

Submission by Metro Church Toowoomba
Endorsed by Australian Christian Churches
Queensland in Response to the Not-for-Profit
Sector Tax Concession Working Group
Discussion Paper

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Acknowledgement

Metro Church Toowoomba and Australian Christian Churches (ACC) Queensland wish to gratefully acknowledge the assistance of Calvary Christian Church, Chinchilla ACC and New Hope ACC Toowoomba through the provision of case studies in the formulation of this submission. It also wishes to acknowledge the support of Alphacrusis college in provision of materials cited in Part 1 and the Australian Christian Churches in the provision of the ACC census resources cited in Part 2.

1. This submission is made by Metro Church Toowoomba (Metro Church), which is a member of the Australian Christian Churches. It is endorsed by ACC Queensland which agrees with the conclusions made in this submission. It is directed to the questions posed by the Not-for-Profit Sector Tax Concession Working Group Discussion Paper (the 'Discussion Paper') considered by Metro Church as providing a concern for the Australian Christian Churches (ACC). The central concerns of this submission are directed firstly towards matters raised in the Discussion Paper concerning the public benefit of religion, as applies to tax exemption and deductibility of gifts, and second towards the maintenance of the existing fringe benefit exemption for religious institutions.¹

2. Part 1 of these submissions introduces the Australian Christian Churches as a movement, providing an outline of the history of the movement, the number of churches and percentage of the Australian populace in regular worship in ACC churches. Part 2 outlines the unique core values that distinguish the ACC. Having introduced the ACC, Parts 3 and 4 respectively address the income tax exemption status of religious institutions and the proposal that religious institutions receive deductibility status. The analyses in both Parts draw upon historical and philosophical frameworks to provide conclusive responses to the questions put in the Discussion Paper. Finally Part 5 addresses the proposal for the withdrawal of Fringe Benefits Tax Exemption and, in outlining the effect upon the ACC of such a withdrawal, argues for maintenance of the current exemption for the provision of fringe benefits to religious practitioners by religious institutions. The submission concludes with a summary statement of the principal submissions made herein.

¹ We note that the Discussion Paper excludes consideration of certain matters currently under consideration as components of other reviews. The reality is that a holistic review, as is proposed by the Working Group cannot exclude certain issues, and where thought relevant those issues are taken up in this submission.

1. The Australian Christian Churches

History of the Australian Christian Churches

3. What was once self-evident – that churches serve a public benefit – has recently come under fire, at least from some quarters in the public conversation. It is beyond the scope of this current submission to develop full-blown *apologia* setting out the theological and historical grounds of the Church's contribution to global society in general and Australia in particular. What we can do is make some intimations about the part played by Pentecostals and the Australian Christian churches (also known as the Assemblies of God in Australia).
4. The Pentecostal story is not well-known (except, perhaps, that it has some connection to contemporary mega churches such as Hillsong). Pentecostals trace their origins to a series of revivals that occurred at the turn of the 20th century in North America, Britain, India, Korea and Australia.² During the course of the century, Pentecostal movements grew rapidly; as David Barrett notes, “the sheer magnitude and diversity of the numbers involved beggar the imagination; Now constituting 523 million affiliated church members, ... found in 9,000 ethnolinguistic cultures and speaking 8,000 languages.”³ This growth is reflected in Australia, with constituents of ACC churches numbering over a 1/4 million people. Numbers within the wider Pentecostal movement exceed this, with the effect that Pentecostals are second only to the Roman Catholic Church in terms of weekly attendance.⁴
5. Pentecostalism is not a single church; it is not formed top-down from popes or bishops to local assemblies and neither is it represented by any one body. Instead, Pentecostalism is a loosely connected movement of churches that share a commitment to telling the story of Jesus and an orientation to and experience of the Spirit. This spirituality is symbolically connected to the outpouring of the ‘Holy Spirit on the day of Pentecost’, as described in Acts 2. Pentecostals have

² Allan Anderson, ‘Revising Pentecostal History in Global Perspective’, in *Asian and Pentecostal: The Charismatic Face of Christianity in Asia*, ed. Allan Anderson and Edmond Tang, *Asian Journal of Pentecostal Studies* 3 (Oxford, UK: Regnum, 2005), 153.

³ David Barrett, ‘Global Statistics,’ *The New International Dictionary of Pentecostal and Charismatic Movements*, ed. Stanley M. Burgess (Grand Rapids, Michigan: Zondervan, 2002), 284.

⁴ Peter Kaldor, John Bellamy, Ruth Powell, Meryl Correy and Keith Castle, *Build My Church: Trends and Possibilities for Australian Churches* (South Australia: Open Book, 1999), 16.

pursued the "baptism in the Spirit", understanding the gifts of the Spirit as being universally available and empowering for people of all genders, races, classes, intelligences and churches.

6. While this means that the movement developed in the context of the separation between the State and the Church – valuing its freedom from State control and, conversely, recognising that the State cannot and should not be controlled or unduly influenced by any particular religion – this does not mean that faith is treated as a purely private affair. Indeed, Pentecostal spirituality is far from abstract but, instead, engenders a concrete and practical approach to church and life. It is a spirituality that prioritises personal experience – that invites the individual to respond to the story of Jesus and experience the power of the Spirit– but it is not otherworldly. On the contrary, Pentecostal spirituality facilitates personal transformation and, thereafter, encourages acts of service that benefit local communities and the broader society.⁵
7. This might be understood theologically in terms of the theological virtues of faith, hope and love. Faith is a gift of God's grace that orients people to the love of God - and so is capable of facilitating personal transformation. Personal faith gives birth to hope which faces the problem of evil as the midpoint between naive optimism and despair – seeing the reality of pain but believing that evil can be confronted with good. And so faith and hope lead to love, which can be understood best as charity, as self-sacrificing service for others. It follows the example of Jesus and is made possible by the continuing presence and power of the Holy Spirit. Of course none of this is unique to Pentecostalism – and Pentecostals are ecumenical in theology and practice, recognising that they work as a part of the broader community of the churches that are central to Australian society and culture. Like the church more broadly, Pentecostal churches, filled with the spirit and transformed by the power of faith, hope and love, contribute in countless practical ways to the public benefit.
8. There is now widespread literature that describes the transformational impact of Pentecostalism on communities. In the first place Pentecostalism has tended to be a movement of people and groups that are often on the margins of society. The well-known North American "Azusa Street" revival that is the symbolic birthplace of the movement was led by an African-American, William Seymour, and

⁵ Shane Clifton, *Pentecostal Churches in Transition: Analysing the Developing Ecclesiology of the Assemblies of God in Australia* (Leiden, Netherlands: Brill, 2009) 73.

had a particular impact upon black communities in the face of the entrenched racism of the day. From this beginning, Pentecostalism became a movement that provided practical empowerment and liberation to marginalised people – particularly the poor – throughout the world and especially in developing countries. Sociologist David Martin, for example, observes that Pentecostal spirituality "gives a powerful new sense of agency to individuals and groups."⁶ He notes:

You can dismiss what goes on in a Pentecostal church as yet another noisy ecstasy of the poor without fully grasping the relation between ecstasy in the church and discipline and trust in the home and at work. Trust is, after all, one of the great economic virtues. Confidence is another great economic virtue, and faith in divine Providence gives Pentecostals confidence in spades.⁷

9. In Australia Pentecostalism has had a similarly transformative impact. It is noteworthy, for example, that the movement started with the leadership of women. The first Pentecostal church was founded in 1913 by Sarah Jane Lancaster, and for the first two decades the majority of church pastors and leaders were women.⁸ Pentecostalism was thus part of the first wave of feminism in the early 20th century, and has continued to promote the public role of women ever since. More than just affirming female ordination (which is not constrained in any way by gender), the movement is known for a public affirmation of women's empowerment, and for ministries that support women in crisis.

10. Similarly, Pentecostal churches in Australia have long supported people facing crises and poverty. Again, in the early decades of the 20th century, Pastor Sarah Lancaster operated a soup kitchen in the centre of Richmond that fed over 150 people a day during the great depression.⁹ This sort of ministry has continued to be part and parcel of Australian Pentecostal church life through to the present. One recent example is the \$900,000.00 raised by Australian Christian churches in support

⁶ David Martin, 'Pentecostalism: The World Their Parish' (Oxford: Blackwell, 2002) 78.

⁷ David Martin, 'Another Kind of Cultural Revolution?' *Faith on the Move: Pentecostalism and Its Potential Contribution to Development* (2008), 13.

⁸ Barry Chant, 'The Spirit of Pentecost: Origins and Development of the Pentecostal Movement in Australia, 1870-1939' (Macquarie University, 1999) 39, <http://webjournals.alphacrucis.edu.au/journals/ET/chant-b-spirit-of-pentecost-phd-1999/>.

⁹ Shane Clifton, *Pentecostal Churches in Transition: Analysing the Developing Ecclesiology of the Assemblies of God in Australia* (Brill, 2009) 78.

of communities affected by Queensland floods, provided in association with hands-on labour for cleanup and rebuilding.¹⁰

The Australian Christian Churches Today

11. As noted above within Australia the Pentecostal movement has experienced significant growth since its introduction into Australia in the early twentieth century. The Assemblies of God in Australia was formed in 1937 and has experienced consistent growth, particularly in the last twenty years. The ACC movement has grown from less than forty churches to over 1,000 local churches in 75 years. It adopted a new name of Australian Christian Churches in 2007. It currently consists of over 250,000 constituents, making it the largest Pentecostal movement in Australia. Table 1 records certain key representative statistics drawn from the 2012 ACC Internal Census.¹¹

Number of Churches ¹²	1,061
Number of total constituents	255,547
Average church size	241
Credential holders (Pastors)	2,872

Table 1: Key Statistics Drawn From Australian Christian Churches 2012 Church Census¹³

¹⁰ <http://www.aogg.com.au/>.

¹¹ Australian Christian Churches, 2012 Church Census, Including pastors statistical data, as of 13th May 2012. Produced by ACC National Office for ACC National Executive, 6th November 2012.

¹² As of 13th May, 2012 listed on the ACC National Database.

¹³ The statistical data used for the Census Report was downloaded from the ACC online census collection point. This data has been primarily entered by ACC pastors or one of their staff members. The report only includes churches (and pastors) that were listed on the ACC National Database on 13th May, 2012. Other limitations of the research are noted within the report.

Figure 1 displays the growth in the number of ACC constituents in the period from the 1970s to today.

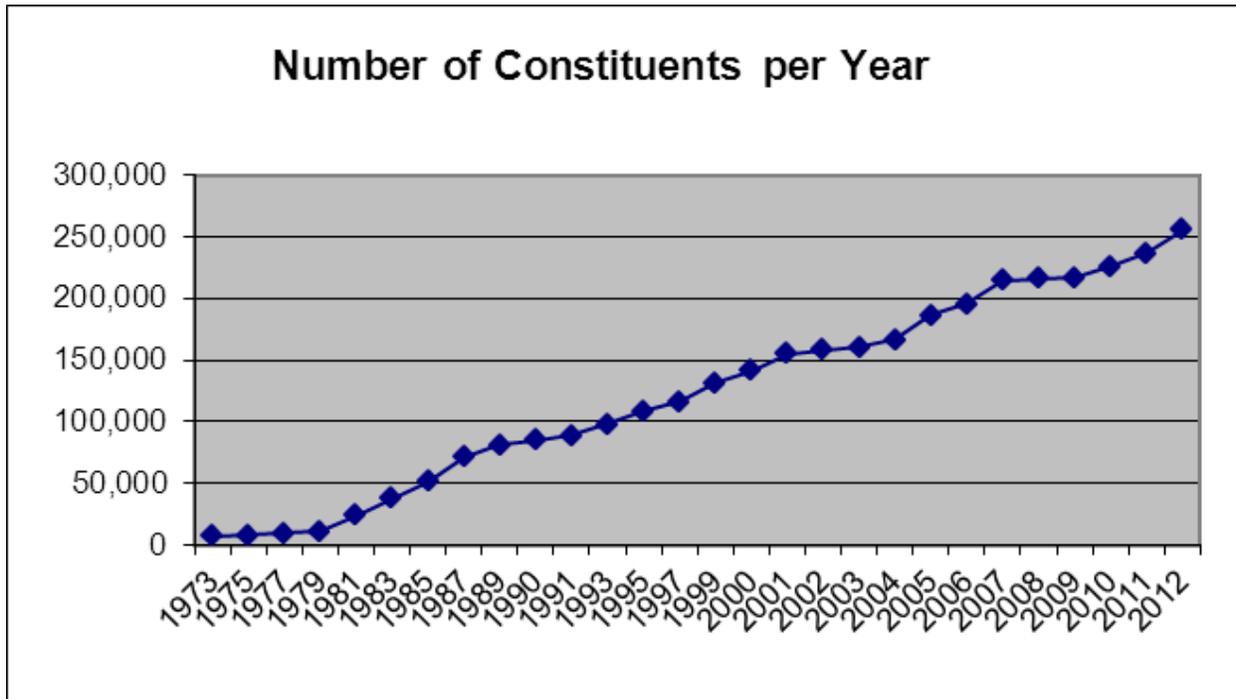


Figure 1: Number of ACC Constituents per Year from 1973 to 2012.

12. Figure 2 displays a breakdown of the 1061 ACC churches according to their size. It can be seen that more than half of ACC churches have less than 100 regular constituents, without taking into account any of the satellite churches/extension services that may also be under 100 constituents. The largest representative group in each State are those churches with under 100 constituents, followed by the churches with 100-199 constituents. This unique characteristic is a factor that will be seen to be critical in formulation our recommendations to the Panel.

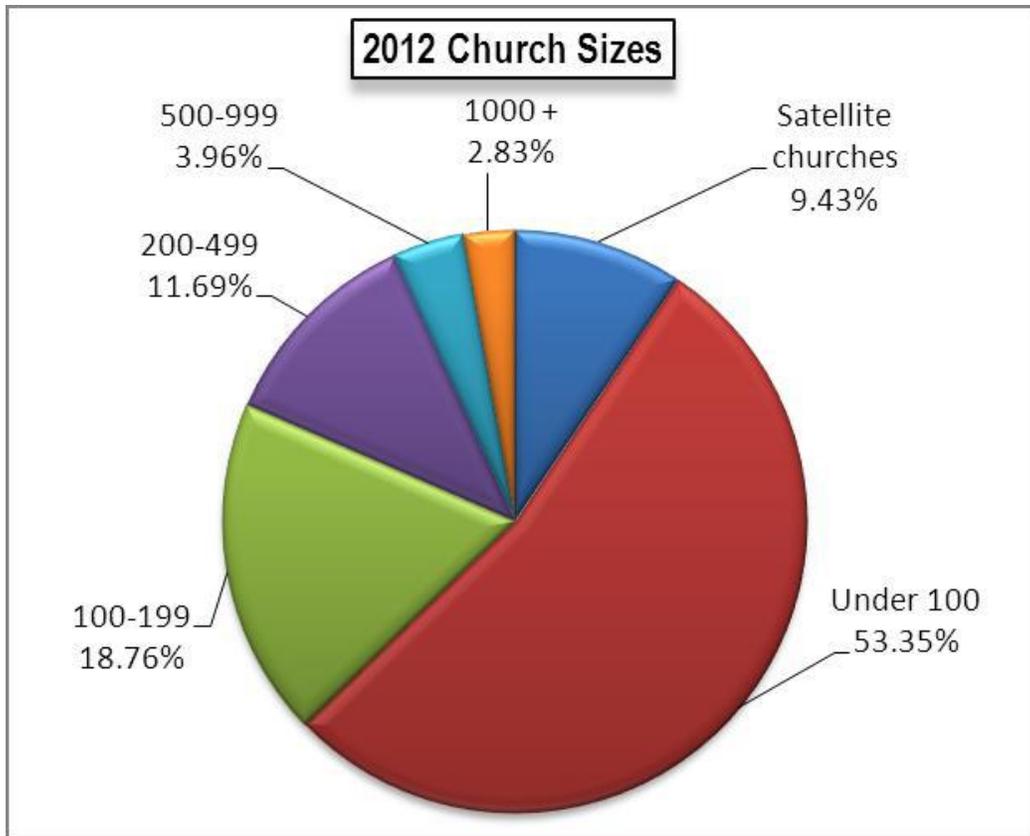


Figure 2: 2012 ACC church sizes

13. Table 2 provides a breakdown of Pastors employed, fulltime, part-time and on a volunteer basis. We return to these statistics in our discussion of Fringe Benefits Tax changes made in Part 5.

PASTORS

STATE	Pastors Full Time	Pastors Part Time	Pastors Volunteer	Pastors Total
NSW	329	227	361	917
NT	9	8	13	30
QLD	292	160	238	690
SA	92	65	39	196
TAS	17	16	20	53
VIC	209	176	186	571
WA	68	75	85	228
Total	1016	727	942	2685

Case Studies: The ACC in Action

14. In order to provide the Panel with an insight into the daily operations of local ACC churches and ministries we now turn to provide five case studies profiling the works of New Hope Church in Toowoomba, Metro Church Toowoomba, Calvary Christian Church, ACC Indigenous Ministries and the role of the Chincilla ACC in co-ordinating flood relief efforts during the 2011 floods. These case studies are provided to demonstrate the varying forms of engagement by the ACC with the wider community at the local level. Critically, given that the proposals raised by the Discussion Paper concerning tax exemption and deductibility status raise fundamental questions as to whether religion can be considered to be for the public benefit (matters to which we will return), these case studies also provide a small representative sample of the contemporary tangible contributions that ACC churches are making to the benefit of the Australian community.

Case Study 1: New Hope Church in Toowoomba

Supporting Schools

15. Toowoomba's New Hope Church was established in 1987 and since that time has made a significant contribution to the community benefit. Through its donation driven programs, the church has organised lunch programs which involve the provision of sandwiches and fruit to thousands of school children in Toowoomba for the previous 6 years. The church also provides breakfast for three different schools in Toowoomba. In addition, the church assists schools by providing school items for children and has also provided clothing to 30 indigenous students in need, at a local high school.

16. New Hope Church assists students in high schools throughout Toowoomba who are homeless or do not have permanent homes, by providing these students with packs containing toiletries.

17. Through its federally funded programs, the church promotes positive family relationships by running the following programs in schools in Toowoomba:

- Free 'Family Fun days' which involve activities such as bush dances, fetes and ten pin bowling to assist in promoting positive family relationships.
- After school programs every Friday afternoon for children to learn personal skills to assist the children at school, at home and in the community.
- Family assistance programs to help families in hardship.

Supporting the Community

Crisis Care Initiative

18. New Hope Church operates a 'Crisis Care' program for the public and is designed to assist families in the community suffering from a crisis. The church receives referrals from Centrelink, Salvation Army, Life Line, Red Cross and other local organizations, and through this program, assists 10 to 16 families weekly (20 % being indigenous) and further refers those assisted to other programs the church runs. These further programs include job training programs and food parcel programs.

