

In 2012-13, Australians donated \$949 million to the work of international aid and development non-government organisations. In comparison, in 2012-13, Australians spent over \$20.6 billion on gambling.⁴

NGO aid includes work in three main areas:

- (1) humanitarian relief work in response to major disasters – providing emergency food, water and shelter
- (2) long-term community development work to empower poor communities to find solutions to problems
- (3) advocacy and education work to influence business and government policy affecting the poor

¹ Department of Foreign Affairs and Trade Annual Report 2013-14, pg 264

² Department of Foreign Affairs and Trade Annual Report 2013-14, pgs 263 and 264

³ World Vision Australia <http://www.worldvision.com.au/AboutUs/WhereTheFundsGo.aspx> [accessed March 2015]

⁴ ACFID 2014 Annual Report: Financial Statements, pg 22; and, *Australian Gambling Statistics 30th edition*, Queensland Government Statistician's Office, Queensland Treasury and Trade, Summary tables 2012-13 pg 4

Multilateral aid

3. Multilateral aid is assistance provided by governments to international organisations like the United Nations, World Bank, and International Monetary Fund (IMF). These organisations seek to reduce poverty in developing nations. In 2013-14, the Australian Government provided approximately \$601.2 million in ODA to United Nations agencies, and \$483 million to the World Bank Group.⁵

For you to do

1. Contrast the amount of aid given by the Australian Government (bilateral aid), with the aid given through NGOs and the money Australians spent on gambling. What do you notice?

Australian Government aid (2013-14)	Australian non-government aid (2012-13)	Australian gambling (2012-13)

2. Suggest a reason why the Australian Government gives more bilateral aid to countries in the Pacific than countries in Sub-Saharan Africa?



1. What type of aid is this cartoon speaking about?
2. What is the message or issue being addressed by the cartoonist? What opinion or perspective is the cartoonist expressing?
3. How do you respond to news of a humanitarian disaster? What role do the media play in this?
4. Suggest reasons why people donate money to non-government organisations? What factors do people consider when making a donation to a non-government organisation?

Cartoon by Nicholson from "The Australian" newspaper: www.nicholsoncartoons.com.au

⁵ Department of Foreign Affairs and Trade Annual Report 2013-14, pgs 182 and 183