

**From:** [Jennifer Nicholls](#)  
**To:** [DGR Inbox](#)  
**Subject:** Environmental advocacy – Don't suppress part of our society's conscience  
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Herewith is my submission regarding the consultation paper which proposes reforms to Deductible Gift Recipient (DGR) tax arrangements.

Australia's environmental record is appalling:

- Eastern Australia is now in the top 10 'deforestation fronts' in the world,
- A recent Queensland Government report showed deforestation is pushing hundreds of threatened species—like the Koala—to the brink of extinction,
- Around 20% of Australian mammals, 7% of reptiles and 13% of birds are listed as Extinct, Endangered or Vulnerable,
- More than 100 species have become extinct in New South Wales in the last 200 years,
- 35 per cent of all global mammal extinctions since 1500 AD have been Australian (30 out of 84 world-wide extinctions),
- Currently 1,700 Australian animal and plant species are at risk of extinction.

The list could go on. Advocacy groups, such as those for the environment, are part of our society's conscience. We need them to help Australia change the way it operates, to value the environment, not destroy it.

I am a proud donor to environmental organisations that deliver important changes that benefit the environment, and as a consequence all humans and our societies, as a result of campaigning and advocacy. I perceive several of the proposals canvassed in this paper as deliberately targeting advocacy work and putting civil and democratic freedoms at risk. I consider these proposals to be inappropriate and call on the Federal Government to remove them from the list of proposed changes.

Although the discussion paper contains several proposals that would streamline and simplify reporting and administrative burdens for DGR recipient organisations and governing agencies, I cannot ignore the clear political motivation behind the paper, which carries several recommendations from an inquiry into environmental organisations set up under the Abbott Government in what was a clear attempt to hamper these organisations' work.

I will address several of the key points in turn.

Issue 2: Ensuring that DGRs understand their obligations, for example in respect of advocacy.

This 'issue' is misleading, as it implies that the Governance Standards of the Australian Charities and Not-for-profits Commission (ACNC) and/or the Income Tax Assessment Act (ITAA) somehow limit DGRs' ability to undertake advocacy. Advocating for policy which aims to protect and enhance the natural environment does not offend the ITAA 'principal purpose' requirement of environmental DGRs. Neither are such limits imposed by the ACNC Governance Standards.

Therefore, in response to Consultation Question 4, the ACNC should not require additional information from all registered charities about their advocacy activities. Such information would be irrelevant in considering whether or not those organisations were meeting their obligations under the ACNC Governance Standards, or the ITAA.

Additional reporting would also place unnecessary extra burden on charities and

regulators. As the additional information is not required to analyse DGR status, Consultation Questions 5 and 6 need not be discussed.

#### Consultation Question 12

The notion that some proportion of every environmental organisation's expenditure should be required to go towards environmental remediation misses the point that we need a range of DGRs to cover all aspects of protecting the environment and hence our future. Some environmental organisations do remediation work, while others perform different but no less important roles directed at protecting and enhancing the natural environment, such as public education or advocating for environmentally sound policy. To require every group to spend a set proportion of their resources on remediation would limit some organisations' abilities to perform their integral specialised roles in protecting and enhancing the environment. Imposing this effective restraint on activity can only be seen as a politically motivated attempt to limit environmental groups' impact.

The paper appears to neglect the outcome of environmental advocacy work that results in improved policies for land and water management, air pollution, waste disposal and penalties for environmental damage. These improvements in policy and regulation, brought about in part through the work of environmental advocates, prevent or at least reduce environmental damage and thus the need, and associated cost, of remediation.

Ecosystem services provided by the environment, such as flood mitigation, climate regulation, cleaning the air and water, and recycling nutrients, are essential to sustaining humans, not just plants and other animals. While an estimate in 1997 put a value of between US\$16-54 trillion dollars on ecosystem services, another argument is that we can't live without these services so putting a value on them is meaningless. An undamaged environment works far more effectively than a damaged one. Even where remediation is possible and has the potential to restore ecosystems to their full potential, it takes years, if not decades, to heal the damage done. Prevention being better than a cure, advocating for the environment in order to prevent damage is an essential part of our society, to check the greed and blindness of those who fail to understand the impacts of environmental damage.

Further, any such requirement would be impossible to enforce without placing unreasonable reporting and review burdens on environmental groups and administrators. This would come at a great and unnecessary cost to charities and taxpayers. Such time, effort and money would be better spent on more worthwhile activities such as advocacy on the part of the charities, and education, hospitals and other services on the part of the government spending taxpayers money.

#### Consultation Question 13

I disagree with the REO inquiry's Recommendation 6. Environmental DGRs should not face administrative sanctions for supporting communities' rights to peacefully protest against environmentally damaging activities. Such measures would curtail an integral element of our democratic society. Without such peaceful protests such environmentally disastrous outcomes like building the Gordon below Franklin Dam, and extensive coal seam gas fields across Australia, to name only two, would have eventuated.

The application of the recommendation, which extends DGRs' liability to 'others without formal connections to the organisation', is impractically wide-ranging. Under the recommendation an environmental group that promoted an event could face sanctions for

the individual actions of every person in who attended that event.

The ACNC has stated that it already has the powers required to regulate charities. These powers are sufficient to ensure environmental DGRs are operating lawfully.

In conclusion, I would like to reiterate my belief that environmental DGRs are already subject to significant regulatory burden. Many of the issues raised in the discussion paper relate to increasing scrutiny, regulation and sanctions for these organisations, which is completely unjustified.

Organisations working on remediation, education, advocacy and other areas are all vitally important to protecting and enhancing our natural environment. Their activities must not be unnecessarily restricted or unfairly burdened.

To quote John Sawhill of The Nature Conservancy, “in the end our society will be defined not only by what we created but by what we refused to destroy.” DGRs involved in advocacy for the environment help us to consider what we are contemplating destroying, and urge us to step back from irrevocable harm; harm, not just to the environment but also to us. Society decries people without a conscience. What should we say about a society that tries to suppress its own conscience?

Sincerely

Jennifer Nicholls