Provision of Goods and Services through Crisis Care

- The church provides emergency food parcels containing basic food groups, to assist those in the community going through a crisis. These are handed out as required and demand usually requires a restock order of 20 bags every 2 to 3 weeks.
- The church assists families with parenting needs by providing baby products and children's clothing to those families.
- The church also provides low cost food parcels to anyone in the community who may be experiencing financial hardship or may require intermediate assistance. The church partners with Lighthouse Calvary Care in Brisbane to sell 20 to 70 food parcels fortnightly.
- The church assists people who are distressed in relation to managing money and provides budget advice in addition to delivery budget training courses in conjunction with the Salvation Army Money Care Department in Toowoomba.

Other Support

19. New Hope Church provides their facilities on a regular basis to provide Indigenous Leadership training through the Parental and Community Engagement Program ('PACE'), which supports and encourages families to be involved in their children's education through interactions with teachers and principals. The church also provides their facilities to Teen Challenge for their national meetings. The church also works in conjunction with other organisations such as the Department of Families, Housing, Community Services and Indigenous Affairs and the Salvation Army to assist the community.

20. Since 2010 the church has been assisting those in Toowoomba in relation to job preparation, by training the unemployed in areas such as resume writing, interview skills and personal development.
21. The church was invited by the Queensland state government to be part of their rapid response team to assist people that have been made retrenched in their work place. When Orfords refrigeration shut down in 2011, the church assisted retrenched workers in skills to help them get back into the work force sooner. Assistance has and is still being provided this year to those workers from closed businesses such as the IGA at GardenTown and Toowoomba Metal Technologies.

Case Study 2: Calvary Christian Church

22. Calvary Christian Church “Calvary” is an ACC church which operates two large campuses in Townsville and on the Sunshine Coast. Calvary’s demonstration of public benefit is evident through its provision of community services to all ages and its provision of education.

Community Services for Youths and Young Adults

23. Calvary assists youths by holding Friday night “drug and alcohol free programs” with 420 teenagers between the ages of 12 to 18. Calvary’s school ministry programs also work with school chaplains providing lunchtime and breakfast programs in more than nine schools.
24. Calvary youth have developed a number of programs and events to assist youths in the community such as:
 - an anti-bullying program that has been presented in 8 high schools;
 - Cyber Safety Program that has been trialled in a number of schools;
 - an eight-week program that has been developed for “at risk” teenagers who have been disengaged from school, which has been piloted in Queensland’s largest State High School, and will be released in other schools during 2013;
 - Party Safe Program which was presented to high school students in 18 schools prior to Schoolies; and
 - safety programs at universities such as rehydration stations at university nightclubs and support with safe walk-homes, in association with the University Red Frogs ministry.

25. In addition, Calvary provided 80 volunteers to assist the Red Frogs Chaplaincy network with their safety response for Schoolies.

Other Community Services

26. Calvary operates a Senior Citizen's Network which is held weekly. Transport is provided by Calvary to this event and the event includes morning tea, age-appropriate activities, along with motivational speakers. Excursions are also held periodically.

27. Through its trained counsellors, Calvary holds free personal and marriage counselling individuals and families in the community experiencing a crisis. Calvary also runs a mentoring program that catering to women of all ages called STaR. This service offers basic parenting and financial management skills. A number of NGO's, including the Department of Child Safety are referring clients to this service.

28. Additionally, Calvary provides essential items to less privileged individuals and families in the Townsville and Sunshine Coast area such as:

- food and basic need packages which Calvary provides through its Street Access Ministry Service; and
- hundreds of food hampers are distributed throughout the community during the year and at Christmas.

29. Calvary has also been supporting Australian defence force personal through its care packages for overseas deployment personal and through its support of the families left in Australia.

Case Study 3: METRO Church Toowoomba

30. METRO Church Toowoomba ('METRO') demonstrates its provision of benefit to the public through its various initiatives such as:

- Harm Minimisation/Street Outreach Initiative;
- Yukana Retirement Village; and
- Project Madagascar.

Street Outreach Initiative

31. “METRO Care Street Crews” is a harm minimisation, peer support street outreach program based in the Toowoomba CBD area. METRO Care Street Crews is endorsed by Red Frogs Australia as ‘Friends of the Red Frog’ and aims to reduce the frequency of major incidents caused by anti-social behaviour and reduce the impact of drug and alcohol related behaviour in the CBD and associated shopping centres by providing a support network for people of all ages that through peer support and referral to appropriate services. METRO Care Street Crews provides support network that provides:
- access to information on health, safety & crime prevention issues for the general public and patrons as well as pub and club operators/staff;
 - opportunities for the general public, patrons and pub and club operators/staff to engage with education on liquor & drug-related harm; and
 - support to the general public, patrons and pub and club operators/staff through relational engagement and by providing appropriate referrals to those that choose to engage with the CBD CREW.
32. The METRO Street Crew Program is delivered via two separate Crews, the GC Crew¹⁴ and the CBD Crew. The GC Crew focuses on delivering a support service to young people primarily to those under 18 years of age. From 2010, the GC Crew have made 3550+ Meaningful Engagements (including more than 215 contact hours).
33. The CBD Crew focuses on delivering a support service to people who are primarily over 18 years of age. All METRO Street Crew team members are trained to respond to people experiencing personal crisis and, when needed, the team provides appropriate connection and referral to partner organisations and other services. The CBD Crew commenced work in late 2011 with a pilot program funded by the Liquor Accords Financial Assistance Program 2011, in partnership with the Toowoomba LIAG (Liquor Industry Action Group) and supported by the Queensland Police Service and the City Watch Program. The pilot program saw the CBD Crew make 2025 Meaningful Engagements over seven weeks and 118 contact hours.

¹⁴ GC Crew stands for ‘Grand Central Crew’. Grand Central is a shopping precinct in Toowoomba.

34. For further information regarding this program see Attachment 1, Attachment 2 and Attachment 3 to this submission.

FOODcents Program

35. In partnership with Red Cross, METRO Care hosts the FOODcents program that is designed to promote healthy living, good nutrition, food security and social inclusion among people living in Toowoomba. The program provides training on how to eat healthily, how to grow your own vegetables and to get and stay active.

36. The FOODcents program can teach people with a limited budget how to shop for and prepare tasty and healthy foods which are quick and easy to make. Every FOODcents session utilises both educational and practical elements where participants are encouraged to prepare and cook a meal that they enjoy together.

Community Aid

37. METRO plays a vital role in providing relief and support to families and individuals of the public suffering hardship. Since 2007, METRO has:

- provided over \$48,000 in financial/practical aid and emergency relief to families and individuals;
- distributed \$30,000 worth of winter clothing to families in need;
- distributed 1150 Christmas hampers, worth over \$150,000.00 to families in need, in the Toowoomba region. For further information see Attachment 4 'hampers'

38. These relief efforts were not financed by government grant, but were entirely comprised of free will donations received at church services. For further information, please see Attachment 4 and Attachment 5 to this submission.

39. In addition, during the 2011 Queensland Floods, METRO:

- donated over \$25,000.00 to the flood relief;
- coordinated, collected and distributed over six containers of furniture, clothing, food and essential household items, worth over \$150,000 to affected families; and
- facilitated the deployment of 25 Chaplains to flood affected areas to provide support, assistance and counselling to over 1788 people.

40. For further information, please see Attachment 6 and Attachment 7 to this submission.

Yukana Retirement Village

41. METRO operates the Yukana Retirement Village ('Yukana'), which provides care and assistance elderly residents from the Toowoomba area. Yukana's cost structure does not strive for high profit margins, but rather aims to keep the retirement village viable and to provide care to residents at a lower cost. Yukana has 81 Independent Living Units of which are currently rented out 9 at 75% of the market value thus reducing the burden on residents if they had to rent a unit at commercial rates in the community. These units are rented to elderly people who don't have the means or assets to purchase a Licence to Reside and are generally on the full aged pension.

42. Yukana also has 83 Serviced Apartments. Of these 8 are classed as "rental" in that the resident isn't required to pay an ingoing contribution. Of the total number occupied approx. 75% pay a concessional fortnightly fee based on the aged pension of which Yukana makes a loss of approx. \$300 per fortnight. Additionally, Yukana offers several options whereby accommodation is provided at reduced rates to ensure more residents are able to use the services at Yukana, rather than seeking government funded accommodation.

43. Furthermore, Yukana has recently taken the decision to move into High Care and Dementia Care thus increasing their ability to provide greater care to the residents over an extended period of time which in turn reduces the need in the general community. In doing this Yukana provides a safe environment for the residents, giving both the resident and their family' peace of mind and security and, in so doing, thus releasing this burden from other community services.

Project Madagascar

44. METRO currently works with Australian Christian Churches International Relief (ACCIR) in relation to the Project Madagascar initiative, dealing with the project's governance oversight.

45. Project Madagascar is an Australian sustainable community Aid and Development Project compliant with AusAID standards, accredited through Australian Christian Churches International Relief. The project aims to establish a sustainable system of infrastructure and education programs that respect

the Malagasy culture, values and lifestyles so that all programs put in place will continue to flourish and benefit Madagascar for many generations to come.

46. The project was initiated in 2004 in Australia and Project Madagascar and was officially launched in 2005 with construction work commencing in Madagascar in 2006. The project operates in two of the poorest neighbourhoods of Anosibe and Itaosy in Antananarivo, the capital of Madagascar.

47. Project Madagascar believes education and the ability to 'self-help' in all areas of life are the keys to breaking Madagascar's poverty cycle. Project Madagascar focuses on:

- A broad spectrum of **educational opportunities** for impoverished Malagasy children and young adults.
- **Essential facilities** for education and project initiatives.
- A trilingual **self-paced curriculum** for children from kindergarten to grade 12.
- A **locally affordable** cost base.
- Long term, proactive community **health and life skills programs**.
- **Expansion strategies** to reach the thousands of high-risk children such as orphans and street kids, and the 40% of children who live in remote areas with little access to schooling.

48. Project Madagascar facilitates and funds the construction of two hub Community and Learning Centres (CLCs) along with a new three language curriculum from kindergarten to grade 12. The curriculum is structured to be locally affordable, and includes community health initiatives, sustainable agriculture and technology programs.

49. Since 2006, over \$800,000 of work has been completed for the CLC building program and curriculum development. It opened in 2008 and has the capacity for 180 student spaces. The project to date has benefited over 250 children and families, 33 staff and 31 building workers. For further information please refer to Attachment 8 to this submission.

50. Currently, Project Madagascar directs donations to the following activities:

- Sponsorship and education: The ACCIR Project Madagascar Child Sponsorship Program has at least 90 Children waiting for sponsors. Another 60 additional children enter the CLC programs per year, increasing the need for sponsors.

- Health and Wellbeing: Medicines for the Antananarivo Community Clinic, along with Social Health Worker training and support to work with CLC development teams in order to train surrounding communities in self-help health solutions.
- Community: Water filtration UV filter/UPS systems and CLC rain water harvest tanks and 5 UV filters are required to improve the quality of drinking water
- Community facilities: establishment of a 120 square metered sustainable agriculture demonstration community garden in both CLCs and for street children programs, in addition to communal park and sports part areas to provide safe, parasite and flood free recreational area for the whole community.

51. METRO assists in the continual development of Project Madagascar by facilitating and overseeing the project's governance. For further information please refer to Attachment 9 to this submission.

Case Study 4: ACC National Indigenous Initiative

52. The Australian Christian Churches recognises the First People of Australia as its traditional owners. The doorway has been open for Aboriginal and Torres Strait Islanders to be ordained ministers with ACC since outreaching into Indigenous communities. Local ACC churches, over the years, have been partnering with different Indigenous communities to provide community development. In 2010/11 over \$80,000 was provided through the national fellowship to local ACC churches to partner with Indigenous communities to build the community. Projects included therapeutic horse riding program in Alice Springs, craft community events on the Atherton Tablelands, adventure based programmes in Cherbourg, Alice Springs and Darwin, equipment purchase for Indigenous communities in Western Australia and Prevention programmes in Ingham. In 2012, 15 scholarships have been granted to Indigenous men and women to study in leadership development programmes around Australia.

Case Study 5: Western Downs Community Church - Assembly of God, Chinchilla

53. Western Downs Community Church ('WDCC') provides benefits to the public by providing assistance and support to the community. WDCC has been at the forefront of Disaster Relief in Chinchilla, and their efforts have been recognised by the Western Downs Regional Council, Community Recovery and Queensland Health.

54. During the December 2010-January 2011 Queensland floods, WDCC provided invaluable assistance to the community by:

- Connecting with flood victims at Evacuation Centres in Chinchilla, and providing support and assistance to the victims;
- Organising and providing food parcels to homes which were isolated by the floods, and only assessable by boat;
- Creating a Distribution Centre at the WDCC, operated by church volunteers, to aid flood relief;
- Visiting every flood affected dwelling in Chinchilla and providing them with a hamper; and
- Distributing 10 semi-trailer loads of food, clothing, furniture and whitegoods to the Chinchilla community.

55. In addition, WDCC implemented a plan to help rebuild homes damaged by floodwater where homeowners were unable to access insurance payments. This plan operated through to 2012 and involved:

- builders from WDCC assessing the flood damaged homes; and
- builders from WDCC and builders from Brisbane volunteering their time and materials to carry out repair work on the affected properties.

56. This WDCC initiative received widespread media coverage, and raised approximately \$95,000.00 to assist in the repairs of the homes. Furthermore, in partnership with the Queensland Department of Communities, WDCC developed a 12 month plan that cared for flood victims. Events and 'Community Days' were also held to develop the many connections established in the early days of the flood crisis.

57. As a result of WDCC's efforts during the December 2010-January 2011 Queensland floods, eight members of WDCC received Disaster Relief Heroes Medal from Premier Anna Bligh.

58. The utility of these five case studies will be further considered when we return to discuss the public benefit of religious institutions at Parts 3 and 4 of our Submissions.

2. ACC Values

59. The Australian Christian Churches is a movement of Pentecostal Churches in voluntary cooperation. Each individual church is self-governing, but commits itself to work together with other churches in the movement for the purpose of mutual support and the spread of the gospel in Australia and the world. One of the distinctives that define ACC Churches is that all ACC churches are autonomous in that they are able to set their own style and culture, although we all subscribe to a core Statement of Beliefs.¹⁵ The values underpinning the ACC movement and certain of the unique attributes of that movement are further explained by the current ACC National President Wayne Alcorn as follows:

“Australian Christian Churches is a movement of Pentecostal Churches in voluntary cooperation. Each individual church is self-governing but commits itself to work together with other churches in the movement for the purpose of mutual support and the spread of the gospel in Australia and the world.”

“Australian Christian Churches people are Bible loving, evangelical and pentecostal. They are committed to bringing other people to a relationship with Jesus Christ (Matt 28:18-20) and seek to display the fruit of the Spirit in their lives (Gal 5:22-23). They believe in the power and the gifts of the Holy Spirit and have a commitment to fulfilling their destiny in God.”¹⁶

“Unlike some denominations, there is no single individual we can point to as our founding leader. The worldwide Pentecostal revival had spread to Australia in the early 1900s, and the anointed ministries of AC Valdez, Smith Wigglesworth, Mrs Janet Lancaster, William Booth-Clibborn, Charles Greenwood and Philip Duncan all contributed to pioneering new Pentecostal churches in various states. In 1937, two Pentecostal fellowships that formed in the 1920s (one based in Melbourne and the other in Queensland) amalgamated to become the Assemblies of God in Australia. In 2007 we changed the name to Australian Christian Churches. One of the reasons is because we are uniquely Australian and wanted to relate to our modern society.”¹⁷

¹⁵ Wayne Alcorn, ‘ACC in Perspective: Q&A with Wayne Alcorn’, *Australian Christian Churches News Magazine*, Print Post Publication No. PP3338511/0011, 3.

¹⁶ Australian Christian Churches, ‘Australian Christian Churches’, *Australian Christian Churches News Magazine*, Print Post Publication No. PP3338511/0011, 4.

¹⁷ Alcorn, above n 15, 5.

“Local churches have always had a heart for helping people in need in their communities. On a national basis, our combined resources are helping churches step up and providing expertise in specific situations, whether it is chaplains in tragic circumstances or relief following natural disasters.”¹⁸

60. In ACC churches you'll find vibrant, contemporary Christians who love the Lord Jesus Christ and express that love in lively praise and worship and in caring relationships. Australian Christian Churches people are Bible-loving, evangelical and Pentecostal. We are committed to bringing other people to a relationship with Jesus Christ (Matt 28:18-20) and seek to display the fruit of the Spirit in our lives (Gal 5:22-23). We believe in the power and the gifts of the Holy Spirit and have a commitment to fulfilling our destiny in God. We're committed to bringing people to an encounter with Jesus Christ, to experience the love of God and the power and gifts of the Holy Spirit through the work of our churches and ministries. The majority of our activities take place at the local church level.

¹⁸ Alcorn, above n 15, 8.

3. Discussion Paper Chapter 1 - Tax Exemption and Religious Charities

Exemption from Taxation: Historical Perspectives

61. The questions concerning amendments to the current exemption regime for charities posed in Chapter 1 of the Discussion Paper invite consideration of the historical framework that has led to that regime, as applies to religious charities within Australia. Strong practical and policy considerations and legal precedent within that historical tradition lead to the conclusion that tax exemption for religious institutions should be maintained in the interest of ensuring a proper expression of religious freedom within contemporary Australia and to avoid unconstitutional curtailing of that freedom. The Discussion Paper helpfully commences with a brief overview of the history of exemptions within the Australian taxation framework. The overview, being necessarily brief, does not comprehensively outline the historical and philosophical framework that has led to the current regime.
62. Brody notes that ‘various forms of taxation have existed as long as organized communities have formed governments. Whether couched in terms of tribute,¹⁹ feudal dues,²⁰ property tax,²¹ or corporate income tax²²---as appropriate to the prevailing economic system---public finance schemes have always had to take account of a nontaxable sector.’²³
63. Consideration of the exemptions that ought to be accorded to religious organisations must take place in the century’s old and ongoing dialogue concerning the Separation of Church and State evidenced in the Western tradition. This is necessary as it is that dialogue in which the right of the State to tax religious institutions and the bases for the exemptions have arisen. That dialogue concerns whether the State should impose a religious belief on its citizens and the extent of the State’s power to regulate the Church’s ability to act in accordance with its beliefs. In the British

¹⁹ *Genesis* 47:24 (“Joseph made it a law over the land of Egypt unto this day, that Pharaoh should have the fifth part; except the land of priests only, which became not Pharaoh’s...”)

²⁰ See Evelyn Brody, *Charitable Endowments and the Democratization of Dynasty* 39 ARIZ L REV 873 (1997), at 899-909 (discussing the mortmain laws).

²¹ See Brody, *Charitable Endowments and the Democratization of Dynasty* 39 ARIZ L REV 873 (1997).

