

Dear Productivity Commission,

I am writing to you today in response to your inquiry into philanthropic giving in Australia. My name is Kate Harris, I am an Australian citizen, and I have a strong personal interest in improving animal welfare in our country. As a supporter of various animal welfare charities at local, state, and federal levels, I applaud the effort that has been put into this draft report, especially the support expressed for Deductible Gift Recipient (DGR) status for a broader range of animal welfare charities. I firmly believe that this inclusion will bolster fundraising efforts and increase the effectiveness of the hard-working organisations in this field.

The primary focus of my submission is to show my support for a broader definition of animal welfare charities within the tax system. This expanded definition should encompass organisations that strive to prevent animal suffering through direct assistance, education, monitoring, enforcement, policy advocacy, and policy development. The importance of policy advocacy and development cannot be overstated as these mechanisms facilitate large-scale change to address a wide array of animal welfare issues in Australia. Ideally, these issues should be tackled preventatively, rather than in reaction to incidents.

It is important to acknowledge that many animal protection charities operate without significant government funding. Hence, the provision of DGR status for preventative animal welfare becomes even more critical as public donations form a large part of their income. The considerable philanthropic giving that is already directed towards some non-DGR animal charities and welfare organisations demonstrates the public's recognition of the importance of this work. Enhancing this support with tax efficiency would be a positive step forward. I urge you to remember that animals cannot advocate for themselves and are reliant on these organisations to ensure basic standards of animal welfare.

I am heartened by the positive recommendations in your draft report and the transformative potential they hold for the for-purpose sector in Australia. The proposed changes to DGR, specifically the expansion to charities working to prevent harm, could make a significant difference.

I concur with the draft report's conclusion that the current DGR system requires reform and should be replaced by a more streamlined system that yields fairer and more consistent outcomes. The proposed expansion of DGR status for animal welfare charities is a welcome move. This will rectify the current exclusion of charities that carry out crucial policy and advocacy work but do not provide direct care or rehabilitation to animals. These charities have been hindered by their inability to attract significant donations or apply for grants requiring DGR status.

By removing these barriers faced by many animal charities, all donors to this cause will be supported in their charitable giving. This will level the playing field for animal charities, enabling more funding to be directed towards high-impact activities that aim to improve the lives of millions of animals in areas currently underfunded.

The issue of DGR status is particularly pertinent for animal welfare policy and advocacy charities, given the sector's limited government funding. Extending DGR status across this sector will greatly

enhance the effectiveness and impact of animal welfare charities working to improve societal treatment of animals.

Animal charities consistently rank among the top causes supported by Australian donors, which is testament to the passion many Australians have for animal welfare. Expanding DGR eligibility criteria will open up new fundraising channels such as workplace giving, corporate fundraising, major donor and philanthropic giving, Instagram and Facebook fundraisers, PayPal Giving Fund, and various third-party fundraising and crowd-funding platforms.

While I was pleased to see the inclusion of DGR for policy advocacy in the draft report, I believe it is important to clarify that the proposed expansion of DGR is not limited only to advocacy activities. It should also encompass surrounding and supporting work, such as policy development and community engagement. Advocacy efforts do not exist in a vacuum, they require a range of supporting work, such as policy development.

To this end, I recommend 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 and is not limited only to advocacy itself.

In conclusion, I am grateful for the opportunity to review and contribute to this important topic. I look forward to seeing the final report and the potential positive changes it will bring to the for-purpose sector in Australia, particularly in the field of animal welfare.

Regards, Kate Harris