

Dear Productivity Commission

My name is Sandra Haddad and I am writing in response to the Philanthropy Inquiry's draft report. I am passionate about the democratic fabric of our society, and I am pleased with the progress made in the draft report regarding the motivations for philanthropic giving in Australia and the opportunities to grow it further.

Continue Expand DGR status to animal and environmental charities & prepare for animal agriculture industry to stop this from happening

In my initial response to your call for submissions last year, I emphasised the importance of expanding Deductible Gift Recipient (DGR) status on a principled basis, particularly for charities working on preventive issues such as animal welfare and preventing catastrophic risks. I am thrilled that the draft report agrees with these views. However, I am concerned of the potential resistance from well-funded organisations such as the animal agriculture industry, meat lobbyists, live exporters etc. These organisations thrive from the lack of transparency and accountability to the Australian public. It is these organisations that which could potentially impede this positive reform from happening and ask that these be called out so that there is a greater level of preparedness when presented to government. These organisations are well funded by grants and tax payer monies and depend on opposing views, such as those of animal charities or environmental groups being muted in the public space. Opening DGR status would attempt to bring us one step closer to a balanced discussion.

Expand DGR status to support policy research & development

The draft report mentions the expansion of DGR status for policy advocacy charities, which is the right direction for reform. I believe the final report should clarify 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. It is essential to highlight that advocacy charities require a range of supporting work to develop the policies they are advocating for.

Expand DGR status to support public interest journalism

I am also in favour of the draft report's recommendation to expand the types of charities eligible for DGR status to include public interest journalism, which is a vital public good. However, the final report should include a more detailed justification for this decision to

ensure readers understand the merit of the argument and to increase its likelihood of implementation.

Charities to implement impact assessments

Another feedback I have is in reference to impact evaluation of charities. As the report acknowledges, there is a market failure in charity, with the donor often disconnected from the beneficiary. Given this disconnect, the government has a strong interest in ensuring that it achieves value for money for its subsidy and that charities are providing the greatest net benefit. To address this, I suggest the commission review several works that discuss these differences in charities' effectiveness and the value for money that donors and government can achieve.

Thank you for your consideration of my views and recommendations. I look forward to the final report and the positive changes it will bring about for philanthropy in Australia.

Regards,

Sandra Haddad