

Submission to The Australian Government Treasury review of Deductible Gift Recipient (DGR) tax arrangements

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Dear tax reviewers

I have paid my required share of income tax for my entire working life, which is entirely reasonable and morally warranted in return for public services such as education, healthcare, infrastructure, law and order etc. However, I see my tax contribution being given away by the Australian Government to resource extraction companies in the form of fuel tax credits, free water allocations, delayed payment of petroleum resource rent tax, land access rights, evasion of mine rehabilitation, tax avoidance through clever off-shore financial arrangements, externalisation of pollution costs and impacts, and so on. As a private citizen, I really get no say in how my tax contribution gets spent regardless of how poorly I think it is being budgeted or the public's interests being ignored.

So my best option is to donate what I can afford of my post-tax income to non-profit organisations that are attempting to remediate and prevent some of the damage being caused by the multi-billion-dollar mining companies that are so generously supported by my tax dollars.

These environmental organisations depend on the generosity of members of the public like myself to exist. Unlike mining companies, they are not reaping massive profits selling a product extracted from our common natural resources. Unlike mining companies, their boards don't have insiders in Cabinet, their executives don't take million-dollar bonuses, their lobbying activities are not supported by the profits of resource extraction.

Environmental organisations have long been the target of the mining industry and pro-mining politicians (Hamilton & Macintosh 2004; Maddison & Hamilton 2007). The Australian Government has repeatedly attempted to restrict the activities of non-government organisations while simultaneously weakening environmental protections to allow mining projects to take place. The Senate found, however, that environmental groups are essential to protecting the environment (Power & Tomaras 2015). Lenore Taylor, The Guardian, puts their value like this

“Is the revenue forgone in providing tax deductions to environment groups a cost or a benefit?

It's a small cost to the budget and a bigger cost to the mining companies whose business plans are stopped or delayed.

But if you believe Australia is a richer place for doing its part to address global warming, for limiting tree clearing, protecting endangered species or the Great Barrier Reef, or for insisting on proper remediation of mine sites, then it's taxpayer money well spent. And, by definition, that's a belief the hundreds of thousands of Australians who donate to environmental groups share.” (Taylor 2017)

Environmental groups perform an essential democratic function – they give the environment and the public who understand the critical role the environment plays in the survival of human civilisation a voice. They explain to the public what the environmental impacts and consequences are of government policy and corporate activity – the facts that the government and industry will never willingly disclose. They represent the environment in legal cases. Ultimately, they defend human society and the right for all species to exist – a right which would be trampled to all our detriment for the sake of profit if these organisations did not exist.

Do not apply further restrictions to the qualifications or activities or financial declarations required of environmental organisations. Do not restrict their ability to advocate for the environment or fundraise to do so. By doing so, you are silencing the environment and stifling the voice of ordinary citizens like myself.

Rather than restricting the activities of environmental organisations, you should restrict the lobbying activities of mining companies, remove their tax concessions, improve public disclosure of all forms of subsidy to the mining industry, place an effective price on all pollution and damage created by those companies, strengthen environmental protections to prevent the damage caused by them, hold them to the true costs of rehabilitation, and so on.

The mission of environmental organisations is to maintain a clean, habitable planet for humans to continue to inhabit sustainably for future generations. The Australian Government would not need to muzzle environmental organisations if it was doing its job of protecting the public's interests properly.

Hamilton, C & Macintosh, A 2004, *Taming the panda: the relationship between WWF Australia and the Howard government*, The Australia Institute.

Maddison, S & Hamilton, C 2007, 'Non-government organisations', in C Hamilton & S Maddison (eds), *Silencing dissent: how the Australian government is controlling public opinion and stifling debate*, Allen & Unwin, Crows Nest, NSW.

Power, S & Tomaras, J 2015, 'Environment Protection and Biodiversity Conservation Amendment (Standing Bill 2015)', *Bills Digest*, no. 37, p. 26.

Taylor, L 2017, 'Government's letter to conservation groups has ominous implications', *The Guardian*, 15 July.