

The Secretary
Tax White Paper Task Force
The Treasury
PARKES ACT 2600

by email bettertax@treasury.gov.au

30 May 2015

Dear Sir,

I write on behalf of the Board of the Women's Centre for Health Matters (WCHM) to respond to the Commonwealth Government's Tax Discussion Paper (the Paper), *'Re:think: Better tax, better Australia'*. This response is focused particularly on the questions raised in the Paper in regards to DGR and tax concessions.

WCHM is a small, community-based not for profit organisation which works in the ACT and surrounding region to improve women's health and wellbeing, including through health promotion; social research; community development; capacity building; education and advocacy.

WCHM is a health promotion charity and holds current DGR status. This subsequently exempts WCHM from paying fringe benefits tax for employees and also enables WCHM to offer salary sacrificing packages to staff.

With a community sector dominated by women in lower-paid roles, as recognised in 2012 by Fair Work Australia that recommended a rise in pays of 19-41% for the sector, it is vital for WCHM to offer salary sacrificing packages to both attract and retain quality staff with competition from potentially more lucrative positions in the public and private sectors; and to contribute to bridging the pay gap for women working in the community services sector.

As such, it is the view of WCHM that a significant reduction in available concessions and the ability for charities such as WCHM to offer salary packaging would adversely impact the workforce and important work undertaken by the community sector, seeing it continue to be poorly paid. It is furthermore the view of WCHM that any significant changes in this regard would likely disproportionately impact small organisations such as ours.

WCHM notes that the 2015 budget announced a \$5,000 cap on the currently uncapped meal and accommodation allowances, a change which WCHM views as reasonable, however we propose that remaining fringe benefits tax employee concessions continue unchanged, and indexed to ensure their value be retained year to year.

We would be happy to discuss this matter further and look forward to the continuing community engagement as the Tax White Paper is developed.

Yours sincerely,

Lauren Gale
Board Chair