

14 May 2004

Consultation on the Definition of a Charity The Board of Taxation c/- the Treasury Langton Crescent PARKES ACT 2600

Dear Consultation on the Definition of a Charity

Australian Baptist World Aid Inc is a member of the Australian Council for Overseas Aid (ACFOA) and is a complying signatory to its Code of Conduct.

We know that ACFOA, as our peak body, is making representations to you on behalf of its members regarding the exposure draft of the Charities Bill, 2003, and we support ACFOA's submissions.

However, we wish to indicate to you that we are extremely concerned about disqualifying purpose 2(c) – the purpose of attempting to change the law or government policy.

We contend that the recognition of charitable status is a matter of public policy and the acknowledges what is a fact. In this, and by providing, for example, tax advantages to charities and donors, the Government is fulfilling the wishes of the community. The status is provided on behalf of the community, not as a plaything of the Government, to dispense or withdraw because of support for or opposition to Government activity or inactivity.

Most charities take a holistic approach to their work and it would therefore not be unusual that they would identify aspects of the law or government policy that should be changed to ameliorate the social ills which they seek to overcome. It is not for the government of the day to withdraw the status because of action in the political arena which the charity believes would benefit its clients or beneficiaries.

For example, for many years overseas NGOs – ourselves included – have strongly lobbied Australian Governments of left and right to meet the target for overseas aid suggested by the United Nations. It would be outrageous if an Australian Government sought to remove our charitable status because of such lobbying.

At the meeting organised by your Consultation with ACFOA members in Sydney, one of the people at the table asked if clause 8 would be acceptable if 2 (c) was removed. The meeting was unanimous that this would overcome many of our difficulties with the legislation. We hope the Treasurer will see the wisdom of removing the clause.

Yours sincerely

Les Fussell National Director