

## **General Information**

Thank you for participating in this experiment. This is a study of individual decision making. You will receive compensation for your participation, which will be paid to you in cash at the end of the experiment. How your compensation will be determined is explained below. In addition to this amount, you will be paid \$10 for completing an exit survey.

The instructions we have distributed to you are for your private information. The experimenter will read the instructions aloud and you should follow along on your own copy. If there is something you do not understand or you have any questions, please raise your hand.

All decisions will be made anonymously. At the end of the session, your payment will be placed in an envelope marked with your experiment ID number. Everyone will pick up his/her own payment envelope privately according to the experiment ID number. No one including the experimenter will know your decisions.

This experiment has two parts. Below you will see the instructions for Part 1. You will receive the instructions for Part 2 after we complete Part 1.

### **Part 1 Instructions**

Please read the following paragraph carefully and answer several questions shown shortly on your screen.

“The Salvation Army’s Melbourne 614 Project assists disadvantaged people in Melbourne by directly supplying them with meals, clothing, food and anything else they might need. The Melbourne 614 Project also has an onsite nonprofit marketplace with a wide selection of food and daily necessities. The 614 Project works with people who are unemployed, homeless, or suffering from mental health issues, as well as people suffering from social poverty.”

## Part 2 Instructions

In this task, each person will be matched with a recipient who is currently unemployed and in need of financial help. The needy recipient is a disadvantaged person living in Melbourne and is a client of the Salvation Army's Melbourne 614 Project. The Melbourne 614 Project has agreed to pass on your donation directly to the disadvantaged person that you will be matched with (see attached letter from the Salvation Army).

You will be asked to specify your donation amount to each of 27 types of recipients who might be randomly matched with you. For each of the 27 donation decisions, you are given \$20 as an endowment. Your donation amount to each type of recipient can be any number between \$0 and \$20.

One of these recipient types will be randomly selected at the end of the experiment to be matched with you and will receive your donation in the form of cash. However, as each one is likely to be your actual matched recipient type and your donation decision will be implemented, we ask you to make each of your donation decisions as if that were the actual recipient of your donation.

All of the recipient types are unemployed. The types may differ by the following characteristics:

- 1) The recipient is an alcoholic (Person who is addicted to intoxicating drinks/person who has alcohol dependence/suffers from alcoholism);
- 2) The recipient is attending courses to improve skills so as to enhance employment opportunities, and/or
- 3) The recipient is disabled (Person who has a physical or mental handicap).

For each possible recipient, we will provide information for none, some, or all of the characteristics (i.e., you will see "N/A," "Yes," or "No" for the characteristics).

For example, you might be provided the following information for a recipient. Then you will be asked your donation amount.

Alcoholic	Attending courses to improve employment opportunities	Disability
N/A	Yes	No

How much do you wish to donate to the recipient?

From the provided information you know the recipient is not disabled (physically or mentally) and is taking courses to improve his/her employment opportunities. You do not know if he/she is addicted to intoxicating drinks, has alcohol dependence, or suffers from alcoholism.

At the end of the session, we will select for you one recipient type at random from the 27. Your donation decision for this randomly selected recipient type will be implemented as follows.

Your donation will go to a recipient with the characteristics of this recipient type. Specifically, we will deliver your donation amount in cash, via the Salvation Army's Melbourne 614 Project, to a recipient matching the type randomly selected. If the selected recipient has no revealed characteristics, the Salvation Army will select a recipient at random.

For your donation decision, any amount out of the \$20 endowment that you do not donate to the recipient will be paid to you in cash at the end of the experiment.

For example, if you donate all \$20 in the decision, you do not have any additional cash payment to collect except the \$10 payment for completing the exit survey. If you donate \$0 in the decision, you will be paid \$20 plus the \$10 payment for completing the exit survey. If you donate \$X in the decision, your cash payment will be  $20 - X$  plus the \$10 payment for completing the exit survey.

**Note: Each participant's donation, if any, will go to a different recipient. No actual recipient will receive a donation from more than one participant in today's session.**