

Dear Productivity Commission,

This is Gregory Trikaliotis, an Office Manager and Producer at an advertising agency, and an avid philanthropist. I am writing in response to your invitation for public feedback on the draft report regarding philanthropic giving in Australia. It's truly a pleasure to be a part of this conversation that is so close to my heart.

I found the report's recommendations to be progressive and full of potential to bring about significant change in Australia's 'for-purpose' sector. Particularly, the proposed expansion of Deductible Gift Recipient (DGR) status to charities focused on preventing harm could lead to a monumental shift.

The report rightly identifies the need for revising our current DGR system and replacing it with a simpler, more equitable system (Draft recommendation 6.1). I wholeheartedly welcome the suggestion of extending DGR status to animal welfare charities, which currently miss out due to not providing direct care or rehabilitation to animals. This has resulted in many worthy charities losing out on significant donations and grants.

By eliminating the barriers these charities encounter, we can ensure all donors are supported in their charitable giving and not penalised for prioritising preventive activities. This will level the playing field for all animal welfare charities and enable more funding to be directed towards high-impact activities that aim to improve living conditions for millions of animals.

I also commend the report's nod towards the need for DGR status for public interest journalism, which is a vital public good. The final report, however, could benefit from a more detailed reasoning behind this decision. This would help readers better appreciate the merits of the argument and make it more likely to be implemented.

The draft report also points out that only 40% of registered charitable news organisations currently hold DGR status. The PIJA submission suggests that public interest journalism, by informing public discussion and holding powers to account, should be eligible for DGR. This is a perspective I firmly agree with.

The report's discussion on expanding DGR to advocacy activities was particularly engaging. Advocacy charities help deepen my engagement with democracy beyond the typical election cycle and enable me to feel empowered on a range of topics. However, the final report could benefit from a minor clarification. It should specify that the proposed expansion of DGR is not limited to advocacy activities alone but also includes surrounding and supporting work such as policy development or community engagement.

On a related note, I suggest that the Productivity Commission clarify in its final report that granting DGR status to charities undertaking advocacy activities extends to policy development and other supporting activities.

The draft report also discusses impact evaluation in response to terms of reference 3.ii. I believe this section could be improved by aligning more closely with the terms of reference, which ask the Productivity Commission to consider how proven overseas charity evaluators operate.

The report correctly identifies a kind of market failure in the charity sector, where the donor is disconnected from the beneficiary. It also correctly acknowledges that the government has an interest in ensuring value for money for its subsidy and that charities achieve the greatest net benefit. With these points in mind, I propose that the government should pilot different approaches to encourage the for-purpose sector to focus on increasing its impact.

In conclusion, the draft report is a promising step towards a more equitable and effective philanthropic sector in Australia. With a few minor adjustments and clarifications, the final report has the potential to enact substantial and positive change.

I appreciate the opportunity to provide feedback on this significant issue and look forward to seeing the final report.

Regards,

Gregory Trikaliotis