



Life Activities Clubs Victoria Inc

Registered Incorporated Association: A0054351A ABN: 85 104 164 408

Submission re: A statutory definition of charity

Life Activities Clubs Victoria Inc. (LACVI) represents a network of incorporated Life Activities Clubs throughout Victoria that are run by volunteers on a non-profit basis.

Life Activities Clubs provide people in retirement or approaching retirement (typically aged 50 and over) with opportunities to enjoy a full, satisfying and connected community life and maintain lifelong wellbeing.

There are currently 24 Life Activities Clubs in Victoria (including 6 in regional centres) with each Club offering its members a wide range of recreational and social activities that provide physical, mental and social stimulation. The activities provided for the 4000 club members are determined by the interests of the members of each Club.

Submission

Our position is quite simple: we support a broader and more realistic interpretation of the term 'charity' and agree that codifying this in legislation should remove confusion and ambiguity. We support a statutory definition that is more contemporary, but that does not preclude the application of a wider interpretation on a case by case basis.

We have argued in several related submissions that the current definition based on the Pemsel case is at least decades out of date and that it bestows automatic benefits on numerous organisations or types of organisations that cannot be logically sustained, but it excludes a wide array of organisations that are far more charitable in nature and practice (and therefore deserving) than some within the common law definition.

We have argued that some of the existing beneficiaries under the Pemsel definition contribute little to the public good (e.g., some reclusive contemplative orders) and others have little need of the advantages provided because they are already relatively wealthy or have resources available that are far richer than most smaller Not-For-Profits (e.g., some educational institutions). On the other hand, there are tens of thousands of small voluntary groups that work their hearts out on thankless and unrewarding activities to achieve substantial, often unrecognised, public benefits that simply could not, and would not, be done by government or the private sector. These organisations in the main are more likely to contribute to the public good without any government or public support than many of the big organisations that receive substantial resources to support their operations.

In our own case, we have previously been specifically excluded from recognition as a charity because our objectives include the provision of social activities through our member Clubs. A more realistic appreciation of our activities – and those of our

Clubs – would take account of the reasons we volunteer a conservative estimate of 65,000 hours per annum across our membership to provide safe and healthy activities for older people in Victoria. We see ourselves as a preventative health organisation designed to keep older people physically, socially, and mentally active, thereby improving their quality of life and deferring (or avoiding) the time when they become dependent on high-cost government and community services. There is plenty of rigorous scientific evidence that has established the importance of maintaining an active life in all three of these areas in staving off some of the deleterious impacts of ageing.

We argue that despite any of the benefits accruing to charities and with very limited government or community resourcing, our Clubs ‘keep people young’, contributing to the economy and the public good, living independently and sharing their knowledge, experience and expertise with the community at large for years longer than they otherwise might. In turn, this reduces the burden on the public purse by tens of thousands of dollars per person per year whilst our members remain active and self-sufficient. With some of the benefits available from charitable status and possibly DGR status, we could reach many more older people and save government much more in the way of scarce resources.

We do not claim any particular legal expertise, but our reading of the explanatory data and the proposed legislation would appear to open the gate to us becoming recognised as a charity: an undeniable fact that we believe has been self-evident for many years. Moreover, despite the proposed definition retaining benefits for causes we find difficult to justify, we agree that it moves us in a highly desirable direction by encompassing a wider and more contemporary range of purposes than has existed to date. Specifically, it appears to allow motives and objectives to be considered in assessing ‘the public benefit for the purposes of relieving poverty, advancing education and specifies the relief of illness and the relief of the needs of the aged’: clearly our primary objective since 1971 but which has hitherto been unrecognised or denied.

In summary, although we consider some existing ‘charities’ could have been excluded from the statutory definition, codifying the definition itself is an important step and expanding it to reflect current social and political conditions is highly desirable and many years overdue.

Lindsay Doig
President, Life Activities Clubs Victoria Inc.
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