

Dear Productivity Commission,

I'm writing as Kai Weinbeck, a professional in the disability sector for the past five years and a volunteer for not-for-profit organisations for seven years, to present my views on the draft report related to philanthropic giving in Australia.

I am grateful for the opportunity to review the draft report and express my thoughts. The report's positive recommendations, especially the proposed changes to Deductible Gift Recipient (DGR) status, have potential to cause significant change in the for-purpose sector in Australia. As someone deeply involved and invested in this sector, I am keen to see these improvements implemented, allowing myself and others to make a meaningful impact on societal issues.

Broadening DGR status to charities working to prevent harm from occurring could bring about significant change. The draft report correctly identifies that the current DGR system needs reform (Draft recommendation 6.1). The proposal to include animal welfare charities in the DGR status is particularly welcome. The exclusion of these charities, particularly those that carry out important policy and advocacy work, from the DGR status has limited their ability to attract significant donations or apply for grants.

Removing these barriers would create a level playing field for all animal welfare charities, enabling them to attract more funding for high-impact activities aimed at improving the lives of farmed animals, aquatic animals, wildlife, and animals in research. Animal welfare advocacy groups especially would benefit from this change as they currently receive little government funding and rely heavily on donations and bequests for their income.

Australians are passionate about animal welfare, and this change could potentially help charities reach new communities. Expanding the DGR eligibility criteria would open up new fundraising channels, enabling charities to tap into resources such as workplace giving, corporate fundraising, and various third-party fundraising and crowdfunding platforms.

The draft report's recommendation to extend DGR status to public interest journalism charities is another commendable move. However, to ensure the merit of this decision is clear to all, the final report should include a more detailed justification. Public interest journalism plays a critical role in providing accurate information, holding institutions accountable, and fostering active participation in democratic processes.

Public interest journalists act as watchdogs, exposing corruption and promoting transparency. They focus on marginalised communities or neglected issues that often go unnoticed by commercial media outlets. Their work promotes fairness and helps address social inequalities. Protecting these journalists through charitable status can safeguard freedom of expression and ensure diverse perspectives are heard.

The draft report's suggestion to include advocacy activities in DGR status is another positive change. Advocacy charities have helped me engage more deeply in our democracy beyond the typical election cycle. I believe that expanding DGR status to these organisations could greatly enhance their ability to tackle pressing societal issues.

However, I suggest a minor clarification that the proposed expansion of DGR is not limited only to advocacy activities but also includes supporting work such as policy development or community engagement. For instance, animal charities provide scientific and specialist veterinary advice, collaborate with government organisations on global health initiatives, research and expose illegal practices, and investigate non-compliance with current regulations and animal welfare standards.

In light of these points, I recommend that the final report clarify that granting DGR status to charities undertaking advocacy activities extends to policy development and other supporting activities and isn't limited only to advocacy itself.

Thank you for considering my feedback.

Regards, Kai Weinbeck