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To whom it may concern:

AWARE Wildlife Rescue is an all-volunteer environmental organisation headquartered in the City of Frankston, Victoria. I write to share our views on the DGR reform discussion paper currently under review.

Overall, we find the discussion paper to be lacking in both an explanation and a justification for the proposed changes. There is no information provided on the genesis of these proposals. There is no supporting data which identifies any problems in the current system or that justifies the proposed remedies.

AWARE strongly opposes any effort to dictate to charities how they can best pursue their charitable purposes, whether that relates to environmental or other types of charities. In many cases, advocating for change is an important component of pursuing a legitimate charitable purpose. Any restrictions on these activities, or additional and unnecessary reporting requirements, should be categorically rejected.

Existing charity law sets appropriate boundaries for which advocacy activities are acceptable for registered charities, and the ACNC guidance for charities is helpful and reflective of the law. No further changes are justified or necessary.

The discussion paper does not provide any evidence of widespread abuse of DGR status (question 9). Unless evidence is provided, it would not be an efficient use of taxpayers' money to establish a formal rolling review program which would be an expensive undertaking. The transparency and accountability of DGRs is important. However, reviews and audits should be conducted only at the point where systemic issues have been identified or certain risk thresholds have been surpassed.

Similarly, unless there is evidence of widespread abuse of DGR status, it is not reasonable to add to the regulatory burden on charities by requiring them to make annual certifications. This is particularly vital for small, all-volunteer organisations like AWARE. Lacking professional staff to handle such matters, additional bureaucratic red tape is little more than a burden on our volunteers. The policy emphasis for several years has been on red tape reduction for charities. There is currently no compelling argument to reverse that emphasis in relation to DGR status.

The discussion paper mentions both charitable purposes and charitable activities. Charity law focuses on purposes and not activities, and the DGR framework generally has a focus on purpose rather than activity. This is for a good reason. It allows those responsible for charities to devote an organisation's resources to the most efficient and effective way of achieving its purposes. This allows a flexibility that a pure activities approach might not allow.

Environmental organisations (or any other DGR charities) should **not** be required to spend a nominated proportion of their expenditure on activities specified by the government (Recommendation 5). AWARE Wildlife Rescue considers that the bulk of our work is around remediation. However, we routinely benefit from our association with organisations whose focus is on policy, education, or organising. We believe that a balance of activities is achieved across the sector. Allowing organisations to focus on their area of expertise strengthens the overall capacity and resilience of the sector.

Any attempt to silence charities by requiring annual reporting of advocacy activities or any other measures would be to the detriment of civil society (question 4). Advocacy is a critical tool to address the causes of social and environmental problems. Addressing the symptoms of a problem is important, but a much greater social benefit can be achieved if the ultimate causes can be addressed. In many cases, policy or regulatory change is needed to solve the root causes of a problem.

There is a suggestion in the discussion paper that some advocacy activities by charities 'may be out of step with the expectations of the broader community'. No supporting evidence is provided for this claim in the paper. In addition, it is not the expectations of the broader community, but an organisation's charitable purpose, that must determine a charity's activities.

The discussion paper provides no evidence that reporting or monitoring of advocacy activities is required to achieve any specific public benefit. Annual reporting of advocacy would also undoubtedly increase the regulatory burden on charities, contrary to the policy emphasis of recent years as explained above.

AWARE Wildlife Rescue **strongly opposes** this reform as currently proposed.

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