



Strengthening Local Communities

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## A Definition of Charity - Consultation Paper

ANHCA welcomes the opportunity to respond to the Consultation Paper on A Definition of Charity released by the Department of Treasury in October 2011.

ANHCA, in its representation of over 1,000 Neighbourhood Houses & Centres (NH&Cs) across Australia, is keenly interested and pleased by the Not-for-profit regulatory reform and the establishment of the Australian Charities and Not-for-profit Commission (ACNC).

Rather than address every area of the consultation paper, this submission focuses on those areas most relevant to the NH&C Sector. We refer the Philanthropy and Exemptions Unit in Treasury to the detailed submission made by the Not for Profit Project in the University of Melbourne Law School from which ANHCA has drawn upon for our response.

ANHCA sincerely thanks the Not for Profit Project for sharing their considered research.

## The Neighbourhood House & Centre Sector:

- supports the modernisation of the definition of charity and strongly supports a single statutory definition of charity across all federal, state and local government laws;
- believes the charitable status of peak bodies should be clarified in the statutory definition;
- recommends that the list of charitable purposes includes:
  - the **prevention and** relief of poverty
  - the advancement of citizenship and community development
  - the advancement of civil or human rightsand endorses the list of charitable purposes included in the Not for Profit Project, University of Melbourne Law School submission (pages 12 & 13);
- requests that the Federal Government reviews tax concessions for charities and specifically amends the current Deductible Gift Reciprocity (DGR) tax laws to provide access for NH&Cs.

Finally, ANHCA supports the PilchConnect submission to the Consultation Paper.

ANHCA particularly supports the PilchConnect response to question 7 in their draft submission provided to us as follows:

*PilchConnect has concerns about removing the “public benefit” presumption, particularly at the critical stage of establishment of a new national regulator. PilchConnect considers that, in addition to the compliance burden on the NFP sector, removing the public benefit presumption will create significant additional duties for the ACNC, which would in turn require further funding and resources to discharge.*

Quoted from PILCH Draft Submission to Consultation Paper (page 4)

We also draw your attention to the following PilchConnect response to questions 12 & 13 which directly relates to the work of NH&Cs:

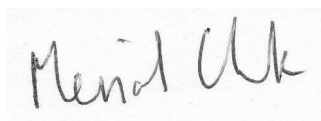
*Charities in particular are often representative of the marginalised and disadvantaged members of society who face considerable barriers to engaging in political debate. Charities are often at the forefront of issues in relation to systemic wrongs and public importance or issues involving the rights or obligations affecting the community or a significant sector of the community. PilchConnect submits that the proposed changes to the Charities Bill 2003, as outlined in the Consultation Paper, do not reflect the principles of the Aid/watch decision or sound policy.*

*For the above reasons we encourage the Treasury to give due consideration to the submission prepared by Melbourne University on this issue and we endorse the recommendation that:*

*The statutory definition should not include clause 8 of the Exposure Draft of the Charities Bill 2003 (Cth), or any other express reference to political purposes or activities. In any event, there should be no reference whatsoever prohibiting ‘political’ or other causes.*

Quoted from PILCH Draft Submission to Consultation Paper (page 6)

In conclusion ANHCA thanks the Federal Government for the opportunity to comment and offers the expertise, experience and extensive capability of our sector in future consultations and in working with government in the implementation of further NFP regulatory reform.



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## The Australian Neighbourhood Houses & Centres Association (ANHCA) has coordinated this response with its state member organisations:-

Tuggeranong Link	Canberra ACT	5 Houses & Centres
Local Community Services Association (LCSA)	New South Wales	250 Houses & Centres
Community Centres and Family Support Network Association of Queensland (CC&FSNAQ)	Queensland	162 Houses & Centres
Community Centres SA	South Australia	96 Houses & Centres
Tasmanian Association of Community Houses (TACH)	Tasmania	34 Houses & Centres
Association of Neighbourhood Houses and Community Learning Centres (ANHLC)	Victoria	380 Houses & Centres
Linkwest	Western Australia	72 Houses & Centres

### About ANHCA

ANHCA represents over one thousand (1,000) Neighbourhood Centres, Community Houses, Learning Centres, Neighbourhood Houses and Community Centres nationally, which are member organisations of their state and territory peak/representative bodies.

ANHCA is the largest community development infrastructure in Australia. The ANHCA community acts as a significant platform for social inclusion and is united by its focus on:

- The practice of community development at a local level
- Building community services controlled and managed by local people
- Building the capacity of individuals, families and communities
- Prevention and early intervention
- The practice of social inclusion at a community, grass roots level
- Building greater networks of support across our communities
- Providing learning opportunities for the community
- Fostering community leadership
- Commitment to equality and opportunity for all people
- Strengths-based practice – people who experience disadvantage can, and should, be actively engaged in the development of their own community and their own future directions
- Local participation and direction in social research planning
- The principles of social justice
- The value provided by trained and skilled volunteers

Neighbourhood Houses and Centres (NH&Cs) are not-for-profit community owned and managed organisations all of which share a community development and socially inclusive approach to the delivery and provision of services and activities for socially isolated and disadvantaged local communities.

85% of NH&Cs in Australia are independently incorporated associations with volunteer committees or boards of management; 60% have a total gross income less than \$250,000 and 52% do not employ any full time staff.

