

'Don't penalise charities for having a voice': Philanthropy Australia

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Philanthropy Australia, the peak body for the sector, has stepped into the election campaign with a call for the federal government to legislate to protect charities that engage in advocacy campaigns.

The potentially contentious move follows Coalition claims in recent years that resources from charities with tax-deductible donation status were being used to lobby against major resource and industrial projects.

Philanthropy Australia chief executive Sarah Davies met federal Minister for Families and Social Services Paul Fletcher yesterday to push the cause after a similar meeting with opposition spokesman on charities and not-for-profits Andrew Leigh on Monday.

Ms Davies told *The Australian* she was not concerned the group could become involved in a controversial exercise in the middle of the election campaign. "We are genuinely concerned that the overall 'small p' political zeitgeist that we have seen in the last couple of years is (leading to) the shutting down of civic voices and the ability to advocate," he said.

"There's a sense that we don't like dissenting voices, and that's really dangerous to a healthy democracy. We believe a pluralism of voices around social and economic policy is absolutely critical and charities are essential in being part of that mix.

"They have an extraordinarily deep experience day in, day out (of the community). It's very clear there has been an overall pervading culture in the past few years that has tried to diminish that (pluralism)."

Ms Davies said that last year's proposed amendments to the Commonwealth Electoral Act would have shut down the voices of charities. Both sides of politics had eventually agreed to amend the proposed changes so they did not have that effect.

But the sector wanted reassurance and Philanthropy Australia wanted the Charities Act and the Not-for-profit Sector Freedom to Advocate Act to be amended to explicitly state that advocacy undertaken in pursuit of a charity's specified charitable purposes was in the public benefit.

Ms Davies said charities were often wrongly conflated in the debate with groups such as GetUp that did not have tax-deductible status and operated under different rules. Charities had clear rules barring them from engaging in political advocacy.

In a policy document released ahead of the election, Philanthropy Australia argues that not-for-profit bodies “are feeling pressured to take a more cautious approach to advocacy because they fear it may impact upon the funding they receive and the services they provide”.

“The advocacy work of some charities has been attacked by certain figures within the Australian government and threats have been made to the deductible gift-recipient status of certain organisations, for example during the house standing committee on the environment’s inquiry into the Register of Environmental Organisations ... This atmosphere needs to change,” Philanthropy Australia says.

The document also calls for tax changes to encourage people to set aside some of their superannuation as bequests. Ms Davies said that in Australia in the next 15 years, there would be intergenerational transfer of about \$2.4 trillion of existing wealth.

This was a potential pool for philanthropy but there was no “stick” in the form of an inheritance tax to encourage people to donate their wealth to charities.

She said the group was not advocating an inheritance tax but wanted a “carrot” in the form of tax deductions to encourage bequests to be set up in a “living legacy structure”.



Philanthropy Australia chief executive Sarah Davies in Melbourne yesterday. Picture: David Geraghty