²² *Ibid.*

²³ Evelyn Brody, ‘Of Sovereignty and Subsidy: Conceptualizing the Charity Tax Exemption’ (1998) 23(4) *The Journal of Corporation Law*, 587.

common law that dialogue traces back to the Magna Carta of 1215 AD, and further than that, the dialogue streams back to Emperor Constantine and the Edict of Milan in 313 AD.

64. Brody has argued that the philosophical origins of the exemption granted to religious institutions can be best understood from a 'sovereignty' view of the charitable sector. Drawing from the independence and sovereignty of the Church in English history, and the use of the Church, at times, as an arm of the State, she posits that the development of exemptions from taxation for religious entities is best understood when one observes the historical tension between the two 'sovereigns' Church and State, residing within the one polity:

A sovereignty perspective allows us to see how government simultaneously defers to and restricts charitable activity. I suggest ... that underlying some of the more perplexing rules limiting the scope of exemption is an unarticulated vestigial fear of a too-powerful non-profit sector, traceable to earlier periods when the most powerful charity was the church.

65. She argues that the curtailing of exemptions can be linked to concerns by the State over the power base of the Church, noting that 'after all rival sovereigns rarely feel too comfortable letting the other grow too powerful'.²⁴ Similarly, Ridge argues that charity law has been used to control religion, positing that the 'degree of control exercised by the state over religious groups through charity law will wax and wane according to the relative strengths of the two parties to this symbiotic relationship.'²⁵

66. The British position, from which we derive the Australian common law, was at one time categorised by a strict enforcement of religion. Thus, an English court could state in 1727 that:

[R]eligion [is] part of the ... law; and therefore whatever is an offence against that, is evidently an offence against ... the law [and] morality is the fundamental part of religion, and therefore whatever strikes against that, must, for the same reason, be an offence against the ... law.²⁶

²⁴ Ibid 586.

²⁵ Pauline Ridge, 'Religious Charitable Status and Public Benefit in Australia' (2011) 35 *Melbourne University Law Review*, 1079.

²⁶ *R v Curl* (1727) 94 ER 20.

67. As noted by former Western Australian Chief Justice David Malcolm ‘This view of the proper relationship between religion and the law owed much to the fact that at that time a clear separation between Church and State had not yet developed, and, in particular, to the then current belief that the enforcement of religious conformity was a legitimate object of government.’²⁷ Such a position, we submit, rightly finds no expression within modern Australian law, being potentially as socially divisive as government attempts to curtail religious expression.

68. The United States’ founding fathers were the children of those who had fled State sanctioned religious persecution in Europe, the outcome of Established Religion. Their experience led to their dual aversion to any form of State enforced religious practice, and any State effort at curtailing religious practice. This duality ultimately found expression in the First Amendment to the United States Constitution. Whilst the jurisprudence within the United States has in certain respects taken a differing course from that in Australia, most notably in the area of provision of funding to private religious schools,²⁸ much of the philosophical and practical rationales concerning the separation of Church and State are informative for the debate as concerns religious exemptions within Australia. This is particularly the case when the almost identical nature of the US Constitution’s First Amendment and section 116 of the Australian Constitution is considered.

69. Chief Justice Malcolm argues that the US Constitutional provisions sought to enshrine two fundamental protections, firstly, the preservation of social harmony and, secondly, the preservation of the individual’s freedom of conscience:

The architect of the Religion Clause of the First Amendment was a legislator from Virginia, James Madison. He argued in favour of the principle of “religious freedom” from two points of view. First, he said that the lessons of history were that religious discord would not be eliminated by a State determined to eliminate religious differences, but rather by a State committed to tolerate, and protect, those religious differences. Secondly, he said that “religious freedom” was a right of the individual which originated in a person’s individual conscience, and which both restricts that person’s ability to follow the dictates of others and casts upon that person a duty of obedience

²⁷ See *R v Big M Drug Mart* (1985) 18 CCC (3d) 385, 429 (Dickson J).

²⁸ See for example *A-G (Vic) ex rel Black v Commonwealth* (1981) 146 CLR 559, 582 (‘The DOGs Case’).

to that person's Creator, as that person's conscience leads him or her to perceive him.²⁹ As Hughes CJ put it: "The essence of religion is belief in a relation to God involving duties superior to those arising from any human relation."³⁰

70. Turning to post-settlement Australia, many positive examples can be found of the Church and State working together for the benefit of the public good. When Lachlan Macquarie was appointed Governor of New South Wales in 1809 the Rum Rebellion had taken its toll upon the fledgling colony. Macquarie called upon his Christian virtues and in partnership with the church turned a rebellious society into an orderly, lawful government and disciplined colony. He did this through policies that recognised the character and competencies of the individual, the most noted being the emancipation policy where he recognised the convicts who had served their time or been pardoned and encouraged them to take up positions in society. He worked in conjunction with the churches towards the moral reform of emancipated convicts and he strongly encouraged Christian marriage. Though his leadership and partnership with the church he transitioned Australia from being a penal colony to a free settlement. Many see this as the reason he is referred to as the 'Father of Australia'.

71. Professor Tom Frame argues that the colonies were characterised by a focus on religious plurality, acknowledging the many differing religious inclinations amongst those who were arriving on our shores. In that context a single State Established Church was seen as potentially divisive, so Frame records that 'by the late 1800s Anglicans had accepted that there was no prospect of Establishment in Australia.'³¹ In Australia the Church / State debate ultimately found expression in section 116 of the Constitution of 1901, enshrining the separation of Church and State. Section 116, largely drawn from the US Constitution, contains the 'Establishment Clause', namely 'The Commonwealth shall not make any law for establishing any religion' and the 'Free Exercise Clause': 'The Commonwealth shall not make any law ... for prohibiting the free exercise of any religion'. Having outlined the historical context, we turn to consider how a proper appreciation of doctrine of the separation of Church and State is fundamental to an understanding of many of the principal rationales behind the exemption from taxation of religious entities within Australia.

²⁹ See *Everson v Board of Education* (1947) 67 S Ct 504, 535.

³⁰ Malcolm, *ibid*.

³¹ Tom Frame, *Losing My Religion* (UNSW Press, 2009), 56.

Exemption from Taxation: Philosophical and Practical Perspectives

72. There is a paucity of Australian judicial treatment concerning the relationship between tax exemptions and religious freedoms.³² In the United States the leading Supreme Court decision on the question of exemptions to religious institutions is *Walz v Tax Commission of the City of New York* (Walz).³³ In considering arguments that such exemptions, as applied by the State of New York, offend the separation of Church and State provisions in the US Constitution (which are, as noted above, largely replicated in our Constitution) by providing support to religion, the Supreme Court gave detailed consideration to the policy rationales underpinning exemption from taxation given to religious entities. In reference to those provisions Chief Justice Burger noted:

[T]he basic purpose of these provisions, which is to insure that no religion be sponsored or favored, none commanded, and none inhibited. The general principle deducible from the First Amendment and all that has been said by the Court is this: that we will not tolerate either governmentally established religion or governmental interference with religion.

73. Whilst Walz was decided in the US context, in the absence of on-point Australian precedent, it provides a useful summation of the policy imperatives and practical benefits underpinning the exemption from taxation for religious institutions. It also provides a useful overview of the public benefit to be ascribed to religious institutions within the context of the debate over the maintenance of the tax exemption for religious institutions. It further bases the rationale for the exemption upon the constitutional separation of Church and State enshrined in both jurisdiction's founding Constitution, therefore raising questions as to the Constitutionality of any removal of the exemption.

74. We consider that several of the reasons for maintaining the exemption regime provided by the Supreme Court in *Walz* are relevant to the issues under consideration by the Panel. They demonstrate the nature of the fundamental compact between Church and State undergirding modern Australian society, and its expression within the history of exemption from taxation for

³² The closest treatment of the subject, as noted by Ridge is found in the 'judicial treatment, over the last four decades, of rates exemptions for places of public religious worship. This case law is not directly concerned with charitable status but is sufficiently related, through the concept of public benefit, to be relevant' at page 1079. We will return to these cases later in discussing the public benefit of religion.

³³ (1970) 397 U.S. 664.

religious institutions. In holding that the exemptions neither establish nor curtail religion, the Court's reasoning (and we note that not all judges were in agreement on each of the below points) provides a helpful consolidation of many of the principal arguments supporting the granting of exemption to religious entities. Those practical and policy considerations are furthered by the additional sources also provided under each of the following rationales, many of which also further our submission that the advancement of religion is undertaken for the public benefit:

1. Exemption reflects the concern for separation of Church and State, in that the State does no harm to the Church by limiting the proper extension of religious sentiment:

Per Burger CJ 'Grants of exemption historically reflect the concern of authors of constitutions and statutes as to the latent dangers inherent in the imposition of property taxes; exemption constitutes a reasonable and balanced attempt to guard against those dangers.'

2. The law favours institutions that foster 'moral or mental improvement' in the community:

Per Chief Justice Burger: 'The legislative purpose of the property tax exemption is neither the advancement nor the inhibition of religion; it is neither sponsorship nor hostility. New York, in common with the other States, has determined that certain entities that exist in a harmonious relationship to the community at large, and that foster its "moral or mental improvement," should not be inhibited in their activities by property taxation or the hazard of loss of those properties for nonpayment of taxes.'

This rationale reiterates certain of the motivations underpinning the introduction of the deductibility regime in Australia, to which we will return in Part 4.

3. The activities undertaken by religious institutions, as far as they enhance community benefit, are not required to be performed by government, and therefore avoid expense to the tax payer:

Per Brennan J: 'these organizations are exempted because they, among a range of other private, nonprofit organizations, contribute to the wellbeing of the community in a variety of nonreligious ways, and thereby bear burdens that would otherwise either have to be met by general taxation or be left undone, to the detriment of the community.'

As for rationale 2, this rationale reiterates certain of the motivations underpinning the introduction of the deductibility regime in Australia, to which we will return in Part 4.

4. Freedom of religious expression through the granting of exemption from taxation contributes to a more pluralistic society:

Per Brennan J: 'government grants exemptions to religious organizations because they uniquely contribute to the pluralism of American society by their religious activities.'

Ridge points out that the recent decision of the High Court in *Aid/Watch Inc v Federal Commissioner of Taxation*³⁴ might be drawn upon to ground an argument in support of this rationale. She says that if it can

'be argued that religious pluralism and purely religious activity contribute to a healthy, flourishing society and, as such, the advancement of religion is a collective good in and of itself ... there is no need for proof of benefit from specific religious purposes to be shown ... Using the approach of the High Court in the Aid/Watch case, one could argue that there is public benefit in the promotion of religious pluralism through charity law in Australian society.'

In considering the argument that religious pluralism is to the public benefit Ridge directs attention to the international human rights framework governing the protection of freedom of religion, quoting Harding to that effect:

For example, international human rights bodies have emphasised the indispensability of freedom of religion to a democratic society. It is

one of the most vital elements that go to make up the identity of believers and their conception of life, but it is also a precious asset for atheists, agnostics, sceptics and the unconcerned. The pluralism indissociable from a democratic society, which has been dearly won over the centuries, depends on it.'

5. The exemptions are granted to religious entities as one of a number of similar entities that contribute to the public benefit. To this end they express no particular preference for religious

³⁴ (2010) 241 CLR 539, 555–6 [44]–[45] (French CJ, Gummow, Hayne, Crennan and Bell JJ).

entities, but merely include religious entities as one of a number of entities that similarly operate for the public benefit:

Per Brennan J: 'To this end, New York extends its exemptions not only to religious and social service organizations, but also to scientific, literary, bar, library, patriotic, and historical groups, and generally to institutions "organized exclusively for the moral or mental improvement of men and women." ... No particular activity of a religious organization -- for example, the propagation of its beliefs -- is specially promoted by the exemptions. They merely facilitate the existence of a broad range of private, nonprofit organizations, among them religious groups, by leaving each free to come into existence, then to flourish or wither, without being burdened by real property taxes.'

6. The exemption, in being granted to all religions, avoids granting favour to one religion over another, and so avoids concerns of discrimination between religious institutions:

Per Burger CJ: 'It has not singled out one particular church or religious group, or even churches as such; rather, it has granted exemption to all houses of religious worship within a broad class of property owned by nonprofit, *quasi*-public corporations which include hospitals, libraries, playgrounds, scientific, professional, historical, and patriotic groups. The State has an affirmative policy that considers these groups as beneficial and stabilizing influences in community life and finds this classification useful, desirable, and in the public interest.'

Per Burger CJ: United States law permits 'the government to exercise at the very least this kind of benevolent neutrality toward churches and religious exercise generally so long as none was favored over others and none suffered interference.'

Pre Brennan J: 'The very breadth of this scheme of exemptions negates any suggestion that the State intends to single out religious organizations for special preference. The scheme is not designed to inject any religious activity into a nonreligious context'

7. Granting tax exemption to all religious entities entails lesser involvement between Church and State than would the taxation of those entities.

Per Burger CJ: 'Granting tax exemptions to churches necessarily operates to afford an indirect economic benefit, and also gives rise to some, but yet a lesser, involvement than taxing them.'

In support of this view Brody has similarly argued that 'tax exemption keeps government out of the charities' day-to-day businesses, and keeps charities out of the business of petitioning government for subvention.'³⁵

Chief Justice Burger, in delivering the lead judgement of the Court ultimately concluded:

The legislative purpose of tax exemption is not aimed at establishing, sponsoring, or supporting religion ... The grant of a tax exemption is not sponsorship, since the government does not transfer part of its revenue to churches, but simply abstains from demanding that the church support the State. No one has ever suggested that tax exemption has converted libraries, art galleries, or hospitals into arms of the State or put employees "on the public payroll." There is no genuine nexus between tax exemption and establishment of religion.... The exemption creates only a minimal and remote involvement between Church and State, and far less than taxation of churches. It restricts the fiscal relationship between Church and State, and tends to complement and reinforce the desired separation insulating each from the other.'

75. Thus we conclude that a historical and philosophical overview of the separation of Church and State in the Western tradition supports the conclusion that the exemption regime is grounded in the fundamental freedom of the Church to pursue its activities without undue limitation by the State. Further to this, the exemption regime can be justified through a number of practical policy considerations, including the public benefit provided by religious institutions, the role of religious institutions in supplanting the need for government intervention at the cost of the tax payer. It has also been shown that the universality of the exemption is rooted in the Constitutional proscription on founding a State religion.

³⁵ Brody, above n 23, 586.

Conclusions for Questions Put in Chapter 1

76. A holistic consideration of amendments to the exemption from income taxation granted to religious institutions requires reference to the rationales underpinning that regime, rationales which have led to a settled position through the resolution of differing tensions across centuries of debate. Such a review, conducted through the lens of the hard-worn experience and the wisdom of our forebears, ensures proper regard is given to the centrality of the foundations formed in the resolution of those historical tensions, for it is those foundations which have led to the stable, multicultural and pluralistic modern Australian polity. To adequately engage with the intricacies that have led to the current settled position is also required to avoid unintended consequences and to avoid repeating the mistakes of our forebears. As noted by former United States Chief Justice Berger:

[A]n unbroken practice of according the exemption to churches, openly and by affirmative State action, not covertly or by State inaction, is not something to be lightly cast aside. Nearly 50 years ago, Mr. Justice Holmes stated: "If a thing has been practised for two hundred years by common consent, it will need a strong case for the Fourteenth Amendment to affect it. . . ." ³⁶

77. It is the argument of this paper that that framework has led to a proliferation of religions within Australia, to the benefit of the public, and to the benefit of individual liberty and expression within Australia. The above establishes that a loss of exemption from taxation correlates with a loss in religious freedom. Taxation regimes must not be used as a basis for denying religious liberty.

78. Turning to the question posed by the Discussion Paper, the above overview of the historical and philosophical context leads to the following conclusions:

Q 2 Are the current categories of income tax exempt entity appropriate? If not, what entities should cease to be exempt or what additional entities should be exempt?

Religious institutions should continue to be tax exempt.

³⁶ *Walz v Tax Commission of City of New York* (1970) 397 U.S. 664, citing Holmes J in *Jackman v Rosenbaum Co.* (1922) 260 U. S. 22, 260 U. S. 31.

4. Discussion Paper Chapter 2 - Deductible Gift Recipient Status and Religious Charities

Deductibility: the Australian Historical Perspective

79. Consideration of the historical development of the grant of deductibility status to charities sheds light on the original policy intents and arguments in support of the mechanism and provides a useful background against which to assess the proposals put by the Discussion Paper. Professor Ann O’Connell provides an overview of the history of the subsidy, noting that ascribing deductibility to donations to charities was a measure first introduced in Victoria in 1907 by the government of Sir Thomas Bent, and then later adopted by the Commonwealth in 1918. In introducing the bill to the Victorian Legislative Council the Honourable JM Davies provided the following rationale:

[I]f in the past there had been a similar provision in connexion with the probate duties, testators would probably have given more in their wills to charitable institutions than they had done. ...Thus, although the State would lose revenue in one direction the encouragement afforded to charitable giving would probably make up the loss.³⁷

80. The contemporaneous comments of Bent, the original proponent of the measure, reflect the intent of encouraging an increase in philanthropic giving through a heightened level of endorsement. The Parliamentary debates record that Bent “was prepared to adopt any suggestion that would have the effect of relieving those who gave to charities, and of encouraging them in every possible way.”³⁸

81. This leads us to the conclusion that philanthropic contribution and the reduction on the burden of the State in the provision of services were central considerations underpinning the enactment of deductible status for gifts to charities in Australia.

82. A decade later the economic hardship being experienced by charities due to the Great War provided an impetus for the consideration of the adoption of the deductibility mechanism at the Commonwealth level. O’Connell notes that:

³⁷ Victoria, *Parliamentary Debates*, Legislative Council, 2 October 1907, 1356–1357 (JM Davies).

³⁸ *Ibid* 1234 (Sir Thomas Bent).

‘It was Manifold who suggested including tax deductions for gifts to charitable institutions on the basis that they were “likely to experience a very bad time in the next two or three years”, and deductions might induce the public “to render very necessary assistance”.’³⁹

83. The passage of deductibility at the Commonwealth level however was by no means ensured, and the Parliamentary debates in the House of Representatives record Acting Prime Minister William Watt rising to speak

...to the defence of deduction, speaking from his experience of the original Victorian experience. In 1907, he noted, the Crown took the attitude that in granting deductions for donations of that kind it could afford to lose the revenue providing that the destination of the money was the coffers of the charitable institutions of the State. If that held good at the time, it is even more emphasised to-day ... From the stand-point of expediency it has been found advisable, because it has acted as an incentive, inducing people to give more generously to charitable institutions.⁴⁰

84. Thus the Parliamentary Debates record the rationale underpinning the introduction of deductibility status included the encouragement of philanthropic giving towards charitable pursuits and the conclusion that any consequential draw upon the taxation base would be compensated by the charitable contribution made by donees, made impliedly in substitution for government efforts at the expense of the taxpayer. It will be shown that these themes have continued to the most recent public debate on the utility of the deductibility mechanism.

