

Submission to the Charities Consultation 2021

Senior Advisor
Not-For-Profit Unit, Not-for-profits and Tax Administration Branch
Treasury Melbourne
Level 16, 530 Collins Street
Melbourne VIC 3000
via email: charitiesconsultation@treasury.gov.au

9 March 2021

Dear Sir/Ms,

The Morris Family Foundation was founded in 2009 as the philanthropic arm of the Morris Group to invest in projects and organisations with meaningful social, economic and environmental impact both at home in Australia, and internationally. We support innovative organisations that shape real and systemic change at the heart of the complex problems facing our world including climate change, food systems, equality, health, and wellbeing.

We read recently with concern about the proposed changes to the Governance Standard 3 of the *ACNC Regulation 2013* outlining new procedures for unlawful activities by charities. These proposed changes are deeply flawed and should not proceed in any form.

Broadening the governance standard by which charities are held to, to *“take reasonable steps to ensure that its resources are neither used, nor continued to be used, to promote or support acts or omissions by any entity”* is wholly inappropriate and will have a chilling effect on free speech in this country. It is liable to be abused by Governments to silence charities they ideologically disagree with by allowing the Commissioner to revoke a charity’s registration if they consider it *“more likely than not”* that a prohibited act could occur in the future.

We believe these amendments will create an enormous administrative burden on already stretched charities in the midst of a pandemic and economic recession and could require charities to seek expensive legal advice on a huge number of summary offences across each State, Territory and federally.

Additionally, these changes directly contradict the findings of the McClure review of 2018 into the ACNC, which found that the existing Governance Standard 3 is not appropriate and should be repealed entirely. These amendments seek only to make Governance Standard 3 more onerous for charities and should not be considered.

We believe the appropriate role of the ACNC Commissioner should be focusing on the governance of charities to ensure that groups are working to solve the challenges facing our society.

As a Foundation that grants between \$2million - \$3million a year, we rely on the work of the ACNC to ensure our grants are made to charities that meet those standards of good governance and therefore do not support these amendments.

Regards,



Hayley Morris,
Executive Director
Morris Family Foundation