



Submission: Community Charities Guidelines 2024

3 December 2024

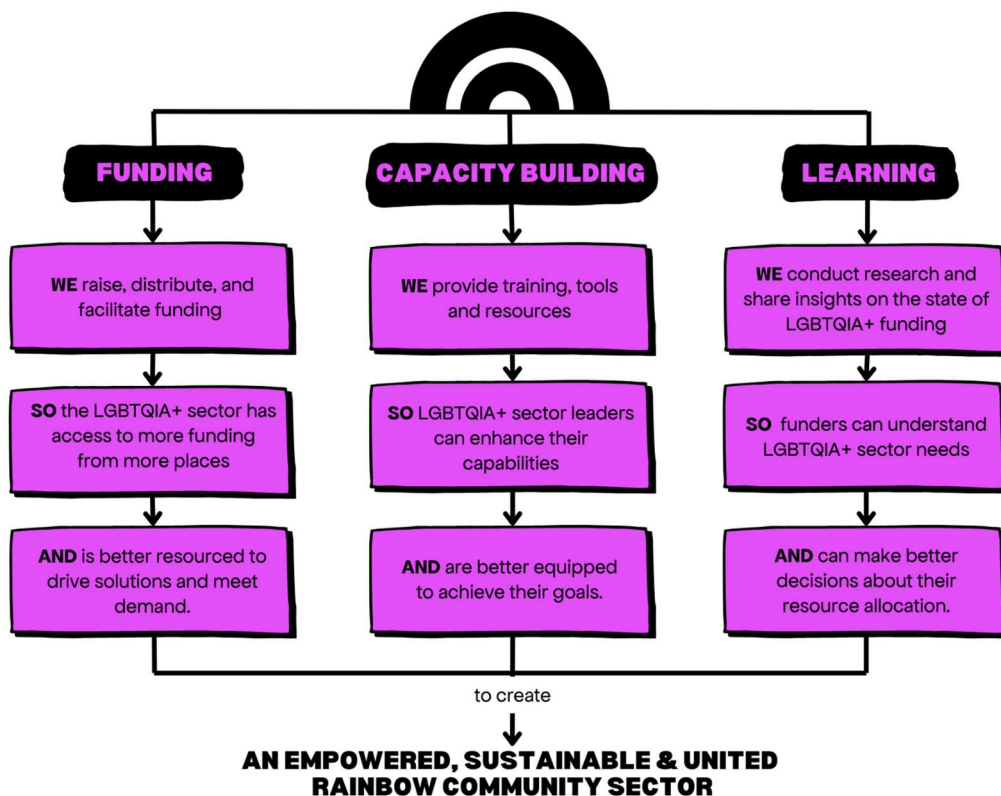
About Rainbow Giving Australia (RGA)

In November 2024, Aurora Group and GiveOUT united to form [Rainbow Giving Australia](#) Limited (ABN 37613812203), a new foundation for Australia's LGBTQIA+ communities. Over the past 25 years, our separate organisations have paved the way for a stronger sector, collectively distributing over \$4 million to 200 LGBTQIA+ community organisations and initiatives. This merger represents a significant opportunity to grow giving to LGBTQIA+ communities in Australia into the future.

Our Vision: An empowered, sustainable, and united rainbow community sector in Australia.

Our Mission: We support community-led solutions by mobilising funding, growing skills and expanding the knowledge base.

Our Theory of Change:





Evidence-base

Almost 3 million Australians identify as LGBTQIA+. However, despite significant progress, our communities are far from equal. Due to ongoing experiences of isolation, stigma, and discrimination, LGBTQIA+ communities experience poorer health and economic outcomes than their non LGBTQIA+ peers, across education, mental health, homelessness, access to health services, and more.

In 2021, the two organisations behind Rainbow Giving Australia co-authored '*Where are the Rainbow Resources? Understanding the funding needs of the LGBTIQ+ community sector in Australia* (the Rainbow Resources report). This research report is now the leading evidence base for Australian LGBTQIA+ philanthropy. For example, the Rainbow Resources report found that:

- LGBTQIA+ people have the highest rates of suicidality compared with any other population in Australia
- Less than 50% of LGBTQIA+ students feel safe at school
- One-third of transgender people have experienced homelessness
- Less than 75% of LGBTQIA+ people living in rural and regional areas do not have access to LGBTQIA+-inclusive mental health services

In addition: three in four LGB+ Australians have experienced a mental illness at some point in their lives (ABS, 2024) and one in two transgender people have experienced anti-trans hate in the past twelve months (Trans Justice Project, 2023).

LGBTQIA+ community-led solutions can increase justice, access to healthcare, safety in our workplaces and schools, and enable equality for all people. This is evidenced by Australia's world-leading, community-driven response to HIV / AIDS. In our Rainbow Resources report, nine in ten respondents said that LGBTQIA+ people are best placed to deliver services to LGBTQIA+ communities. They enable empathy, nuanced understanding, peer support, and mobilisation around their own rights.

Despite the significant needs and the importance of LGBTQIA+ community-led solutions, our sector is chronically underfunded. The Australian philanthropic sector has historically not invested in the Australian LGBTQIA+ community sector: our communities receive only 5 cents to every \$100 philanthropic dollars. As a result, our sector is mostly volunteer-run, with 39% of organisations operating on budgets less than \$10,000 and 41% of organisations unable to meet demand for services (Rainbow Resources report).