Public Benefit of Religious Institutions

85. Having considered the historical perspective, to the extent that the Discussion Paper invites consideration of whether all charitable religious entities should be granted DGR status (as is proposed by Option 2.1), it necessitates consideration of whether religion can be said to be for the public benefit. The Discussion Paper further notes (at paragraph 78) that ‘another option could be to exclude charities that provide significant private benefits such as primary and secondary education providers; charitable child care providers and entities established for the advancement of religion, from endorsement as a DGR.’ For the reasons stated below, we do not accept that the advancement

³⁹ Commonwealth, *Parliamentary Debates*, House of Representatives, 1 September 1915, 6608 (William Hughes).

⁴⁰ Cited in Ann O’Connell *Charitable Treatment? – A (Potted) History of the Taxation of Charities in Australia*, Pp 17.

of religion should be properly classified as providing significant private benefit, so as to call into question the public benefit the advancement of religion confers. We consider that the weight of judicial authority within Australia, in applying the presumption of the public benefit of religion, supports our submission.

86. The question of whether religion provides a private benefit of such moment as to outweigh any public benefit conferred by the religion is one that has been addressed extensively by the courts over hundreds of years. Several themes may be observed arising from that judicial treatment. It is first to be noted that the courts have held that gifts to a particular denomination do not infringe the public benefit requirement, on the basis that it is open for any member of the public to join the denomination.⁴¹

87. It can be observed that underlying the common law presumption that religious entities are for the public benefit are practical, administrative and policy rationales that have been developed by the courts. These rationales arise from their seasoned experience in deciding matters in which they have been asked to consider the public benefit of religion. The first of those rationales is the courts' general historical reluctance to enter into questions concerning the comparative worth of religions that may be invited by a requirement to consider evidence of the public benefit of any given religion.⁴² Justices Wilson and Deane have held that the question of whether a belief is "religious" should be "approached and determined is one of arid characterisation not involving any element of assessment of the utility, the intellectual quality, or the essential 'Truth' or 'worth' of tenets of the claimed religion."⁴³ As noted by Ridge 'any exercise in determining whether public benefit flows from the exercise of certain religious beliefs does not entail an examination of the merits of those beliefs.'⁴⁴

88. Several further practical policy imperatives have driven the courts' reticence to wade into determining whether any given religion is for the public benefit. A further concern is to avoid

⁴¹ Gino Dal Pont, *Charity Law in Australia and New Zealand* (Oxford University Press, 2000) 166.

⁴² Gino Dal Pont, *Charity Law in Australia and New Zealand* (Oxford University Press, 2000) 166.

⁴³ Dal Pont, *Ibid* 174.

⁴⁴ Ridge, above n 23, 1084.

accusation of preferring one religious belief over another.⁴⁵ The courts' reticence to sanction one religious entity over another is also an expression of the doctrine of separation of Church and State. That reticence is required as a natural extension of the Constitutional prohibition on the Commonwealth establishing a religion or restricting the flourishing of a religion by giving preference to any one religion over another. This requirement has been discussed above in the context of the granting of exemption to all religious entities, and is particularly reflected in the comments of Justices Burger and Brennan at paragraph 74 above.

89. Any regime that requires the court to make determinations of worth would be further complicated by the difficulty in determining whether a system of belief comprises a religion, which is a necessary precursor to any determination of worth. Chief Justice Malcolm notes:

In discharging that responsibility, the courts have recognised that our language has a strictly limited capacity to capture the nature of "religious belief". Indeed, one judge has ventured the opinion that: "... in no field of human endeavour has the tool of language proved so inadequate in the communication of ideas as it has in dealing with the fundamental questions of man's predicament in life, in death or in final judgement and retribution."⁴⁶ The courts have also been influenced by the essentially unknowable nature of "religious truth"⁴⁷, and by an awareness of the lessons of history in relation to religious persecution and intolerance.

90. A further rationale for maintaining the presumption that religious institutions operate for the public benefit is found in the general acceptance within Australian law of the reasoning that private spiritual advancement leads necessarily to public benefit through the good works of religious adherents. As acknowledged by the United Kingdom Secretary of State for the Home Department:

The importance of religion as a fundamental spring of charity can scarcely be overestimated. It is part of the make-up of Man to want to give. It is part of the ethics of most religions to encourage that. Trusts for the advancement of religion have contributed much to the spiritual welfare of generations of individuals and to the sound development of our society.⁴⁸

⁴⁵ *Thornton v Howe* (1862) 31 Beav 13; 54 ER 1042.

⁴⁶ *United States v Seeger* (1965) 85 S Ct 850, 858 (Clark J).

⁴⁷ See, eg *United States v Ballard* (1944) 64 S Ct 882, 889-890.

⁴⁸ *Charities a Framework for the Future* HMO, London, 1989, Cm 694 p. 8.

91. Such sentiments have found acceptance within Australian judicial opinion. The New South Wales Court of Appeal held in *Joyce v Ashfield Municipal Council*⁴⁹ that private worship services are for the public benefit, in that the services equip adherents to apply religious principles in their respective roles in society. In that case proof of actual public benefit in the form of demonstrable efficacy of the relevant worship was not required.⁵⁰ Such was the concern over requiring such proof that Reynolds JA held the ‘doctrine that religious activities are subject to proof that they are for the public benefit could give rise to great problems in that it might lead to the scrutiny by the courts of the public benefit of all religious practices.’⁵¹
92. The decision of Gobbo J in *Crowther v Brophy*⁵² provides similar support for the proposition that the advancement of religion is for the public benefit. Justice Gobbo held that the success of private intercessory prayer is an inappropriate test for public benefit and that instead the enhancement in the life of those who find comfort in intercessory prayer is the relevant criterion. Ridge notes that the decision ‘suggested that in finding public benefit from the practice of intercessory prayer, one should look not to ‘the success of intercessory prayer’, but to ‘the enhancement in the life, both religious and otherwise, of those who found comfort and peace of mind in their resort to intercessory prayer.’⁵³
93. Ridge notes that the application of a presumption of public benefit of religion by the courts has significant benefits for the efficient administration of justice. In proposing a model that ‘presupposes that an evidential test has been satisfied at some higher level of abstraction, whether this is according to empirical evidence of the general benefits provided by all religious purposes, or according to recognition of the contribution of religious pluralism and religious activity to a healthy society, or according to moral argument (the highest levels of abstraction of benefit)’, (a model she notes ‘suggests the status quo should be maintained’) she argues that such a framework is ‘cost-

⁴⁹ [1975] 1 NSWLR 744.

⁵⁰ Courts in the United Kingdom have drawn a line, denying charitable status to closed contemplative orders (See *Gilmour v Coats* [1949] AC 426). But this position may not be accepted in Australia, see Joyce Chia and Ann O’Connell, ‘Charitable Treatment?—A short History of the Taxation of Charities in Australia’ (Research Report, *University of Melbourne*, 2010) and see also *Crowther v Brophy* [1992] VR 97.

⁵¹ *Joyce v Ashfield Municipal Council* [1975] 1 NSWLR 744, 750.

⁵² [1992] VR 97.

⁵³ Ridge, above n 23, 1084.

effective ... because individual religious groups do not need to prove public benefit in relation to their specific purposes and nor does the state have to assess such evidence.⁵⁴

94. In determining whether any particular religion is for the public benefit the courts have also displayed a strong appreciation of the dangers involved in tailoring legal protection according to the views of the prevailing majority.⁵⁵ As highlighted in ex curial commentary by Malcolm CJ:

One of the problems with claims to necessity is that what is considered necessary usually depends on the experience and values of those who impose the relevant restriction. In these circumstances, as Brennan J observed in *Goldman v Weinberger*⁵⁶, one of the tasks of the courts must be: "... to protect the rights of members of minority religions against quiet erosion by majoritarian social institutions that dismiss minority beliefs and practices as unimportant, because unfamiliar."

In making this reference to the "quiet erosion" of the right freely to exercise a religion, Brennan J highlights the ever-present potential of the majority, indirectly and unthinkingly, to discriminate against the religious practices of a minority. Regulations and restrictions which are not intended to discriminate against religious practice, and are applied uniformly, may nevertheless in their effect discriminate to the extent of imposing an intolerable burden on the adherents of a particular religion.⁵⁷

95. The above arguments strongly support the conclusion that religious entities operate for the public benefit and that the existing presumption of public benefit should be maintained. To that end they contradict the statements made in the Discussion Paper at paragraph 78. Such reflects the very practical policy and administrative position adopted by the courts in the interest of avoiding questions of relative worth and in recognition of the difficulties in defining religion. The position is consistent with the doctrine of the separation of Church and State and expresses a concern to avoid an erosion of the rights of the minority by majority rule.

⁵⁴ Ridge, above n 23, 1098.

⁵⁵ See, eg *Church of the New Faith v Commissioner for Pay-roll Tax (Vic)* (1983) 154 CLR 120, 131.

⁵⁶ (1986) 475 U.S. 503.

⁵⁷ David Malcolm CJ 'Religion, Tolerance and the Law' *The Australian Law Journal* (1996) vol 70 976 at 981.

Deductibility and Religious Institutions: Integrity Issues

96. Having stated the case for the continuation of the common law presumption that religion is for the public benefit, it is necessary to deal with the question of how are we to deal with those religious institutions that, though they would meet the technical legal definition of religion, nevertheless do not operate according to acceptable societal standards. This may be because they have adopted practices considered to be harmful to the wider community or that provide an unacceptable level of private gain to certain members of the religion. Under the heading of 'Issues with expanding DGR status to all charities' the Discussion Paper directs attention to the 'integrity issues' arising from potential private benefits accorded to members of a religious order (at paragraphs 73, 74 and 76):

The general DGR categories and DGR endorsement process ensure that, generally, tax deductible gifts directly fund activities which generate a broad public or community benefit. The framework helps ensure public funds are not used in an inappropriate manner to provide a private gain or benefit...

Some charities provide significant private benefits to certain individuals that access their services ...

While many DGRs provide private benefits, the integrity issues appear to be more apparent in relation to providers of educational, child care and religious services.

97. In that context, the Discussion Paper states that 'another option could be to exclude charities that provide significant private benefits such as ... entities established for the advancement of religion, from endorsement as a DGR. This would reduce integrity concerns and the fiscal cost.' It is said that this would 'address the shortcomings of option 2.1'. The Discussion Paper notes that 'However, these exclusions would maintain some of the complexity and perpetuate behavioural distortions in the existing DGR framework,' a consideration to which we will return later.

98. The principal concern of the courts regarding the extension of private benefit to members of religious orders has been towards the degree of private spiritual benefit given to members. Hence the courts have, for example, long agonised over the recognition to be given to private contemplative religious orders, and whether such might be said to be for the public benefit. It is

taken as accepted that when religious organisations extend benefit in the form of relief to the wider public (by for example education, humanitarian or welfare relief and the like) that no prohibition should be imposed on the granting of those benefits to members of the religious institution alongside members of the public. There exists current mechanisms within the law that allow the revocation of charitable status where a religious entity is found to have operated for private benefit.⁵⁸ The current common law requirements that charitable institutions not operate for private benefit have been a sufficient protection against abuse of exempt status.⁵⁹

99. Furthermore, the common law holds that a religious organisation will not be for the public benefit if it be proven that it is for public detriment (engaging in illegal conduct or conduct inconsistent with prevailing public policy). As noted in ex curial comments by Malcolm CJ:

“One of the important distinctions which the courts have made is between the freedom to hold and express a religious belief and the freedom to act in accordance with a religious belief. The former, the “freedom to believe”, is regarded as absolute.⁶⁰ However, the latter, the “freedom to act”, is regarded as subject to valid restrictions imposed by the general law.⁶¹”

Thus, while the courts have been prepared to recognise that canons of conduct are as much a part of a religion as the belief itself, they have not been prepared to extend legal immunity to that conduct if it contravenes laws of general application which are not intended to discriminate against the particular religion.⁶² In the words of Mason ACJ and Brennan J: “...Religious conviction is not a solvent of legal obligation.”⁶³

100. By this we conclude that sufficient protection against inappropriate use of charitable status is offered by the current common law. A mechanism exists to displace the presumption where the activities of an individual religious institution are shown to not be for the public benefit. One may

⁵⁸ For a general discussion on the loss of charitable status due to the conferment of private benefit see Gino Dal Pont, *Charity Law in Australia and New Zealand* (Oxford University Press, 2000) 22-25; see also Pauline Ridge, ‘Religious Charitable Status and Public Benefit in Australia’ (2011) 35 *Melbourne University Law Review* and *Oppenheimer v Tobacco Securities Trust Ltd* [1951] AC 297.

⁵⁹ See for example those authorities listed at footnote 59.

⁶⁰ See, eg *District of Abington Township v Schempp* (1963) 83 S Ct 1560, 1588.

⁶¹ See, eg *Wisconsin v Yoder* (1972) 92 S Ct 1526, 1535.

⁶² See *Church of the New Faith v Commissioner for Pay-roll Tax (Vic)* (1983) 154 CLR 120, 135-136.

⁶³ *Ibid.*

then ask, where is the mischief of 'integrity issues' that must to be addressed with respect to religious institutions? The concern has not been sufficiently made out by the Discussion Paper, and the argument that religious institutions confer a private benefit so sufficient as to question whether they should enjoy any particular form of charitable endorsement fails.

Conclusions for Questions put in Chapter 2: Concerns Held Where ACC Churches That Are Basic Religious Charities Receive DGR Status

101. It is noted that the Productivity Commission recommended that all religious charities be granted deductible gift recipient status (recommendation 7.3) as follows

The Australian Government should progressively widen the scope for gift deductibility to include all endorsed charitable institutions and charitable funds. Consistent with the Australian Taxation Office rulings on what constitutes a gift, payments for services should not qualify as a gift.

It grounded that recommendation on the following rationales:

- Equity;
- Simplicity;
- The resulting removal of donor bias towards charities with DGR status at the expense of other charities;
- It would increase the choice of DGRs for donors; and
- The use of PBI status is no longer an appropriate basis for determining DGR eligibility for charitable behaviour.

102. Whilst the potential fundraising benefits of deductibility status have been noted above, we express our concern that the sector-wide grant of deductibility status may have unforeseen detrimental impacts for ACC churches. Further detailed consideration should be given as to the extent by which those churches within the ACC framework that are dependent on giving may receive financial benefit from the attaining of deductible gift recipient status. That consideration is unfortunately not permitted by the short timeframes allowed for the making of submissions to the Discussion Paper.

103. As outlined in Part 1 the ACC movement is characterized by a decentralization of authority structures. Local churches, although subject to the disciplining mechanisms of the State and National governing bodies, are frequently stand-alone entities that separately incorporated and locally administered. The majority of the property holdings within the ACC are controlled at the local church level. The statistics provided in Part 1, disclose that the majority of ACC churches are comprised of less than 100 individuals. Metro Church holds significant concerns that a grant of deductibility status may impose substantial administrative burdens upon smaller ACC churches, so as to outweigh any benefit obtained from deductibility status. Anecdotal evidence from the Pentecostal network in New Zealand suggests that the grant of deductibility status in that jurisdiction has for many Pentecostal churches in fact led to net detriment, when the additional administrative burdens are taken into account. This is a significant concern to Metro Church, and one which warrants further investigation by the Panel in considering any recommendation to extend deductibility status to a decentralised network of churches such as the ACC.

104. It is also our concern that to render each church a deductible gift recipient, would be to remove that church from the 'basic religious charity' designation found at section 205-35 of the newly enacted *Australian Charities and Not-for-profits Commission Act 2012* (Cth), and thus subject the church to the greater reporting obligations contained therein. Such a removal would be inconsistent with the policy intent of the concept of basic religious charity. The reforms should not cause those churches which currently satisfy the status of a 'basic religious charity' to lose that criterion.

105. Metro Church is in favour of a simplification of the tax system as applies to religious institutions and in particular, the administration placed upon the large number of individual churches who would satisfy the criterion of basic religious charity within the ACC framework. It is our concern that the consequences of a grant of deductibility status to ACC churches, and the possible undermining of the simplification proposed by the concept of the basic religious charity may undermine that intent towards simplification.

106. Professor Ann O'Connell has argued that:

A good tax system should be as simple as possible. A complex tax system makes it difficult for people to understand the law and apply it to their circumstances. The present law has become

so complex that it is difficult to convey its meaning simply and adequately on tax returns forms and in other printed matter. Complexity imposes high compliance costs on the community and high administrative costs on the tax authorities. Complex tax laws also result in socially unproductive and costly tax litigation. These considerations suggest that, where possible, tax reform measures capable of ready comprehension and application should be preferred over more complex alternatives.⁶⁴

107. She also points out that the Review of Business Taxation in 1999 identified one of the major objectives guiding development of the tax system as “promoting simplification and certainty”⁶⁵ and that the Inspector-General of Taxation has also identified simplicity as one of the “fundamental principles” of tax policy.⁶⁶ She further argues, with reference to the Inquiry into the Definition of Charities and Related Organisations:

‘It is clear from submissions to the Inquiry that much of the confusion in the sector is related to what tax or other concessions attach to what type of entities and what the boundaries are between different types of entities. This is not surprising given the wide range of categories of entities that can access the concessions.’⁶⁷

108. It is however acknowledged that in its 2010 Contribution of the Not-for-profit Sector Report, the Productivity Commission noted:

[T]he scope of eligible activities is narrow in Australia relative to that in comparable overseas countries. For example, donations to all charities and Community Amateur Sports Clubs are eligible for Gift Aid in the UK, while in Australia only 40 per cent of all tax concession charities are DGRs.⁶⁸

⁶⁴ Treasury, *Reform of the Australian Tax System*, Draft White Discussion Paper (1985), [1.8].

⁶⁵ Review of Business Taxation Final Report, *A Tax System Redesigned: More Certain, Equitable and Durable* (1999), 104.

⁶⁶ Inspector-General of Taxation, *Issues Paper No 2 – Policy Framework for Review Selection* (2003).

⁶⁷ Ann O’Connell, ‘The tax position of charities in Australia – why does it have to be so complicated?’ (2008) 37 *Australian Tax Review* 17, 19 quoting The Inquiry into the Definition of Charities and Related Organisations Report (CDI Report), 34.

⁶⁸ Commonwealth, Productivity Commission, *Contribution of the Not-for-Profit Sector* (2010) 177.

109. A brief overview of the international position leads to the conclusion that deductibility is a common measure by which States across a wide range of cultural and national contexts sanction charitable religious pursuits. The United States, Canada and New Zealand all provide a subsidy to churches in the form of simple deductibility. A similar subsidy in the form of the percentage tax has been favoured more recently by some Eastern European countries. A Singaporean variation on deductibility permits more than 100% deductibility for some donations, operating in the space between direct grants and deductibility. This survey leads us to the conclusion that the use of the deductibility mechanism in respect of religious institutions within Australia is, by international standards, comparatively modest. Consistent with that perspective, and with various of the sources we have cited, including those pertaining to the public benefit of religion, the granting of tax deductibility status for church building funds is an endorsement that ACCQLD would like see granted to religious institutions. This would enable ACC churches to elect to so establish such a fund where, taking into account their specific circumstances and any associated administrative burden, they determine such a fund would be of positive benefit.

