

I believe that charity laws in Australia should be reformed so that philanthropic organisations can better address the complex issues facing us today. More specifically, I wish to write about the overly restrictive requirements of DGRs and how it does not cover globalised or systemic cause areas.

Let us take an example. Global risk management is an effective prevention strategy that protects the interests and well-being of Australians. The recent 2022 UN Global Assessment Risk report [1] highlights the need to communicate manifold risks and collaborate between sectors. Figure 9.2 in particular summarises niches where charities can act as key coordinators. Our current SARS-nCov-2 pandemic has become a global almost-catastrophic biological risk [2], and it will not be the only one; it is likely that future pathogens will threaten Australian health and economy [3].

The DGR table, however, contains few entries relevant to preventative risk management. DGR 9.1.x (International Affairs) focuses on recovery efforts, which is both too late and increasingly costly [4]. Similarly, DGR 6.1.x (Environment) and DGR 1.1.x (Health) provide two separate categories for general promotion of environmental causes and general prevention of disease. However, disease-prevention often requires action in other spheres such as environmental protection [5]. Thus, charities that seek to provide effective, holistic solutions are disadvantaged by how the ACNC regulations demand that they focus on single areas. While a group of collaborating charities might each focus on respective areas, a holistic organisation such as Effective Altruism can act as networkers and coordinators in concert with public bodies.

Furthermore, there is a significant imbalance of lobbying power between corporate entities that coincidentally exacerbates our global risks, versus charity organisations attempting to address these risks. While lobbying by companies is tax-deductible, equivalent activities by the latter are not so. While I see that charities can engage in relevant advocacy [6], those without DGR status are disadvantaged by lack of financial compensation.

Here, it seems to me that the government should actively support the voice of all organisations relevant to the area of concern. A charity focused on animal welfare could be compensated for advocacy activities that prevent harm, in the same way that corporate lobbying is a tax deductible activity. Another one focused on lung cancer should be actively encouraged to contribute to upstream issues such as air pollution. And so on. It is precisely these charities who work closely with those affected; who have the capability to inform the public and channel their feedback. Thus, Australian liberal democratic values imply that the government should be willing to solicit these voices as they have done for corporations.

In summary, the current Philanthropy inquiry presents an opportunity for Australia to update its laws to match the needs of Australians. Charity laws dedicated to single-area concerns are not capable of effectively addressing the globalised problems now facing us, nor are they equipped to deal with the imbalanced contribution of voices to government policy. I advise reviewing and updating our laws to remedy this situation.

Citations

[1]: GAR2022 report: <https://www.undrr.org/media/79595/download>

[2]: <https://80000hours.org/problem-profiles/preventing-catastrophic-pandemics/>.

[3]: <https://link.springer.com/10.1007/978-3-030-36311-6>

[4]: <https://www.iag.com.au/newsroom/community/natural-disasters-estimated-cost-australia-73-billion-year-2060>

[5]: See, for instance: <https://www.oecd.org/coronavirus/policy-responses/environmental-health-and-strengthening-resilience-to-pandemics-73784e04/>

[6]: <https://probonoaustralia.com.au/news/2020/07/what-is-the-risk-to-my-dgr-or-charitable-status-from-advocacy-work/>