

Senior Adviser  
Individual and Indirect Tax Division, The Treasury

Thank you for extending the submission deadline for this inquiry to August 4th. We would like to provide our comments as both a former holder of DGR status and as an environment charity.

Frog Safe (former FDR Project) was a DGR approved group from 2006 but we voluntarily relinquished our status in 2012. The red tape involved was too overwhelming for our all-volunteer group to cope with. The following describes what we were told was required of us:

After waiting over a year to be approved, we were told we needed to have a separate public fund with its own separate committee of specifically qualified people on it. Our group was not allowed to access the funds raised without a formal request for them which required having two committee meetings (our group and the public fund) to itemise a list of items to be paid for. Because these bills had already been paid for and the bookkeeping done, all items reimbursed by the public fund had to be re-entered into the electronic bookkeeping system. (It would not have been possible to pay bills directly from the public fund because of the time involved to organise a meeting of the public fund every single time a bill needed to be paid.)

Two different types of receipting systems were required (one numbered set for DGR and the other for non-DGR income). This was confusing for volunteers because you had to know the DGR compliance issues before writing anything out - so receipts were often written from the wrong book and had to be corrected and the numbered DGR receipts reprinted. Further, DGR status required our group to be audited which is not otherwise required (costing \$2,000 and up).

All that for a typical DGR income of about \$7,000 a year. The DGR-related administrative burden was so time consuming, our group struggled to do what it was formed to do - that is, the rescue, recovery and disease investigation of amphibians. We were already required to report to the Queensland government every year plus an audited report to the REO and updates to the ATO. Then the ACNC was established and we started receiving emails "strongly encouraging" us to register (which would eliminate the need for ATO contact). Consequently, we abandoned DGR status despite our desperate need for better funding.

Specific comments on your draft paper:

1) Although it logically seems better to transfer the individual registers to the ATO, there isn't enough information in your draft paper to describe the ATO's processes for assessing applications for DGR. Would their processes be the same including the currently very protracted processing time?

The draft paper seems to imply that one of the aims of this inquiry is that the government spent \$53 million dollars to create the ACNC but only a small percentage of the number of NGOs in Australia have registered with it. There is a lot of emphasis in this draft that the ACNC registration should be a requirement. Our group is registered and the process is acceptable - at least for us as a small group. With a starting budget of \$53 million, wouldn't the ACNC have sufficient resources to be the appropriate agency to assess and administer DGR?

2) It is clear that environment groups have been singled out when it comes to advocacy. This is discrimination. Guidelines concerning the activities of charities should be consistent across the board no matter what the subject/target of the charity is. Furthermore, the playing field needs to be equal and if corporations will still be able to lobby, NGOs must retain that right as well.

Advocacy is not only the hallmark of democracy, it is often the ONLY voice speaking out for the people who live here and the environment that supports all life. There are a multitude of government policies that fully support corporations' "right" to do business while penalising and punishing Australians. I'd like to give you some examples:

- \* the Water Reform Act in Qld which gives mining companies uncontrolled and priority access to limited water supplies over and above the farmers and residents who live in those same areas.
- \* the coal companies who transport toxic coal with insufficient controls to prevent the spread of mercury and arsenic in the coal dust which slowly poisons the population and marine life.
- \* the priority of resource exports over the needs of Australians so that WE have to pay a premium for energy even though they are our resources.
- \* the "encouragement" for farmers to plant GMO's despite the damage they do to human health and the environment (the overwhelming majority will not grow without heavy use of pesticides) as well as the cross contamination damage they do to organic crops who also have the same \*rights\* to do business

As an award-winning private citizen, I am thankful that NGOs are able to speak for me on those many issues that I simply don't have time to speak up on myself. Just as our members rely upon me to speak up for them on issues which affect frog populations.

3) If you look at the majority of NGO\*s in Australia, you will notice that many of them are fulfilling roles the government doesn\*t address at all such as rescuing the wildlife (which is the property of the Crown) or assisting homeless people, disease research support, street kids, etc. NGO\*s are filling the gaps created by a government system which appears to be less and less responsive and more and more like mere 'paper-pushers' - and who\*s policies actually create many of the problems NGO\*s are trying to address. Some examples are: biodiversity losses caused by excessive vegetation clearing in Queensland which is enshrined in bad legislation; opening up new coal mines despite the permanent damage these will cause to the biosphere and to biodiversity (Barrier Reef); and lastly, our own group's efforts to stem the loss rate caused by chemicals which are practically 'rubber stamped' without sufficient investigation first. Even if an NGO was duplicating something a government department already does, NGOs could do the job at a fraction of the cost that government does. NGO\*s need more support and less red tape to do what they do \* not more restrictions.

4) There was a proposition of making environment groups spend a certain percentage of their time and money on something called \*remediation\* which I would expect will take away time and resources away from their public awareness activities. I don\*t believe the government should be dictating how groups should spend their time or money. If their goals and objects are suitable, it should be up to groups to decide which tools are going to best facilitate those goals. It can easily be argued that awareness campaigns ARE \*remediation\* since they are meant to correct and/or prevent a destructive process.

5) There is also mention in this draft paper of public confidence and greater transparency. This was used as the justification to create the ACNC. However, we live in a 'free market environment' and if the public does not have confidence in any NGO, they simply don't donate money to them. To say that there needs to be more transparency and limitations on environment charities in particular to encourage more public confidence is irrelevant. If these charities are taking in a lot of support, it is because the public likes what they are doing. There are a great many Australians who never submit comments to all these public comment periods the government runs; nor do they attend meetings or write letters to their representatives. They simply don't have the time. They

have jobs, families to support, a home to maintain, etc. They rely on NGO's to speak for them and they make donations to those groups to continue to fight for what they believe is the right thing to do.

It seems pretty obvious that lobbying from the corporate sector is the reason why these reforms are being proposed. But I would like to suggest that if the corporate lobbyists don't like the support that environment groups get or the fact environment groups do speak for a large percentage of Australians, then perhaps they need to 'take it elsewhere'!

Thank you for reading and we hope that you will actually take on board the comments I have made on behalf of our members and all the other Australians who support what we are doing.

Sincerely,

Deborah Pergolotti  
winner: Centenary Medal, Cassowary award  
Founding President  
Frog Safe, Inc. (winner of the Wildlife Preservation Society Community Wildlife award for 2016)

P. O. Box 298  
Mission Beach, Qld 4852  
[www.frogsafe.org.au](http://www.frogsafe.org.au)