110. This analysis leads to the following responses to the Discussion Paper's questions concerning deductible gift recipients:

Q 11. Should all charities be DGRs? Should some entities that are charities (for example, those for the advancement of religion, charitable child care services and primary and secondary education) be excluded?

We say that there are no grounds for excluding religious institutions from any particular designation of charitable recognition on the basis that they are not for the public benefit, other than those grounds sufficiently outlined in the common law. Notwithstanding, Metro Church hold concerns that the legislated grant of deductibility status to all ACC churches may be prejudicial to the ACC network and further consideration should be given by the Panel to the effect of such a recommendation on decentralised religious denominations such as the ACC. It is however submitted that churches should have the ability, should they so elect, to access deductibility status for church building funds.

5. Discussion Paper Chapter 3 - Fringe Benefits Tax

111. We submit that the existing fringe-benefits exemption for employees of religious institutions that are religious practitioners (located within current section 57 of the *Fringe Benefits Assessment Act 1986* (Cth)) should be retained. The operation of that exemption is explained in the *Fringe Benefits Tax Assessment Bill 1986 – Explanatory Memorandum* as follows:

Clause 57: Provision of benefits to employees of religious institutions to be exempt in certain cases

By clause 57, the provision of benefits by a religious institution to a minister of religion or a full-time member of a religious order are generally to be exempt from tax. The exemption does not, however, extend to benefits provided in respect of duties that are not religious in nature.

The exemption conferred by clause 57 also applies to benefits provided to a person who is training to be a member of a religious order and to benefits provided to a spouse or child of the minister or member of the religious order (e.g., where board and quarters are provided to a minister and the minister's family).

The History of the Exemption

112. The history of the introduction of the exemption is again illustrative of the original underlying intent and policy rationale behind the exemption, a rationale we submit continues to this day.

113. The *Fringe Benefits Tax Assessment Bill 1986* was introduced by the Hawke Government to address a perceived hole in the revenue base arising from the provision of non-taxable benefits to employees. Both the Democrats and the Coalition Opposition parties raised their concern that the tax, in the absence of an exemption for charities, would amount to a tax upon entities that would otherwise be exempt from taxation. Senator Flo Bjelke-Peterson typified this concern in her speech to the Australian Senate:

Senator BJELKE-PETERSEN — “Charitable organisations, which need every dollar of income that they can get, will be required to pay fringe benefits tax on benefits supplied to employees. I believe that this is completely contrary to the previous basic exemption of charities from income tax, sales tax, bank account debit tax, and other levies and taxes. The result of this tax on

charities will be counterproductive, because the charities will be forced either to reduce services or approach the Government for additional subsidies. I think there are not too many people who want to give their donations to charities realising that they are helping those charities to pay income tax.”

“I turn to another aspect of the tax which I find extremely worrying—that is, the effects it will have on charities. I realise that certain exemptions will apply to ministers of religion engaged in religious duties. However, what about ministers of religion who are working for charitable and educational institutions?”

Senator Siddons — “We will move an amendment on that, Senator.”

Senator BJELKE-PETERSEN — “That will be very good. I hope that the Government will accept it because it is very important. I feel that these people are just as involved in a religious occupation as is the normal parish minister. I refer, for example, to a chaplain at a hospital or a supervisor at a youth rehabilitation centre. Committed lay persons employed by the churches, although not ordained ministers, exercise the duties of a religious ministry just as effectively as if they were ordained clergy. At the same time they are paid minimum salaries in comparison with those receiving secular wages.”⁶⁹

114. The principal concern driving the Liberal Opposition Party was expressed by Senator Baume in his speech to Senate, namely that the ‘great institutions that care for other Australians’ would become subject to taxation in the absence of an exemption.

From the moment that the fringe benefits tax was announced it became clear that its effect would fall upon charities. I am using the word ‘charities’ in the sense that most of us understand that word—the great institutions that care for other Australians. It is quite clear that they would be caught by this Bill, that the application of the fringe benefits tax would mean that they would be paying tax where they pay no tax now and that that tax would have to be paid from moneys that would otherwise go to doing the charitable work for which they are responsible.

⁶⁹ Commonwealth, *Parliamentary Debates*, Senate, 30 May 1986, 3075 (Bjelke-Petersen).

The Opposition parties announced early, following party and shadow Cabinet consideration, that we would move to try to exempt charities from the effect of this impost. We issued Press releases at the time and we have issued some subsequently. I must say that the Australian Democrats have also had a concern about the effect of this tax on charities and I understand that they have negotiated with the Government on their own. We determined that we would move an appropriate amendment.

I wish to indicate that Senator Haines has pointed out to me, with accuracy, that my understanding of the word 'charity' and the legal meaning of the word are quite different. Let me acknowledge that it has been possible, working with the Australian Democrats, to develop a form of words which talk about the provision of benefits to employees of public benevolent institutions. The words 'public benevolent institutions' have their own meaning in law but they cover the great charities of Australia. If this amendment is picked up it will ensure that, where these public benevolent institutions provide a benefit to an employee, that benefit is exempt.⁷⁰

115. The Senator's speech, made with reference to the exemption granted to Public Benevolent Institutions, disclosed an appreciation of the difference between what the community considers to be charitable, and the definition of charity at law. The exemptions, it was thought, should be granted to those entities that fell generally within the common public conception of charity. It appears from the above Senate records that the exemption for benefits provided by religious institutions to religious practitioners was passed into law on that rationale. It is our submission that exemption from fringe benefits tax to religious institutions who supply fringe benefits to religious practitioners continues to accord with community expectations of the support to be given to religious institutions and is consistent with the policy of not taxing charitable entities that would, but for the exemption, otherwise be taxable. Having established that there are clear policy grounds for maintenance of the exemption we turn to consider several objections against the exemption raised within the Discussion Paper.

⁷⁰ Commonwealth, *Parliamentary Debates*, Senate, 3 June 1986, 3271 (Peter Baume).

Competitive Neutrality Concerns

116. The Discussion Paper argues that ‘Issues of competitive neutrality arise where eligible entities compete directly with businesses that do not benefit from FBT concessions.’⁷¹ The Paper refers to the Productivity Commission’s report as confirming this concern. We cannot accept this conclusion applies to religious institutions. The Productivity Commission’s report raised no concern in relation to the exemption granted to religious institutions. The Commission’s report was principally concerned with competitive neutrality in the hospital and aged care sectors. The Discussion Paper also references The A Fairer Tax System Report as being in support of this concern, however such report, whilst raising a general concern, similarly directed its particular attention to hospitals ‘where nursing shortages are an ongoing concern.’⁷²

117. It is not thought that competitive neutrality issues have any distortionary effect in the labour market for religious practitioners. Conclusively, there is no real competition between religious and non-religious institutions for the provision of pastoral duties or practice, study, teaching or propagation of religious beliefs. Religious institutions have no opportunity to take a benefit over their competitors, as all competitors have access to the same exemption. In addition, most ACC pastors would affirm a ‘calling’ to the ministry was their central consideration in movement into ministry, not the remuneration that may, or may not, follow from the expression of that calling.

Concerns Over the Abuse of the FBT System

118. At paragraph 140 the Discussion Paper raises a concern that ‘some relatively high income individuals receive significant benefits from the use of uncapped meal entertainment and entertainment facility leasing concessions.’ We submit that there is no evidence to suggest that this abuse is occurring in religious institutions, and particularly within the ACC. The ACC is a body in which is vested a significant level of public confidence. Its history and values attest to its ability to appropriately treat and avoid unlawful rorting of the fringe benefits tax system. Not one of the Industry Commission Report, the A Fairer Tax System Report nor the Productivity Commission singled out religious institutions as being culpable in any such abuse of the fringe benefits tax

⁷¹ Not-For-Profit Sector Tax Concession Working Group, ‘Fairer, simpler and more effective tax concessions for the not-for-profit sector’ (Discussion Paper, The Treasury, November 2012) 37.

⁷² Ibid 44.

system, or any giving rise to any particular concern. To the contrary we submit that the overwhelming majority of religious institutions have shown the ability to self-regulate the use of the exemption so as to avoid any inappropriate use.

Administrative Burden

119. The Discussion Paper highlights the administrative burden imposed on charities by the fringe benefits tax exemption as being a central rationale for the removal of the exemption. It states:

The perceived need to offer fringe benefits imposes considerable compliance burdens on eligible entities. This includes the requirement to organise and offer salary packaging and the recording and reporting requirements for fringe benefits.⁷³

120. It is submitted that this concern is entirely irrelevant to the question of whether the exemption for religious institutions providing benefits to religious practitioners should be maintained. This is because the provision of the benefits to religious practitioners are non-reportable, and therefore impose no administrative burden on ACC churches at all. This simplicity and absence of administrative burden is another clear rationale for the maintenance of the existing exemption as applies to religious institutions.

The Alternative of Government Grant Funding

121. The Discussion Paper separately raises the option of replacement of the FBT exemption with direct government grants. This recommendation was also proposed by the A Fairer Tax System Report. It is submitted that this proposal is entirely inappropriate for the religious sector. As noted in the Discussion Paper ‘applications for direct grants and reporting on those grants to government agencies can also involve significant compliance costs that would, to some extent, replace those tax compliance burdens’.⁷⁴ Given that there is no compliance costs associated with the existing regime, the increase in administrative burden proposed by a grants system is immeasurable. Given the decentralised nature of the ACC, the proposal would necessitate individual applications by each ACC church, greater than 1000 in total. The further level of concern is the limited and periodic nature of

⁷³ Not-For-Profit Sector Tax Concession Working Group, ‘Fairer, simpler and more effective tax concessions for the not-for-profit sector’ (Discussion Paper, The Treasury, November 2012) 38.

⁷⁴ Ibid 42.

government grants. This would introduce an unacceptable level of uncertainty for Pastors, their families and their congregations. Such a proposal would undermine the certainty of the contribution to the community that can be made by a religious institution with a policy of placing Pastors on longer term assignments. Generally the ongoing provision of direct grants are usually tied to progressive reporting indicators. Such a level of scrutiny raises a concern for the maintenance of a separate of Church and State, as has been outlined in sufficient detail at Part 2.

Conclusion: The Existing Exemption for Religious Institutions Must be Maintained

122. A significant proportion of ACC ministerial staff rely upon the current exemption from the Fringe Benefits Tax regime for a proportion of their remuneration. It is estimated that virtually the entire proportion of ACC Pastors utilise the exemption to some degree. The exemption at the time of enactment was considered to be an appropriate vehicle to recognise the important service provided by Pastors to the community, and it remains so today. Furthermore, we submit that, on the basis of the benefit extended to the public by the exemption, recognised by the original policy rationales underpinning its introduction, there is no logical argument as to why the exemption should also not only be extended to religious practitioners, but also to those administrative staff who support religious practitioners in performing the activities endorsed by the exemption. Such an extension would also recognise the difficulty for smaller religious institutions, a criterion which the majority of ACC churches satisfy, in raising finance for the employment of key staff. This difficulty has only been enhanced due to funds that must now be committed in response to an increase in the compliance burden placed upon religious institutions in the past twelve years through the introduction of the GST reforms and other legislative changes (including the introduction of the Australian Charities and Not-for-profits Commission and Workplace Health and Safety reforms). For many ACC churches their principal revenue stream is often the provision of donations by members of the congregation. The current economic climate leads us to the concern that any loss of FBT benefits will have a significant detrimental impact on the ACC movement, and its ability to attract and retain staff.

123. As noted by the Discussion Paper, the Commonwealth expenditure for exemption for the practice, study, teaching or propagation of religious beliefs by religious practitioners is estimated by Treasury to be \$85 million. This is less than 3.5% of the total estimated total quantifiable Commonwealth tax expenditures on FBT concessions to the NFP sector. It is noted that the removal

of the fringe benefits tax regime for other forms of charitable institutions may be effected whilst the exemption for religious institutions is retained with minimal impact on the wider reform proposals being considered by the Panel. The giving of preference to certain charities over others has a well-established history in the common law. This is due to the recognition that certain charities provide greater public benefit than other forms of charitable endeavour, and are therefore worthy of greater endorsement. Professor O’Connell argues that the Productivity Commission:

‘noted that governments have limited resources and “seek to discriminate between competing claims when deciding whether, and to what extent, to provide support”,⁷⁵ and recommended that it was appropriate to identify a subset of charities that could attract more favourable treatment.’

124. The above analysis leads to the following answers to the questions put by the Discussion Paper:

Q 28 Assuming that the current two tiered concessions structure remains (see Part B), what criteria should determine an entity’s eligibility to provide exempt benefits to its employees?

The existing criteria for the provision of fringe benefits to religious practitioners by religious institutions should be maintained and should be extended to administrative staff who support religious practitioners in the performance of those functions endorsed by the exemption.

Q 30 Should there be a two tiered approach in relation to eligibility? For example, should all tax exempt entities be eligible for the rebate, but a more limited group be eligible for the exemption?

Religious institutions should fall within a more limited group able to access the existing exemption under section 75 of the *Fringe Benefits Tax Assessment Act 1986* (Cth).

Q 37 Is the provision of FBT concessions to current eligible entities appropriate?

The provision of FBT concessions to religious institutions is entirely appropriate, and should be further extended to administrative staff who support religious practitioners in the performance of those functions endorsed by the exemption.

Q 38 Should FBT concessions (that is, the exemption and rebate) be phased out?

⁷⁵ CDI Report, 255.

The provision of FBT exemption to religious institutions should not be phased out.

Q 39 Should FBT concessions be replaced with direct support for entities that benefit from the application of these concessions?

No, direct government grants are not an inappropriate means with which to replace the existing FBT exemption for religious institutions.

6. Conclusion

125. This submission has been directed to the questions posed by the Not-for-Profit Sector Tax Concession Working Group Discussion Paper considered by Metro Church Toowoomba as providing a concern for the Australian Christian Churches (ACC). It is endorsed by ACC Queensland. It has directed its attention principally towards those matters raised in the Discussion Paper that first concern the public benefit of religion, as applies to tax exemption and deductibility of gifts, and that second concern the existing fringe benefit exemption for religious institutions. It has presented the historical, practical and philosophical imperatives that have led to the existing taxation regime for religious institutions, including the fundamental freedom of the Church to pursue its activities without undue limitation by the State and the rationales underpinning the judicial presumption that religion is for the public benefit. In so doing, and in light of attributes unique to the ACC, including its decentralised and semi-autonomous structure, the submission has emphasised the unique place of the ACC within those traditions and within the contemporary Australian charity sector.

Chapter 1 of the Discussion Paper - Income Tax Exemption

126. We conclude that religious institutions should continue to be tax exempt on the following bases:
1. Such is consistent with the Constitutional doctrine of the separation of Church and State, raising questions as to the Constitutionality of any removal of the exemption.
 2. Such ensures a proper expression of religious freedom within contemporary Australia and avoids unconstitutional curtailing of that freedom.
 3. The law rightly favours institutions that foster 'moral or mental improvement' in the community.
 4. The activities undertaken by religious institutions, as far as they enhance community benefit, are not required to be performed by government, and therefore avoid expense to the tax payer.
 5. Freedom of religious expression through the granting of exemption from taxation contributes to a more pluralistic society, consistent with the principles outlined by the High Court in *Aid/Watch Inc v Federal Commissioner of Taxation*.
 6. The exemptions are granted to religious entities as one of a number of similar entities that contribute to the public benefit. To this end they avoid expressing any particular preference for religious entities, but merely include religious entities as one of a number of entities that similarly operate for the public benefit.

7. The exemption, in being granted to all religions, avoids granting favour to one religion over another, and so avoids concerns of discrimination between religious institutions.
8. Granting tax exemption to all religious entities entails lesser involvement between Church and State than would the taxation of those entities.

127. It is the argument of this paper that the tax exemption framework has led to a proliferation of religions within Australia, to the benefit of the public, and to the benefit of individual liberty and expression within Australia. A loss of exemption from taxation correlates with a loss in religious freedom. Taxation regimes must not be used as a basis for denying religious liberty.

Chapter 2 of the Discussion Paper - Deductibility

128. To the extent that the Discussion Paper invites consideration of whether all charitable religious entities should be granted Deductible Gift Recipient status, it necessitates consideration of whether religion can be said to be for the public benefit. It can be observed that underlying the common law presumption that religious entities are for the public benefit are practical, administrative and policy rationales that have been developed by the courts across centuries, they include:

1. The acceptance within Australian law that private spiritual advancement leads necessarily to public benefit through the good works of religious adherents.
2. General reluctance to enter into questions concerning the comparative worth of religions.
3. Avoidance of any accusation of preferring one religious belief over another.
4. The Constitutional prohibition on the Commonwealth establishing a religion or restricting the flourishing of a religion by giving preference to any one religion over another.
5. The difficulty in determining whether a system of belief comprises a religion.
6. Significant benefits for the efficient, cost-effective administration of justice.
7. A strong appreciation of the dangers involved in tailoring legal protection according to the views of the prevailing majority.

129. In response to the 'integrity issues' that the Discussion Paper claims must be addressed with respect to religious institutions, we submit that the mischief to be addressed has not been made out and conclude that sufficient protection against inappropriate use of charitable status is offered by the current common law.

130. Citing the New Zealand experience we raise our significant concern that a grant of deductibility status to all ACC churches may impose substantial administrative burdens upon smaller churches so as to outweigh any benefit obtained from deductibility status. This concern warrants further investigation by the Panel if it is to properly assess the effect of any recommendation to extend deductibility status to individual churches within a decentralised network of churches such as the ACC. Any reforms should not cause those churches which currently satisfy the status of a 'basic religious charity' to lose that criterion. It is however submitted that ACC churches should have the ability, should they so elect, to access deductibility status for church building funds. This submission is made in light of the original rationales underpinning the introduction of deductibility status, which included the encouragement of philanthropic giving towards charitable pursuits, and in view of the extension of deductibility status to religious institutions prevalent in other jurisdictions, including the United States, Canada and the United Kingdom.

Chapter 3 of the Discussion Paper - Fringe Benefits Tax Exemption

131. We submit that the existing fringe-benefits exemption for employees of religious institutions that are religious practitioners should not only be retained and but should also be extended to administrative staff who support religious practitioners in the performance of those functions endorsed by the exemption. This is because the exemption continues to accord with community expectations of the support to be given to religious institutions and is consistent with the policy of not taxing charitable entities that would, but for the exemption, otherwise be taxable. With reference to the relatively modest Commonwealth expenditure on this exemption, it is noted that the removal of the fringe benefits tax regime for other forms of charitable institutions may be effected whilst the exemption for religious institutions is retained with minimal impact on the wider reform proposals being considered by the Panel.

