



**FEDERAL ELECTION POLICY
PRIORITIES FOR A MORE
GIVING AUSTRALIA**



A more giving Australia...

The use of private wealth for public good in diverse ways plays a vital role assisting those in need in our community, supporting culture and protecting our environment. It also makes a difference in many other areas.

It also supports efforts to address the systemic causes of complex social and environmental problems, working in partnership with charities to develop new and innovative ways to address these problems.

The Australian Government encourages philanthropy through various tax incentives and concessions, and by creating a supportive regulatory environment. And it does this for good reason.

Without philanthropy, charities would not be able to offer the range of services they provide - impacting those in need and putting pressure on the government on important community issues.

Philanthropy provides essential funding which helps charities innovate and find new ways to increase their impact. This can also enhance the effectiveness of government programs, which can be shaped by

the 'on the ground' expertise of charities and the lived experiences of those whom they serve.

Philanthropy Australia's advocacy focuses on promoting the development of effective policy frameworks which support and grow philanthropy. We believe that Australia does quite well in this regard, but there is still room for improvement.

The purpose of this document is to set out Philanthropy Australia's policy priorities for the 2019 Federal Election. These are the policy changes we believe the Australian Government needs to embrace in order to supercharge philanthropy in Australia, and maximise the benefits which flow to the community from increased philanthropy.

Philanthropy Australia's policy priorities are summarised on the opposite page.



In 2016, total giving to charities in Australia was
10.5 billion



1.5 billion
in grants were provided by
'structured philanthropy'

- which is philanthropy that is planned, strategic and involves using a dedicated legal structure to facilitate it.



1,650
private
ancillary funds

In Australia there are many ways people can get involved in philanthropy. It can be as simple as making regular donations to charities. At the other end of the spectrum, people can establish their own private foundation such as a 'private ancillary fund' and make large multi-year grants. There are currently around 1,650 such private ancillary funds.



Sub-fund



1,995
sub-funds



Giving Circles

People can also establish a 'sub-fund' with a community foundation, a wealth manager or a trustee company. These are a form of 'giving account' sitting within a larger public foundation. There are at least 1,995 such sub-funds. In recent years, we've also seen the rise of 'giving circles', which involve people coming together to pool donations to make a number of larger grants.

Short-Term Priorities

Below are short-term policy priorities, which Philanthropy Australia believes can be delivered within 1-2 years of the 2019 Federal Election and with minimal budgetary impact.



No Changes to Refundable Franking Credit Arrangements Which Would Harm Philanthropy

They are a vital source of income for philanthropic trusts and foundations, and enable them to provide more grant funding to charities. No changes should be made which would jeopardise this.



Protecting Advocacy by Charities

In recent years, a negative atmosphere has been created for charities undertaking advocacy. This needs to change.



An Effective and Responsive ACNC

The Australian Charities and Not-for-profits Commission (ACNC) is vital to Australia's not-for-profit sector, and it is essential that it delivers on its purpose.



#FixFundraising

Australia's framework for regulating fundraising by charities (and other not-for-profit organisations) is not fit-for-purpose. Fundraising regulation needs to be reformed to reduce red tape whilst maintaining protections for donors.



Allowing Public Ancillary Funds to Receive Distributions From Other Ancillary Funds

Currently red tape hampers the ability of philanthropy to fund organisations such as community foundations.



Supporting Better Collaboration Between Government and Philanthropy

This could facilitate more effective partnerships between the Australian Government, philanthropy and not-for-profits, to deliver initiatives and programs with more impact.

Medium to Long-term Priorities

Below are medium to long-term policy priorities, which have a time horizon of up to 5 years with a higher budgetary impact.



Reforming Our Deductible Gift Recipient (DGR) Framework

The current framework is a source of red tape, with many charities falling through the cracks, which makes accessing philanthropy is much harder.



Establishing the Living Legacy Trust Structure

With the right policy settings, Australia can take advantage of the record \$2.4 trillion intergenerational wealth transfer over the coming two decades, to benefit the community.



A National Giving Campaign

A national giving campaign co-funded by the Australian Government and philanthropy can enhance Australia's culture of giving, benefiting the community.



Growing Legacy Giving from Superannuation

Many retirees will leave substantial inheritances from their unspent superannuation. If a retiree decides to use these funds to leave a bequest to a charity, this is generally taxed at a minimum of 15 per cent upon their death, which is a disincentive to giving.

Serving the philanthropic community to achieve more and better philanthropy

Philanthropy Australia is the peak body for philanthropy in Australia and our purpose is to serve the philanthropic community to achieve more and better philanthropy. The community we serve consists of funders, grant-makers, social investors and social change agents working to achieve positive social, cultural and environmental change by leveraging their financial assets and influence.

Informed, independent and with reach and credibility, Philanthropy Australia gives its members a collective voice and ability to influence and shape the future of the sector and advance philanthropy.

We also serve the community to achieve more and better philanthropy through advocacy and leadership; networks and collaboration; professional learning and resources; and, information and data-sharing.

Our membership consists of approximately 600 trusts, foundations, organisations, families, businesses, individual donors, professional advisors, intermediaries and not-for-profit organisations.



If you believe in a more giving Australia
and want further information about
our work visit

philanthropy.org.au