



Submission to the Board of Taxation regarding Charities Bill 2003

Environment Business Australia

20 October 2003

Environment Business Australia (EBA), on behalf of the Australian Environment Industry Alliance, is pleased to submit information to the Board of Taxation regarding the Federal Government's Charities Bill 2003.

EBA welcomes greater transparency at all levels of governance and that includes within the NGO and general not-for-profit sector. However, we believe that the wording of the Bill as it stands, is detrimental to the community and to all levels of government as it would appear to stifle the provision of intelligence by not-for-profit organisations.

Many not-for-profit organisations, such as our own, exist to help further the competitiveness and standing of Australia. We deal with science, trade, business, environmental, health, quality of life, and economic issues in our day-to-day business. The majority of the aspects that we deal with have little if any immediate impact on our member companies' businesses, that is they have no direct commercial value and would likely not be funded in a direct commercial transaction setting. There are many areas where organisations such as ours can assist in sound long-term policy development. Where and when we act as advocates we do so in the interests of the greater good of Australia.

An issue in point would be the negative economic impacts of externalities such as air pollution, or dryland salinity. Our role is to help shape the marketplace by providing signals and intelligence that allow policy makers, investors, and the general public better assess the risks that face us. Full assessment, knowledge and interpretation of risks allows policy makers to seek alternative measures and to introduce timely and meaningful change.

The inference that an organisation such as EBA, or our partners in the Alliance, should only provide information publicly that fits with current government policy would make a mockery of scientific research and informed analysis of that research. We believe that our role as an honest broker leads to improved business and operational practices, and that this in turn leads to lessened drains on consolidated revenue.

We urge the government, in the strongest possible terms, to consider the broader ramifications of the proposed Bill. We should all be accountable, but we should all have the ability to provide the intelligence that is necessary for the ongoing growth and development of this fine country. Advocating change in policy and law is not only a fundamental human right, it is also common sense. Any nation which does not advance risks being trapped in a quagmire of stasis.

Tax free status allows organisations to exist which would otherwise not be able to support the diverse volunteer network which undertakes considerable volumes of work. Some are full-time volunteers and others take on significant work loads in addition to their full-time employment. This 'free' workforce of some 700,000 organisations, 3.7 million volunteers includes 35,000 non-profit organisations who directly employ 600,000 Australians and who help to generate \$21 billion of revenue¹ helps to provide government with data, ideas, and opportunities that would not be within the scope of compilation by the public sector alone. Some organisations may be religious, some may be community orientated, others may focus on the environment, and others may combine a suite of services that are not delivered by any other part of the private sector, academia, nor any part of the public sector. Australia would surely be a poorer place without this rich diversity.

Yours sincerely

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¹ Source *Australian Financial Review*, quoting the *Catholic Commission for Justice*, 3 October 2003