132. In so submitting, we address the following issues raised by the Discussion Paper:

1. Competitive neutrality – noting that:
 - a. prior inquiries have not raised this concern with respect to the exemption for religious institutions.
 - b. there is no real competition between religious and non-religious institutions for the provision of pastoral duties or practice, study, teaching or propagation of religious beliefs, and that all 'competitors' have access to the same exemption.

- c. most ACC pastors would affirm a 'calling' to the ministry was their central consideration in movement into ministry, not the remuneration that may, or may not, follow from the expression of that calling.
 - 2. Propensity for misuse - the ACC is a body in which is vested a significant level of public confidence with the ability to appropriately treat and avoid unlawful conduct. The overwhelming majority of religious institutions have shown the ability to self-regulate the use of the exemption so as to avoid any inappropriate use.
 - 3. Administrative compliance burden – The simplicity and absence of administrative burden associated with the exemption (which distinguish it from other forms of FBT exemption or rebate) is a clear rationale for the maintenance of the existing exemption.
133. It is also concluded that the option of replacement of the FBT exemption with direct government grants is entirely inappropriate for the religious sector, imposing an immeasurable increase in administrative burden subjecting local ACC churches to limited and periodic grants, and introducing an unnecessary level of scrutiny which raises concerns for the maintenance of a proper separation of Church and State.
134. We wish to conclude in thanking the Panel for the opportunity to make submissions in respect of the Discussion Paper. Further questions in respect of this submission may be directed to Brett Mullen, Metro Church Toowoomba, Executive Pastor/Director of Ministry Support on 07 4631 5813.

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Local Just In Queensland National Offbeat Sport Lifestyle Business Rural

Crew helps out in CBD

15th Dec 2011 9:54 AM



The Toowoomba CBD Crew in action.

IF MATT Gregg gets his way, Toowoomba could soon have its very own answer to the widely popular Red Frog Crew, made famous on the shores of the Gold Coast during Schoolies.

Mr Gregg and a dedicated team of volunteers from Spring Street Community Care have just finished a two-month pilot program which included hitting the streets of Toowoomba's CBD on Friday and Saturday nights to lend a hand.

Funding for the initiative came almost exclusively from the Toowoomba Liquor Industry Action Group.

Mr Gregg said the program involved teams of volunteers walking the streets of the CBD between 9.30pm and 3am on the weekends to help people who find themselves in trouble.

"After 9.30 we work with people who have been out a party, gone to the pub for dinner or have been out at the movies," Mr Gregg said.

"From (midnight) onwards we're dealing with people who have gone out to the pub and when people go out they're generally looking to have a good time.

"We're a service that helps when the good times go bad."

For Mr Gregg and the CBD Crew, a meaningful interaction was something as simple as handing out a few red frogs or a drink of water to revellers.

Other times it might mean mediating as a non-confrontational figure after someone has been ejected from a pub or helping people get home safely after consuming too much alcohol.

The program is now in a review phase, which will be completed by February next year.

Mr Gregg is hopeful the CBD Crew initiative can return to the streets of the CBD soon after that.

"Our intention is to continue and we expect to continue. We just want to make sure we are addressing real needs," Mr Gregg said.

STORY TOOLS

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- 5 Don't miss The Chronicle's Christmas lights map

Attachment 2

9 December, 2011 3:52PM AEST

Crew offers support for Toowoomba CBD

By Elly Bradfield

A team of volunteers is hitting the streets to support people who find themselves in trouble in the small hours in the Toowoomba CBD.

How long has it been since you have been walking the streets of Toowoomba's CBD in the early hours of the morning?

If it's been a while, you might be surprised by the number of alcohol and drug-related problems.

The Toowoomba CBD Crew is an initiative of Spring Street Community Care and has just finished the seventh week of a pilot program.

It's goal is to be an approachable and recognisable group for people to turn to if they find themselves in a sticky situation.

Elly Bradfield became part of the team for the night and learnt the ropes from Matt Gregg, co-ordinator of Spring Street Community Care and Toowoomba CBD Crew member.



Spring Street Community Care co-ordinator Matt Gregg and other members of the CBD Crew. (Elly Bradfield - ABC)

Toowoomba CBD Crew on Facebook



© 2012 ABC



Office of Liquor and Gaming Regulation

Queensland Liquor Accords newsletter August 2012

Message from The Hon Jarrod Bleijie MP Attorney-General and Minister for Justice

Queensland has 96 active liquor accords and it was great to see Townsville coming on board earlier this month.[read more...](#)

Message from Mike Sarquis, Executive Director, Office of Liquor and Gaming Regulation

I would like to take this opportunity to remind licensees it is important to consider relevant legal principles when introducing patron bans in light of the Supreme Court decision on Owens v Normanton Liquor Accords & Ors. For more information, please see our special [July edition](#) of the Liquor Accords newsletter, which was dedicated to the topic of patron bans.[read more...](#)

Accords invest in the future through young people's education

The Capricorn Coast Liquor Accord has worked hard to improve safety for their community by engaging with young people.[read more...](#)

Reminder about Price and Supply Controls

If your liquor accord has introduced price and supply controls as harm minimisation measures and you have not advised OLGR, you are reminded you have an obligation to do so as soon as possible.[read more...](#)

Toowoomba CBD Crew reaches over 2000 people

The Toowoomba Liquor Industry Action Group (LIAG) recently partnered with METRO Care (formerly Spring Street Community Care) to run the highly successful Toowoomba CBD Crew initiative.

This was a six-week trial program designed to reduce alcohol-related harm funded by last year's one-off OLGR Liquor Accord Financial Assistance Program.

In an effort to reduce alcohol-related harm in the Toowoomba CBD, volunteer 'street teams' provided a support network and lent an ear to patrons visiting pubs and clubs in the CBD. Members of the CBD Crew were also trained in basic first aid and carried a first aid kit while on patrol.

During the trial, the CBD Crew engaged with over 2000 people and handed out an astounding 70 kilograms worth of red frog lollies as a friendly way to engage with patrons. The lollies gave volunteers the opportunity to chat to people about their night so far and how they were planning to get home.

The CBD Crew also provided over 1900 free bottles of water to patrons to support responsible consumption of alcohol. The work of these young volunteers went a long way to relieving pressure on police and ambulance services.

The trial was considered an outstanding success in creating a safer CBD for patrons and an improved operational environment for CBD venues. Anecdotal feedback was very positive and highly supportive of continuing the project.

The Toowoomba LIAG would welcome sponsorship to continue the initiative this financial year. For more information please contact Blanche Waddell, Health

Promotion Officer (Alcohol, Tobacco and Other Drugs) at Queensland Health on 4616 6863 or email Blanche_Waddell@health.qld.gov.au

[close](#)

Get informed about drugs in pubs and clubs

The Queensland Police Service (QPS) has developed a new 'Drugs in Pubs and Clubs' presentation for licensed venues.[read more...](#)

Caxton Street Precinct Liquor Accord Banners

Safety messages to patrons can be communicated effectively in a variety of ways. Signage, including LED screens, is often a strong medium when it comes to conveying information.[read more...](#)

Liquor Accords working in partnership

Liquor accords are an excellent example of the old adage "there's strength in numbers".[read more...](#)

Accords growing in numbers

The total number of liquor accords in Queensland is currently 96.[read more...](#)

More information

For more information on stories featured in this issue of the Queensland Liquor Accords newsletter, or if you would like to share initiatives by your own accord, please email liquoraccords@olgr.qld.gov.au

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Local Just In Queensland National Offbeat Sport Lifestyle Business Rural

Church searches for needy family

Megan Masters | 28th Nov 2009 2:15 AM



Spring Street Church Christmas care committee members Jenny Alchin (left) and Kerry Rowbotham have more to give to Toowoomba's needy.

Kevin Farmer

STORY TOOLS

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THE Spring Street Christian Church has made a special appeal after being overwhelmed by the number of hampers donated to Toowoomba's needy for Christmas.

Pastor Matt Gregg said he was surprised that they had more hampers than they did families in need. The church approached a variety of community organisations as part of their Community Christmas Care Program in search of Toowoomba's most needy.

"From our collection bins in shopping centres and schools, we collected more than 300kg of non-perishable foods and that will likely be 400kg within the week," Pastor Gregg said. "It was somewhat unusual to have extras so we are looking for other areas where people need hope."

They are now calling for community members to come forward if they know of anyone doing it really tough this Christmas so the final few hampers can go to good homes.

While they are unable to guarantee all callers a hamper, Pastor Gregg said the program has other ways to help.

"This Christmas we are launching our website www.winterhelp.com.au which will give people the opportunity to be connected with services, request emergency relief or attend our Christmas lunch for people alone at Christmas," he said.

"We have limited resources, but we do everything we can to stretch them."

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- 5 Courier drives congested over extra wild trucks

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Charity Christmas Gifts

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Attachment 5

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Tags: charity, community, donations, family, loads of love appeal

Tonne of love aids needy families

Have your say »
 26th Dec 2011 9:36 AM |

Story Tools

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» City groups push for load of love



Volunteers (from

left) Sam Kirby, Matt Gregg and Kerry Rowbotham gather up food for the Loads of Love Appeal. Bev Lacey
 TOOWOOMBA residents showed a tonne of love during Christmas, donating more than 1025 kilograms of food to needy families.

Throughout November and December, families have been able to donate food to the Loads of Love appeal at Toowoomba Plaza.

Spring St Community Care pastor Matt Gregg, who has been one of many volunteers working behind the scenes on the appeal, said more than 100 families had benefited from the donations.

"We reached our target and have collected 1025kg with more to be counted," Mr Gregg said.

"So far over 100 households have received much needed support.

"We thank every person who was able to contribute to making Christmas a little brighter for someone else."

Now in its third year, the Loads of Love Appeal is a combined project of Spring St Community Care, Toowoomba Plaza and the Kath Dickson Centre's Raintree Project.

"A big shout out has to go to those who have been delivering hampers," Mr Gregg said.

"We've been getting incredible feedback from the families and we're looking forward to next year."

The Chronicle

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Local Just In Queensland National Offbeat Sport Lifestyle Business Rural

Goods flood in to aid victims

Kate Dodd | 26th Jan 2011 2:00 AM |

Story Tools

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Pastor Matt Gregg is

delighted with the community's support for flood victims. Bev Lacey SPRING Street Christian Church pastor Matt Gregg was impressed to see the Toowoomba community pull together to help victims of the recent flood devastation.

He said Queensland had never faced such widespread devastation like the recent flooding before and had not had the opportunity to respond to it.

"Now we have and we can walk away with a level of pride with how we've been able to support each other so far," Pr Gregg said.

He said the church had delivered an exceptionally large amount of goods to areas in need in the Lockyer Valley.

The church has reached its donations capacity.

"We've had so much response. It's sensational," Pr Gregg said.

"Just like we've had a tsunami of water, we've had a tsunami of help."

The church is now predominately taking donations of money instead of items

"That's the best way to help people because we can channel into exactly where it needs to go," Pr Gregg said.

The goods donated to the church have included toothbrushes, deodorant, clothes, linen, bedding and furniture.

Pr Gregg said people were urged to donate brand new items as well as second-hand ones.

Pr Gregg thanked Terry White Chemists for donating medical and personal supplies and Spotlight for donating new bedding and linen.

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An Email from Spring Street Christian Church, Toowoomba

Posted on January 12, 2011 by admin

In response to the recent flooding, Spring Street Christian Church in Toowoomba is making available its facilities as a rest area for anyone who needs some time out to relax and have a coffee or a cup of tea. We understand this may be a difficult time for many people and we have a care team available for anyone affected by the floods who may need some comfort and support. Also available are Emergency Relief Packs for anyone who may need them that include toiletries, personal hygiene items, towels and other personal necessities. Our We Care Resource Centre is also open from 9.00am to 5.00pm all week and any person needing clothing, bedding or other items are welcome to come at any time and collect the goods they need at no cost. If no transport is available we will do what we can to get items out to those who need it. Please let those in need know to come to the church at any time or contact us if they have no transport. Lastly, we are receiving donations of all sorts right now which will be distributed amongst those that need it most. If you are in a position to give and would like to do so, please bring your donation to Spring Street Christian Church, 285 Spring Street, Toowoomba or contact the office on 4617 6777 . If you have any questions about the services we have available or you have information you believe we should know, please don't hesitate to contact me. Stay safe,
Matt Gregg (Pastor)

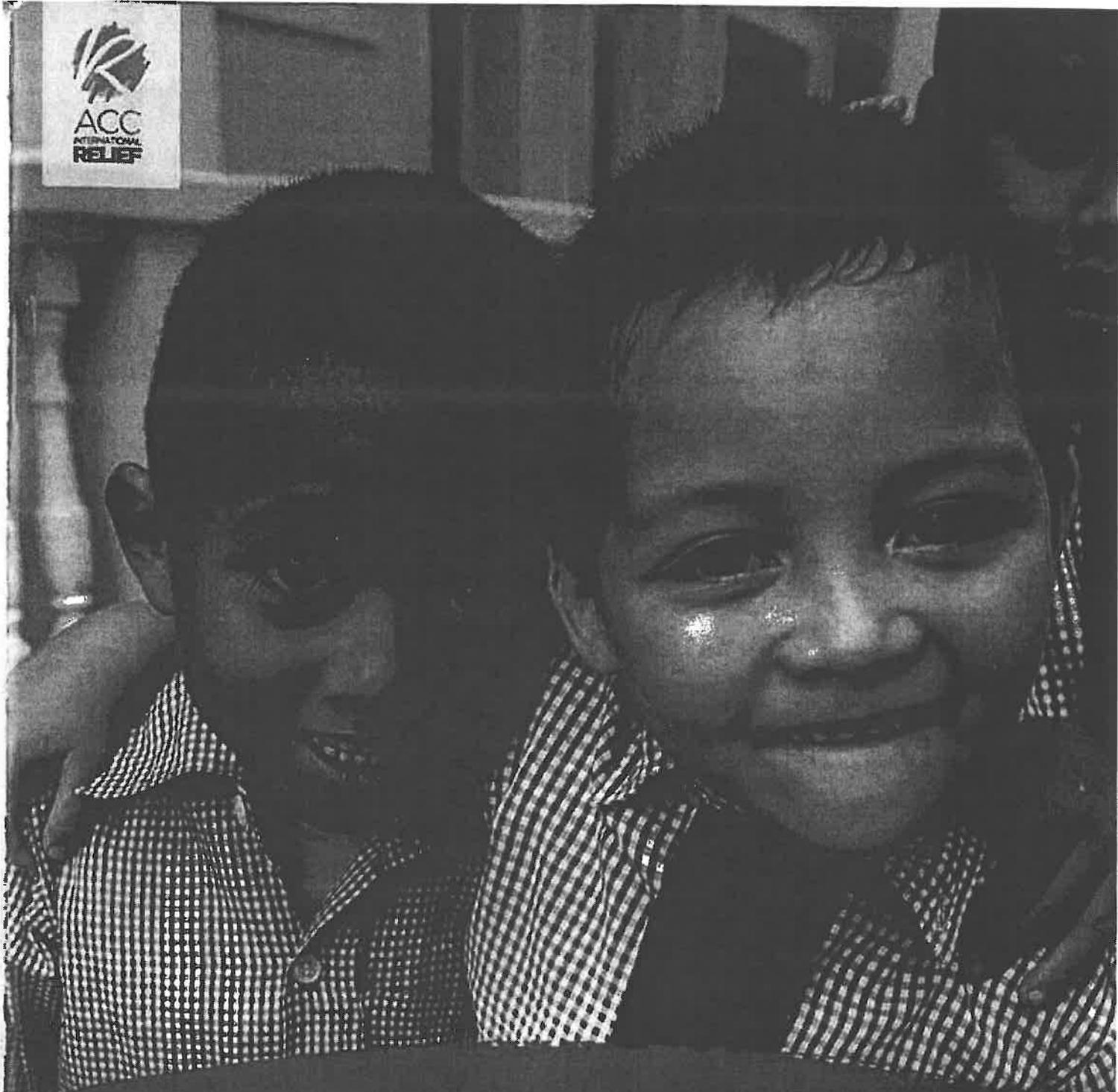


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Originally posted here:

[An Email from Spring Street Christian Church, Toowoomba](#)

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**RELEASING
THE POTENTIAL
OF A NATION**

 **PROJECT
madagascar**



View of Western edge of Antananarivo from the Queen's and Governor's palaces' precinct with CLC-Anosibe's location highlighted.

INTRODUCTION TO MADAGASCAR

DID YOU KNOW

THERE IS AN HISTORIC LINK FROM MADAGASCAR TO AUSTRALIA'S FIRST SETTLEMENT? ON THE FIRST FLEET, THERE WERE MALAGASY SLAVES CONVICTED OF PETTY CRIMES.

Madagascar became a nation in the early 1800's. After the English and French colonial powers conspired with the settlement of the Indian Ocean and East Africa Treaty, Mauritius was ceded to the English by the French, and Madagascar became an English recognised 'protectorate of France' in exchange. This was carried out with no regard or agreement from the Malagasy National Government. Madagascar tried in vain to remain independent, but was invaded and annexed by France in 1894. For the next 60 years the Malagasy tried many times to regain

their independence. In the early 1960's, autonomy was gradually given by France, with full independence in 1965. Even to this day, due to its huge natural resources, Madagascar continues to be buffeted by international interests that are not to the benefit of the Malagasy people.

John 'Black' Caesar, Australia's first bushranger, was a giant of a man. He was a Malagasy slave sentenced to transportation to Port Jackson for petty theft of food in London, after escaping slavery in the West Indies. In Australia, he escaped four times, seeking only to be a free man and to have enough to feed his large frame. Poignantly, he was killed in 1796 on Liberty Plains for the reward of 5 gallons of rum. Like this man, Madagascar presently is seeking to find its freedom from global interests that provide no benefits to the Malagasy.

PROJECT MADAGASCAR:

DELIVERING IMMEDIATE AND STRATEGIC
OUTCOMES IN EDUCATION AND SELF-HELP
COMMUNITY DEVELOPMENT.

As Madagascar is one of the poorest nations in the world, this 'self-help' project was initiated by the recognition that education was a key for the Malagasy people. Education is a transforming process to equip the Malagasy to become their own positive change makers to develop their own nation. Construction of two hub Community and Learning Centres (CLCs) along with a new three language curriculum is being facilitated and funded through the project. The new curriculum is structured to be locally affordable, and includes community health initiatives, sustainable agriculture and technology programs. To ensure this works for all regions, project outcomes will be incrementally available and tested in smaller remote local community integrated CLC extension centres. All project outcomes are also available for local Malagasy replication outside of the scope of this project.

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Introduction to Madagascar 2

ABOUT PROJECT MADAGASCAR

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What Project Madagascar does not do 4

What can you or your organisation do to help? 4

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ABOUT PROJECT MADAGASCAR

Project Madagascar is an Australian sustainable community Aid and Development Project compliant with AusAID standards; accredited through ACC International Relief - a DFAT gazetted Overseas Aid Fund agency.

The project was initiated in 2004 in Australia and Madagascar, and was officially launched in 2005 with construction work commencing in Madagascar in July 2006.