Response to draft guidelines

RGA welcomes the introduction of the Community Charity (CC) DGR1 category. We see this new organisation type as an important addition to the existing set of structures which have historically limited our ability, both as separate organisations and now as RGA, to achieve our mission.

Community funders, like RGA, play a critical role in the funding ecosystem by entrusting decision-making in the hands of impacted communities who are best placed to understand the nuances in community need and where funding is required, leading to better outcomes.

Aspects RGA is supportive of

The below points highlight aspects of the draft ministerial guidelines that we see as essential to our ability to achieve our mission as a CC.

1. Ability to receive funds from Item 2 DGRs

- RGA is currently a registered charity, but we are ineligible for DGR1 under any existing category, having been unsuccessful in obtaining DGR1 endorsement as a Public Benevolent Institution due to a 'lack of proximity to the community'.
- We are able to receive contributions from DGR2 entities via our auspice arrangement with Thorne Harbour Health, however this arrangement attracts a fee and limits our ability to access these funds in a timely manner.
- We also believe more DGR2 partners would contribute to our work if they were able to do so directly, and not through an auspice arrangement. We have focused our fundraising activities to target charitable trusts, corporates and individuals to avoid this limitation, with some success. However, the ability to receive direct contributions from DGR2 entities would significantly broaden our fundraising prospects.

2. Ability to fund non-DGRs for DGR category activities

- The LGBTQIA+ community sector in Australia is nascent due to historical social stigma and a resulting lack of philanthropic support. As a result, only 0.2% of all registered charities list LGBTQIA+ people as the main beneficiary group that they serve, meaning we are one of the least common beneficiary groups served by Australian charities. In addition, only 29% of LGBTQIA+ community sector organisations have DGR-1 status (Rainbow Resources report).
- As expressed in the Productivity Commission's '*Future foundations for giving*' inquiry report, the current DGR1 system unfairly excludes charities that support groups of people facing disadvantage (including charities that support women, young people and LGBTQIA+ people).
- We support the proposal to allow CC's to fund non-DGRs for DGR category activities. To illustrate, one of RGA's funding programs is 'GiveOUT Day', a national annual day of giving to LGBTQIA+ community projects annually. GiveOUT Day is the only giving day in Australia that

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raises funds for an entire sector. The day has become an important fixture in the annual community calendar, and provides matching funding from philanthropy, fundraising capacity building support and public awareness raising in addition to funds.

- GiveOUT Day has achieved year on year growth when it comes to total amount raised (\$85,000 raised in 2019 to \$500,413 raised in 2024), and number of community groups participating (37 participants in 2019 to 120 participants in 2024).
- 41% of GiveOUT Day 2024 participants were LGBTQIA+ organisations with DGR1 status and 19% of participants used an auspicer. Currently, participating organisations must make their own tax-deductible / non-tax deductible donation arrangements, with donations going directly to them and not via RGA.
- With our own DGR1 as a CC, RGA will be able to receive public donations on behalf of participating organisations carrying out DGR1 category activities, significantly streamlining the operations of the day, catalysing more giving and reducing fundraising barriers for less established participating groups.

Aspects requiring further clarification / consideration

The below points highlight aspects of the draft ministerial guidelines that we see as either requiring more clarity, or further consideration by The Treasury in the next stages of the process to ensure we are best able to achieve our mission as a CC.

- 1. Distinguishing between charitable DGR category activities and charitable non-DGR category activities**
 - All LGBTQIA+ community activities supported through GiveOUT Day and RGA's other grant programs (Amplify, Ignite and Spark Pride grants) are charitable in nature.
 - We distribute over 100 grants annually (ranging from \$500 - \$60,000 in size) and anticipate difficulty in determining which of these supported activities will fit into DGR1 category activities without further clarity.
- 2. Being 'philanthropic in nature'**
 - RGA will have a small endowment and does not anticipate any challenges in meeting the minimum annual distribution requirement.
 - However, we believe more clarity is needed as to what being 'philanthropic in nature' entails before we can be sure we satisfy this requirement.
- 3. Enabling community funds to donate to other community funds**
 - As a population specific community fund, RGA hopes to work closely with region specific community funds, to improve outcomes for LGBTQIA+ people in their region. Enabling community funds to donate to other community funds could help enable these partnerships.
- 4. Ensuring the CC 'Ministerial Declaration' process is clear, accessible, timely and responsive**



References

Australian Bureau of Statistics. (2024). *Mental health findings for LGBTQ+ Australians*. Accessed via <https://www.abs.gov.au/articles/mental-health-findings-lgbtq-australians>

GiveOUT and Aurora. (2021). *Where are the Rainbow Resources? Understanding the funding needs of the LGBTIQ+ community sector in Australia*. Accessed via <https://rainbowgiving.org.au/resources/rainbow-resources>

Australian Government Productivity Commission. (2024). *Future foundations for giving - inquiry report*. Accessed via <https://www.pc.gov.au/inquiries/completed/philanthropy/report/philanthropy.pdf>

Trans Justice Project. (2023). *Fuelling Hate: Abuse, Harassment, Vilification and Violence Against Trans People in Australia*. Accessed via <https://transjustice.org.au/fuelling-hate-report-blog/>