

To the Productivity Commission,

In my opinion, the current charity laws are not aligned with the values and concerns of my peers and me. Compared to previous generations, my generation lacks philanthropic organizations that cater to our needs and beliefs.

To enhance community involvement and donation growth, charity laws should establish incentive frameworks that encourage the formation of organizations that address the most pressing issues relevant to younger Australians.

I would like to raise with the Inquiry the following issues:

- 1) The need to realign DGR status with the values of today's Australians (2.ii, 3.ii, 5, 6)
- 2) Allowing Public Benevolent Institutions to properly support their communities (2.iii, 3.i)
- 3) The maturity of international approaches to charity evaluation (3.ii, 6.iii)

I donate to effective charities, and participate in local community organizations. I have also chosen to study in a field where I hope to have a positive impact by reducing suffering of farm animals. By implementing the recommendations in this submission, I believe it will be easier for me to make a difference and encourage other Australians to donate and participate more actively in their communities. These changes have the potential to significantly enhance the impact of our collective efforts and achieve greater good.

Issue 1 – Realigning DGR status with modern Australia.

Animal welfare, particularly in the agricultural industry, is a matter of great concern to me. My apprehension is consistent with the sentiments expressed in public surveys and echoed by my acquaintances, family, and community, even amongst those who are not vegetarian. The level of concern among Australians regarding this issue is continually increasing. Further, many of my peers are concerned about the risk of another global pandemic, or even the risk of a nuclear war between global powers.

Despite these concerns, there are no organisations we can donate to with DGR status. These causes are among the most important things we can work towards, and they have the support of the community behind them – it seems out-of-touch for organisations working to better the world to not be granted this status.

Issue 2 – PBI status

I am concerned about the limitations imposed on organisations such as Effective Altruism Australia (EAA) due to their status as a "Public Benevolent Institution" (PBI). While I support EAA's mission and their efforts to support effective altruism groups in universities and major cities, the current regulatory framework restricts their community builders' activities to align solely with EAA's work on global health, poverty, and other "incidental" topics.

This restriction hinders the organization's ability to facilitate events that address other pressing issues, such as animal welfare, which are increasingly important to the wider Australian community. It is my belief that PBIs should be able to pursue other charitable objectives while remaining focused on their primary mission, as this would enable them to make a more significant impact and provide a more comprehensive service to the community.

Effective altruism clubs and organisations like One For The World have the potential to become crucial sources of social connection and philanthropic action for younger Australians. However, they require regulatory changes to reach their full potential. I urge you to consider the benefits of removing the narrow, PBI-specific rules concerning "dominant purpose" and expanding the scope of their community work to allow PBIs to better serve their communities.

Issue 3 – National Charity Evaluator

As a concerned donor, I believe that there is a delicate balance between the funds spent on marketing and fundraising, operations, and charitable interventions themselves. Unfortunately, the lack of information on the actual impact of most Australian charities makes it difficult to determine where to direct my donations. I am concerned that some well-known charities may be spending a significant portion of their donations on building their brand, or spending funds on interventions that have little impact, rather than making a positive impact on the causes they support. Unlike buying a service for myself, I cannot evaluate the quality of a service provided to someone in need. This is where a robust charity evaluation system can help donors distinguish between effective and ineffective charities, promoting trust and support in the community.

I have noticed that GiveWell, Animals Charity Evaluators (who I use for my personal donations), Giving Green, and Founders Pledge are organisations that conduct evidence-based assessments of charities and their initiatives. However, these evaluators have not assessed many Australian charities, and many people are unaware of their existence. To address this, I suggest that the Australian government fund or endorse a charity evaluator that would transform philanthropy in the country. Despite potential practical concerns with charity evaluation, there are existing mature models and proven companies that can conduct evaluation. Additionally, based on the budget of overseas charity evaluators and the growth of donations to Australian charities, a well-resourced charity evaluator in Australia would cost only a fraction of the sector's value.

An opt-in model for evaluation would allow charities that are unable to measure their impact or have concerns about evaluation to choose not to participate. This approach could also facilitate a graduated rollout of evaluation. Charity evaluation is a mature field that can greatly increase the effectiveness of philanthropy in Australia. It would also bring the community together and by encouraging giving to those who need it the most. I believe that the government should support evidence-based charity in the same way it promotes evidence-based policy.

In conclusion, the current regulation of Australian charities has become outdated and is not aligned with the values of many Australians, including myself and my peers. The majority of charities with DGR status do not prioritize the critical issues that we care about. As the Productivity Commission reviews the sector, there is an opportunity to make recommendations that will realign the sector with the values of modern-day Australians. A focus on impact assessment could greatly increase the positive outcomes that the sector can achieve, leading to greater donations and support for the community and volunteer programs that younger Australians need. Some of the brightest peers in my network with values similar to mine leave the country to pursue high-impact charity work in the UK or USA because Australia lacks a viable ecosystem for their values. This exodus is not only detrimental to our community and democracy but also our future. Therefore, it's important for the government to take action to ensure that Australian charities can better serve the values and needs of our society.