WHERE IS PROJECT MADAGASCAR?

Since 2006 the project has operated in two of the poorest neighbourhoods of Anosibe and Itaosy in Antananarivo, the capital of Madagascar. These are the sites for the first two 'hub' development centre Community and Learning Centres (CLCs). There are future plans for 3 – 5 remote CLC extensions.

Since July 2006, over \$800,000 of work has been completed for CLC building program and curriculum development. It was opened in April 2008 and has the capacity for 180 student places. The project has to date benefited over 250 children and families (in both the CLC and an orphanage), 33 staff and 31 building workers plus local suppliers.

Australian project executive members carry out compliance audits to AusAID requirements and development work every six months to ensure all funds are used correctly, and development remains on track.

WHAT DOES PROJECT MADAGASCAR DO?

It facilitates 'opportunity' for local Malagasy to carry out sustainable community development work for their own nation - to break the poverty cycle. The first two CLCs are hubs that are developing the three language curriculum from kindergarten to Grade 12. This also includes community health and sustainable community gardens initiatives. A future extension of these outcomes is planned for street kids.

This project, to one of Australia's Indian Oceania neighbours, is a 'hand up', not a 'hand out'. It gives opportunity to talented, gifted and motivated young Malagasy people to self-develop their own nation. This is not welfare and

does not create dependency. Development work is culturally sensitive and seeks to preserve this nation's Melanesian derived culture and language.

The strategic outcome is to incrementally provide a full primary, middle and upper school curriculum that is sustainable and affordable to all Malagasy, whether in normal schools, remote school extension programs or self-schooling at home.

WHAT PROJECT MADAGASCAR DOES NOT DO!

It does not waste funds on large organisational overheads: 85-90% of all funds are used in recipient community development. Further, funds landed in Madagascar are amplified due to exchange rates, to provide approx. 15 - 20 times the purchasing value compared to the nation the funds came from. Overseas funds amplified by this factor allow the project to complete a wide range of outcomes very cost-effectively.

WHAT CAN YOU OR YOUR ORGANISATION DO?

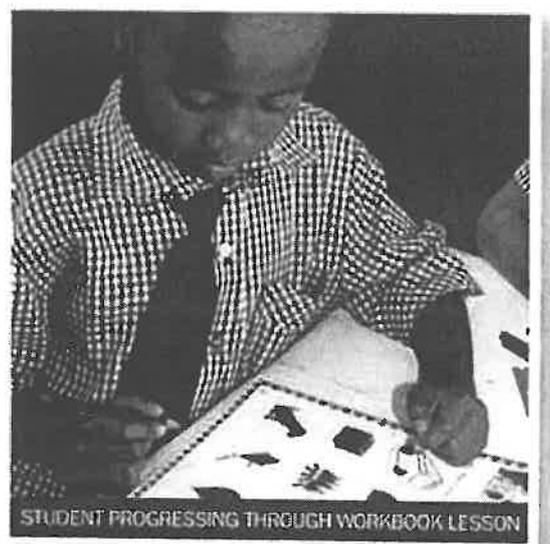
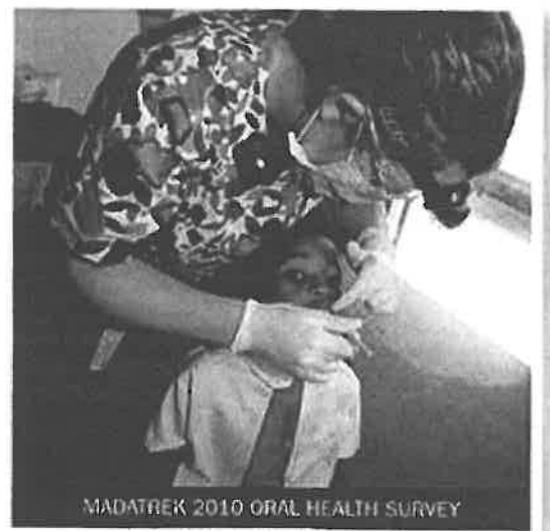
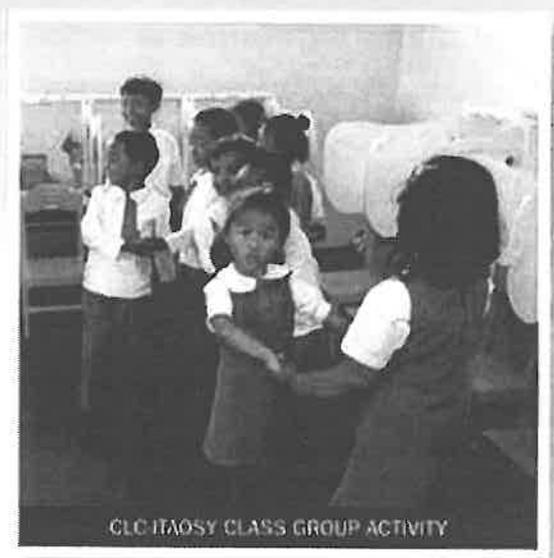
You have the opportunity to demonstrate the ability of Australian people to be a positive influence in our global region: to give others the same opportunity we had in history to reach their potential as a unique nation. Becoming a donor or patron to this project will leave a legacy that is woven into another nation's development over future generations.

This is the true measure and success of Australia's generous ability to make a difference in this region of the world, even when times are tough. So 'lend a helping hand' and become associated as a patron, donor, child sponsor or active participant.

DONATIONS

All eligible individual or business project donations are tax deductible through ACC International Relief.

Donations of any size make a difference. Personal or business donations, corporate employer group sponsorships are all possible; e.g. corporate sponsorship where an employer matches the employee donations dollar for dollar.



**LETTER OF THANKS AND COMMENDATION FROM
AUSTRALIAN AMBASSADOR TO MADAGASCAR:**



Above: Traditional Eastern Highlands traditional Malagasy home in agricultural area. This home has been in use since the 1890's and utilises compressed red earth and thatch. Two families of up to 15 people at any one time have lived in this house over the past century.



AMBASSADOR



AUSTRALIAN EMBASSY
PORT LOUIS

24 October 2008

Ps Laurent Rambeloson
Head of Community and Learning Centre Committee
FOIBE Assemblée de Dieu Association Madagascar
Community and Learning Centre (Anosibe)
Lot III X 363 GA
Anosibe Quest - 1, Antananarivo
MADAGASCAR

Dear Ps Rambeloson

I am writing about my wonderful visit to CLC Anosibe last Friday (17 October). I was so pleased to have the opportunity to finally see the excellent work being done at the Anosibe Community and Learning Centre and I was most impressed with the dedication and professionalism of you and your staff. I also enjoyed the musical presentation by the children; please thank them for their wonderful performance.

Thank you to you and your staff, including Ps Robertine, Vola, Benjamin and Tovo, who organised the ceremony and gave me the tour of the CLC's facilities. I would also like to thank you and Ps Robertine and Vola in particular for the wonderful gifts which I received. I am honoured by the beauty and story behind each of the gifts and will always treasure the gorgeous lamba, the pallisandre woodcut and the delightful figurines depicting different Malagasy couples.

It was rewarding to see how the funds from the Embassy's Direct Aid Program have been put to such good use. I wish you the very best for your plans to expand the Anosibe centre for the benefit of the children and the community around Anosibe.

I enclose a couple of copies of the Australian Government publication *Australia In Brief* for your library. This little book is full of information about Australia which I hope will be of use to both the teachers and the students.

Thank you once again for taking so much time from your busy school schedule to organise my visit at such short notice and for sharing Malagasy culture and history with me in such a beautiful way.

Yours sincerely

Cathy Johnston

2nd Floor, Rogers House, 5 President John Kennedy Street, Port Louis, Mauritius
Telephone: 230 202 0160 Fax: 230 204 9070
Website: www.mauritius.gov.au

Picture Diary:

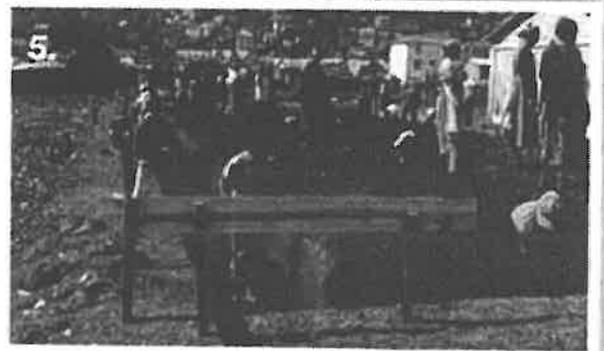
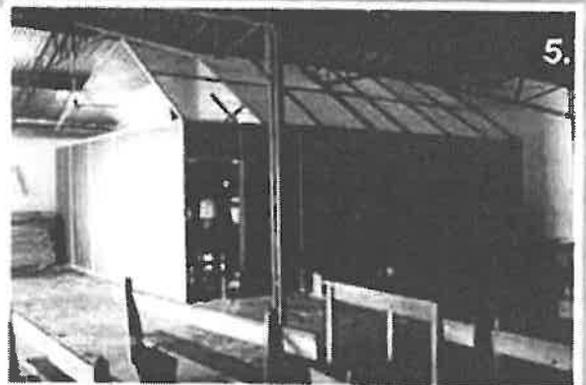
PROJECT START



(All photos left to right)

Community and Learning Centre (CLC) Anosibe Development in poorest neighbourhood of Antananarivo Madagascar:

- First site inspection prior to 2004/05 monsoon
- Site fill to above flood level begins Dec. 2005
- Local volunteer community people help with site fill
- Local children with no sports facilities use site fill during settlement period as a playing field
- First temporary classroom construction in Anosibe Dec. 2006
- Local volunteer community people help dig the CLC footings.



Community Learning Centre Development of CLC-Anosibe begins in Antananarivo. Anosibe is poorest metropolitan neighbourhood in Madagascar.



(All photos from top then left to right)



- CLC Development working sub-committee: Vola (CLCs Program and Curriculum Development Officer); Ben (Senior Supervising Teacher and brilliant artist illustrating curriculum); Tovo (CLCs Construction Coordinator).
- Ps Robertine (CLCs Director and Principal of CLC-Anosibe)
- Opening Day with parents 15th Jan. 2007.
- Former Australian Ambassador Ian McConville and wife Libby visit CLC in 29th Jan. 2007.
- First pioneer CLC-Anosibe Preschool group on opening day.

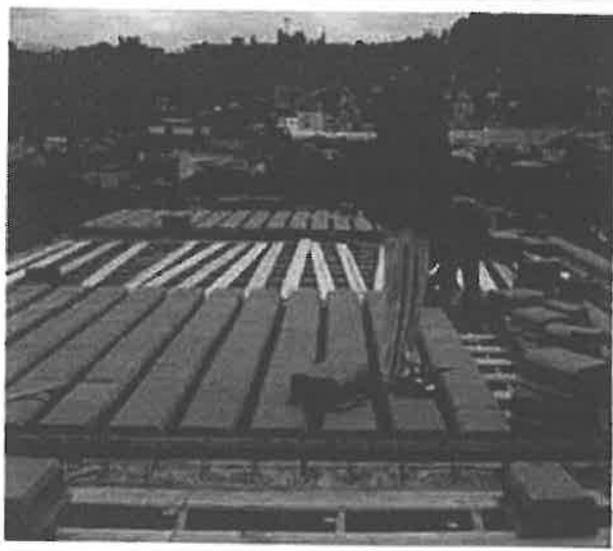


CLC-ANOSIBE STAGE 1 COMMENCES MAY 2007



- Above from Top Left: Like Venice, CLC-Anosibe is built on a marsh, above flood level, on timber piles. All work was carried out by hand by twelve masons with no mechanised tools other than a pulley and a delivery truck.
- Bottom Left: Laying the permanent CLC-Anosibe foundation stone May 2007 by Local Municipal Delegate who championed the building permit after the Australian Ambassador's visit) and Andreas Helwig from Project Madagascar Executive Australia.

CLC-Anosibe Stage 1 opens Oct. 2007 and Stage 2 construction nears completion.



(Above from top left to right)

- **Readying Stage 1 Construction, and preparing concrete floor for Stage 2. The entire floor was mixed by hand and poured by pulley operated buckets.**
- **Sealing the tension membrane floor as the ceiling for new Grade 1 Classroom.**
- **Academic year opening in October 2007 in permanent classrooms.**
- **Stage two of CLC-Anosibe authorised December 2007.**
- **Stage 1 and 2 nearing completion in March 2008.**



CLC-ANOSIBE STAGE 1 & 2 OFFICIAL OPENING MAY 2008

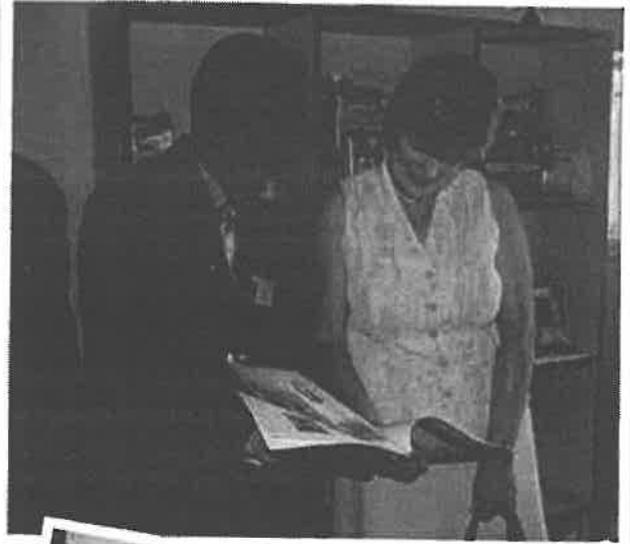
(From top left to right)



- Official Opening Day of CLC-Anosibe by Malagasy Secretary to National Parliament, National Director of Private Schools, and representatives of Project Madagascar Executive Australia.
- Same group of pioneer children shown as they were when enrolled in December 2006 and again at the official opening. What a difference 18 months makes!
- Opening day celebration presentations in Malagasy, English and French.

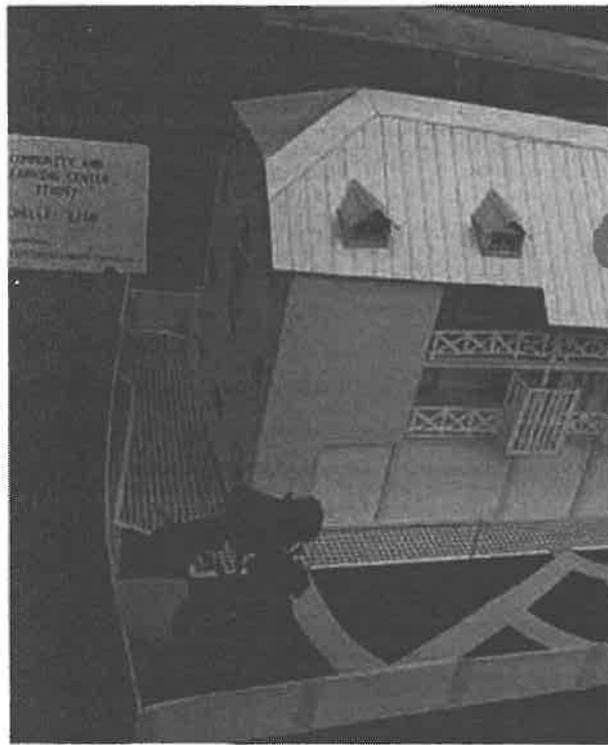


Australian Ambassador's Visit in October 2008



(From top left to right)

- Official visit by Australian Ambassador to Madagascar in October 2008. Vola as curriculum developer explaining the three language self-paced learning process.
- Ben explaining how he illustrates the curriculum.
- Children and parents of CLC-Anosibe
- Cultural presentation by children to Australian Ambassador.



2008 TO PRESENT

Project Madagascar begins construction of the second CLC at Itaosy which is another extremely crowded neighbourhood in Antananarivo in dire need of educational facilities.

Photos from top to bottom:

- 2009 academic year beginning for CLC-Itaosy with Kindergarten and Preschool. Grade 1 commenced in 2010 in the new permanent facility.
- CLC-Itaosy foundation stone laid in May 2009, then construction follows as an old community church is rebuilt and transformed.
- CLC-Itaosy model showing three storey construction plus attic library and study area. This design was needed due to severe space limitation of the site. Stage 1 of CLC-Itaosy for Kindergarten, Preschool to Grade 3 will be fully operational in 2011.

PRESENT TO FUTURE

Currently:

- Curriculum is completed for Kindergarten, Pre-school and from Grade 1 to 4 in three languages.
- Curriculum planning and development to end of Grades 5 national Malagasy BECP Exam is well under way for completion in 2011.

2011 and beyond:

- Trial of full primary school curriculum in remote CLC Extension centres, and release of package of primary school teacher training and curriculum for outside of project scope replication.
- Complete construction of hub CLCs at Anosibe (Stages 3 - 4) and of Itaosy (Stage 2).
- Development of Grades 6 - 9 curriculums to national Malagasy CEPE exam and international standards.
- Development of Grade 10 - Baccalaureate (Grade 12 Matriculation) at CLC-Anosibe and CLC-Itaosy, with development network facilities for bright remote students to attend and link to the National University of Madagascar at Antananarivo.

Funding needed to complete the project is:

\$1.44 million

which in Madagascar amplifies in value 15-20 times compared to the work if it was carried out in Australia!

MADAGASCAR'S EDUCATIONAL NEEDS

Madagascar is listed as having 68-70% literacy for adults aged 15 years and over, accounting for 53% of the population of 20.5 million. Current demographics for education show that in the school age group of 5 – 14 year olds, there are about 8.5 million children of compulsory school age. However there are 5.2 million who should be in primary school; but only 70% are actually enrolled. Of these, only 58% are, based on current listed figures, expected to finish primary school to the end of Grade 5. To make the future even more difficult, there are another 3.3 million children right now under the age of 5 who have yet to enter the schooling system. The Malagasy Government two years ago estimated another 300 primary schools are needed annually to keep up with population growth to maintain current levels of enrolment. Literacy in Madagascar, as a result, is expected to drop sharply in the next two decades in the age group older than 14.

HOW THIS PROJECT HELPS

Project Madagascar provides a cost effective selfpaced learning curriculum that dramatically reduces the costly need for school infrastructure construction and ongoing maintenance. It will also provide three languages to children, so that by the time of the exit middle school statutory exam, it should allow the students to take any local or international exam; or gain employment in any of the languages learnt.

The curriculum will also be suitable for remote schooling and home self-schooling, at an affordable cost to all Malagasy.

WHAT YOU CAN DO!

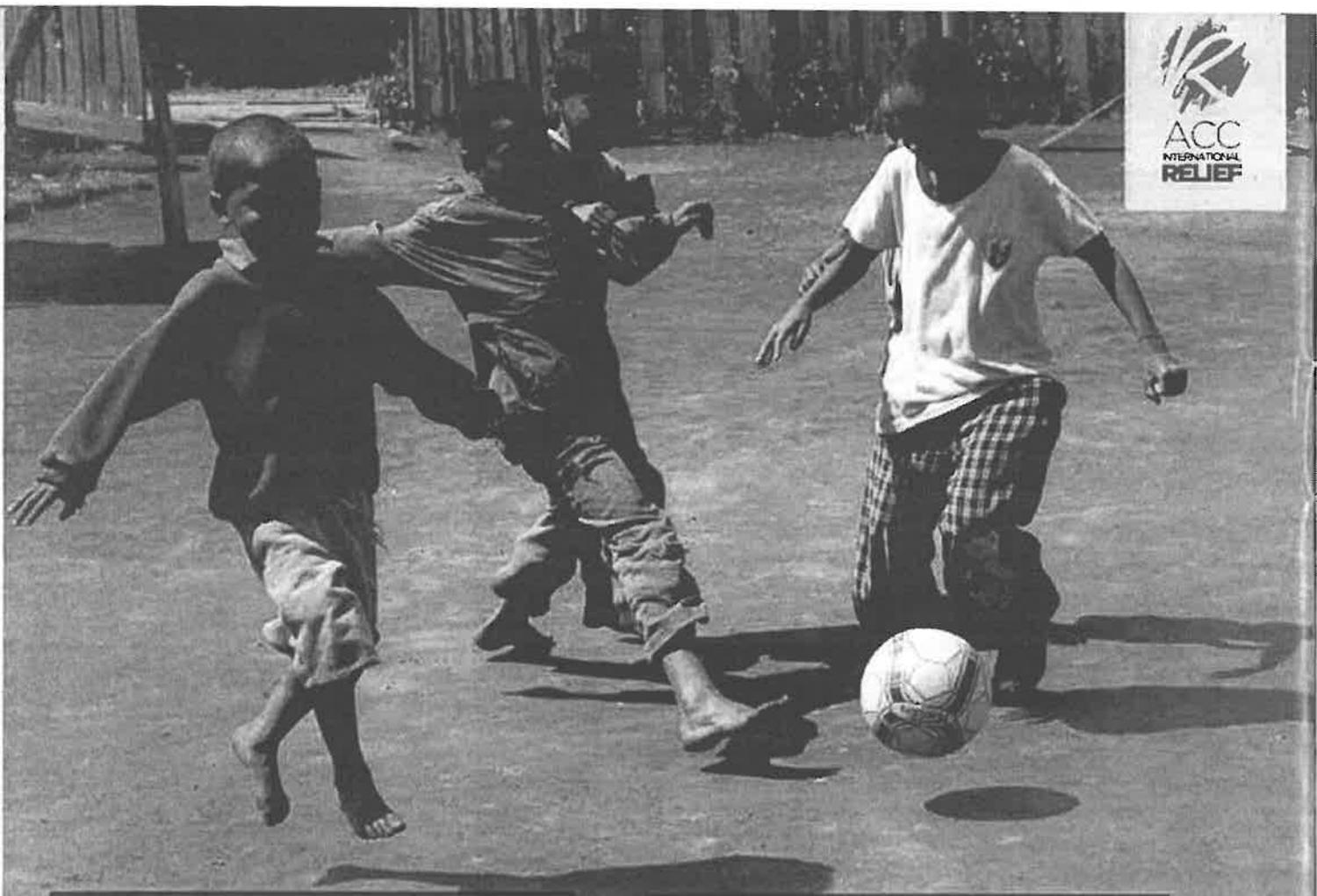
Donations, large or small, are needed. Over \$800,000 has been raised locally from the Darling Downs, Western regions and Queensland in general. National Australian business and corporate funding is being sought to raise these funds so that the project focus remains on development outcomes in Madagascar.

Another 1,050 child sponsors are needed over the next few years to complete the work with the children enrolled in the CLCs.

All eligible donations (personal, business or corporate) will be issued with a tax deductible receipt through ACC International Relief.



**HELP MAKE A FUTURE
FOR THE CHILDREN
OF MADAGASCAR!**



MORE PROJECT INFORMATION

Should you want more information about anything outlined in this booklet, simply use one of the contacts below, and a Project Executive member will be in touch with you.

Contact with the Project Executive can also be requested by emailing info@springstreet.com.au (Spring Street Christian Church, Toowoomba). Project Madagascar Executive is a project management entity under a strict Charter of Operation under AOGTPL and is an accredited aid and development project with tax deductibility through ACC International Relief Inc.

Additional donation forms can be downloaded from www.projectmadagascar.org.au from the page under the heading 'Donations'.

DIRECT DEBITS:

For direct debits to Project Madagascar
NAB Account #: 57 567 2297 BSB: 084 961
Ref: Provide your name and add 'TDD'* to request a tax deductible receipt. Alternatively, please email your donation to info@springstreet.com.au including your post or fax details; or from the website, download print and post a completed donor information form to the address below.

*To receive tax deductible receipts, please provide name or business, address and a day phone number and notice of preferred payment option; i.e. EFT direct debit or credit card payment details, or cheque (made out to Project Madagascar). Note: Tax receipts are sent out from ACCIR on a four monthly basis, unless specially requested otherwise.

Disclaimer: The information in this brochure is factual and correct to the best knowledge of the Project Madagascar Executive at the time of publication.

If you can help or have any enquiries about the project please contact info@springstreet.com.au

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OR MAKE CONTACT WITH THE FRIENDLY STAFF AT SPRING STREET CHRISTIAN CHURCH:

Postal Address: P.O. BOX 7075, Toowoomba South, Queensland 4350 Phone: 07 4617 6777 Fax: 07 4617 6778
www.projectmadagascar.org.au

 PROJECT
madagascar



RELEASING THE POTENTIAL OF A NATION



VIEW OVERLOOKING ANTANANARIVO



WOMEN EARNING A LIVING BY WASHING



CHILDREN IN THE MARKETS WHO NEVER ATTEND SCHOOL



EASTERN HIGHLANDS RICE FIELDS

CONTENTS

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FAST FACTS

Madagascar is an island off the east coast of Africa that spans in latitude North to South from Darwin to Alice Springs in the Northern Territory; and has a land area 33% the size of Queensland, or alternatively is slightly larger than the combined area of New Zealand's North and South islands. It is the fourth largest island in the world with a population of approximately 20.5 million.

50% of the population currently subsists below the U.N. defined poverty line while another 20% live on the poverty line. In 2009, 50% were under the age of 17. The average education standard for most of the poor is Grade 3 with only 6% of the population of youth and children ever reaching Grade 12.

Recent updates from November CIA 2009 fact book state that the average life span is 61 years for the total population (i.e. men and women combined).

Project Madagascar is seeking to develop and provide special educational programs for children, community health training for local families and oral hygiene care in some of the poorest areas surrounding the Community and Learning Centres.

HOW DO YOU CHANGE THE DESTINY OF A NATION?

Through education and life-skills programs that teach the value of:

- Preserving their ancient and unique culture
- Protecting their diverse environment
- Developing appropriate community technology to step into the future with confidence

Be like the chameleon, keep one eye on the past and one eye on the future.

- Malagasy Proverb -

INTRODUCTION



Releasing the potential of a nation through:

Education

Community Development

Life skills

Sponsorship

Discover how you can help today.



The Malagasy are descendants of the ancient Melanesian peoples, with some migration much later from Malaysia and Africa. Rich in history, culture and bio-diversity, Madagascar is a country with huge potential. It is the world's largest exporter of vanilla, spices and some specific perfume plants.

Though Madagascar is an island of great beauty, it has been burdened by colonial and international exploitation resulting in a vicious cycle of poverty. This has had devastating effects resulting in a living standard that is poorer than Ethiopia.

As you read over the next few pages you will find information about the work being done amongst these amazing people and how you can also become involved in releasing the potential of a nation.

The Malagasy Project development staff continue with a passion after many years of extensive work to stretch and maximise every Project fund to produce both excellence and self-sustainable education and community program outcomes. This has been achieved in personally difficult life circumstances that few Australians could even imagine.

CORE VALUES

THE ESSENCE OF PROJECT MADAGASCAR

One of Madagascar's largest exports is 70% of the world's vanilla beans. We see the potential of Madagascar to be like the sweet aroma of vanilla - a distinctive essence which is always captivating and naturally enduring.

Project Madagascar is an Australian sustainable community Aid and Development Project compliant to AusAID standards; accredited through ACC International Relief which is a DFAT gazetted Overseas Aid Fund agency.

This Project provides:

- A broad spectrum of **educational opportunities** for impoverished Malagasy children and young adults.
- **Essential facilities** for education and project initiatives.
- A trilingual self-paced curriculum for children from kindergarten to grade 12.
- A locally affordable cost base
- Long term, proactive community health and life skills programs.
- Expansion strategies to reach high-risk children such as orphans and street kids, and the 40% of children who live in remote areas without any access to schooling.

In this project, education and the ability to 'self-help' in all areas of life are the keys to breaking the poverty cycle in a nation.

The Project sees each child as a special individual, and recognises the huge potential of these children within the fabric of Madagascar's future development. Emphasis has been given to cultivating an 'others-focused' mentality and sense of responsibility where the children learn to be concerned with the needs of others, as well as their own.

We are confident when we say, the Community and Learning Centres' development process facilitates local Malagasy program outcomes. These are key elements to release this potential and to achieve local sustainability.

The CLC culture is of community service and commitment to skill the children for life! Education may give the necessary knowledge for change; but the children must emerge as adults with a caring and generous character committed to participating to actually make change occur. Only together will these bring sustainable transformation in Malagasy communities to break the poverty cycle and difficulties that presently grip their society.

OUR JOURNEY SO FAR



SITE OF THE CLC PRIOR TO CONSTRUCTION 2004



ANOSIBE COMMUNITY HAND DIGGING STAGE ONE FOUNDATIONS
MAY 2007



FIRST PIONEER STUDENTS TO ENROL IN DECEMBER 2006 FOR
INAUGURAL PRESCHOOL IN A TEMPORARY CLASSROOM



MAY 2008; ONE OF THE PIONEER GRADE ONE STUDENTS AT THE
OFFICIAL OPENING. A STARK CONTRAST TO THE PHOTO ABOVE.

ESTABLISHMENT

The Project was conceived in Australia In 2003, with long term Project strategy initiated in Madagascar in early 2005. In July 2005, the Project was officially launched in Australia with the commencement of on-site development work in July 2006.

WHERE IS PROJECT MADAGASCAR BASED?

The Project is currently based in the poorest neighbourhoods of Anosibe and Itaosy in the capital of Madagascar - Antananarivo. These two areas are the sites for the first two 'hub' development Community and Learning Centres. There are future plans for at least three more remote CLC extensions.

Since July 2006, just under \$780,000 of work has been completed for CLC Infrastructure and curriculum development. CLC-Anosibe Stages 1 and 2 includes four large teaching rooms, library, hygienic toilet block and local Development Office opened in April 2008 that have the capacity for 180 student places.

In 2010, the project has benefitted over 250 children and families (in both the CLC and an orphanage), 33 staff and 20 building workers plus local suppliers.

Every six months Australian project executive members carry out compliance audits to AusAID requirements. Necessary progress checks and training ensures all funds are used correctly and development remains on track.

OUR FOCUS

CURRICULUM (modular and competency based)

- The project facilitates a trilingual (Malagasy, English and French) integrated curriculum using a self-paced work program specifically developed for local cultural needs.

HEALTH

- Establishment of programs for health and sustainable community 'self-help' skills.
- Future development of programs for street children and children at risk, of which there are thousands.

LIFE SKILLS

Opportunities for talented and motivated young Malagasy people to develop their own nation. This is not welfare, but a process of implementing local sustainability. Project work is culturally sensitive.

WHAT PROJECT MADAGASCAR DOES NOT DO!

This project does not create dependency or promote a 'privileged educated elite' which can lead to political unrest or lead young people to move away from Madagascar.

HOW CAN YOU HELP?

DONATIONS

Project Madagascar ensures a minimum of 80-85% of tax deductible funds reach the recipient community in Madagascar. This includes the statutory AusAID and International compliance costs.

All eligible individual or business project donations are tax deductible through ACCIR.

Personal, business donations and corporate employee and employer sponsorship group sponsorships (i.e. where an employer matches dollar for dollar employee's donations) are all possible.

Donations of any size make a difference. Funds from Australia are multiplied about 15 times in purchasing-power value for education in Madagascar. For construction it is about 20 – 25 times depending on the materials, season or location and for food it is 30 times.



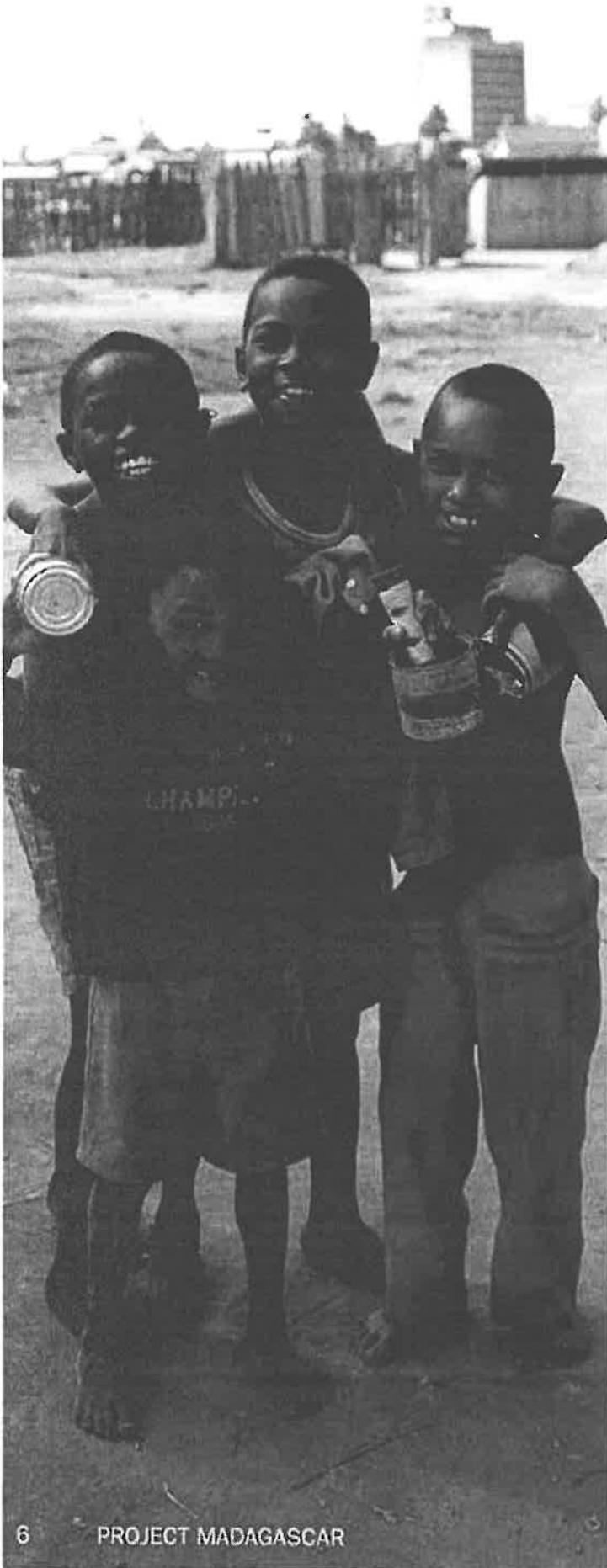
This Project has been approved through ACCIR: eligible donations shall be acknowledged with a tax-deductible receipt.

TRANSFORMING COMMUNITIES PROJECTS:

SPONSORSHIP AND EDUCATION

- The ACCIR Project Madagascar Child Sponsorship Program has at least 90 children waiting for sponsors. Another 60 additional children per year enter the CLC programs, so sponsors are always urgently needed! If you are interested in sponsorship, a child sponsorship pack with more information will be sent to you for completion with ACC International Relief Inc.
Cost: \$45 per month (\$540 per annum)
- Construction and completion of the second hub (CLC-Itaosy); including an education program for 350 students.
Estimated Cost: \$150,000
- Construction of CLC-Anosibe Stage three extension, which includes additional classrooms and canteen for breakfast and supplementary nutritional program
Estimated Cost: \$130,000

Start by doing what's necessary; then do what's possible; and suddenly you are doing the impossible. St. Francis of Assisi



HEALTH AND WELLBEING

- Medicines for the Antananarivo Community Clinic.
Estimated Cost: \$200 - \$500 per month
- Social Health Worker training and support to work with CLC development teams and educational program directors in order to train surrounding communities in self-help health solutions.
Estimated Cost: \$1,000 per year per Community

COMMUNITY

- Water filtration UV filter / UPS Systems. Equipping CLC to treat and convert well water into Class 'A' drinking water.
Estimated Cost: \$3,500 per CLC
- CLC rain water harvest tanks plus five UV filters (and spares) with UPS to improve drinking water quality.
Estimated Cost: \$5,000
- Village house for the children at risk programs. Please note: Over 12 houses plus a CLC extension centre is required for a sustainable orphans' village for 120 placements.
Estimated Cost: \$8,000 per house

COMMUNITY FACILITIES

- Community Garden: Establishment of a 120 sq metre sustainable agriculture demonstration community garden in both CLCs and for street children programs.
Estimated Cost: \$7,000 per garden
- Communal park and sports park areas in Anosibe. This is to provide a safe, parasite and flood free recreational area for the whole community.
Estimated Cost: \$25,000
- Anosibe CLC / Community Covered Area - an open rain proof covered area for the monsoon period.
Estimated Cost: \$20,000

INTERNATIONAL SOCIAL ENTERPRISE ABROAD TRIP

International Social Enterprise Abroad is a 9 – 10 day working trip to Madagascar which includes cultural orientation, project familiarisation visit and includes a Social Enterprise Seminar. This non-tourist based visit is designed to challenge and inspire Australians to do more with their lives and gain an understanding of how global history has resulted in such poverty.

Estimated Cost: \$6,500 per person (\$9,500 per couple)

(NB – this is not a tax deductible donation or gift; but trades/professional individuals or businesses have the possible opportunity of claiming all or a proportion back on annual taxation return if they assist in their trade or professional role in Project development work while attending - subject to their own accountant's advice.)



APRIL 2010, STUDENT BENEFITS FROM DENTAL EXAMINATION.



NOVEMBER 2007, PERMANENT CLC-ANOSIBE FACILITY STAGE ONE IN FULL USE.



FEBRUARY 2008, A PIONEER STUDENT PROCEEDING THROUGH HER SELF-PACED LANGUAGE LEARNING MODULE.



APRIL 2010, STUDENTS ENJOY A VISIT FROM AN INTERNATIONAL SOCIAL ENTERPRISE ABROAD TEAM.



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Postal Address: PO. BOX 7075, Toowoomba South, Queensland 4350 Phone: 07 4617 6777 Fax: 07 4617 6778
www.projectmadagascar.org.au