



Committee Secretary
House of Representatives Standing Committee on the Environment
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Re: Environment Tasmania's submission to the inquiry into the Register of Environmental Organisations

Thank you for the opportunity to make this submission. This submission is in three parts: general comments, specific comments in relation to the terms of reference, and concluding comments.

General Comments

Environment Tasmania is a peak body for several environmental organisations in Tasmania and is listed on the Register of Environmental Organisations. Environment Tasmania's principal purpose is the provision of information to and the education of the Tasmanian community about the natural environment, and promote conservation, environmental protection and sustainability in Tasmania.

Organisations on the Register of Environmental Organisations (REO) carry out research, consultation, education, management of land, ecosystem restoration, conservation land purchase, invasive species control, community engagement, partnerships and advocacy. Practical on-ground advocacy is part and parcel of the responsibilities of many REO organisations in the charitable interests of the public and the environment.

The many organisations on the Register work with the community, business and governments at all levels in pursuing good policy, institutional arrangements, legislation, investment activity and outcomes in environmental sustainability.

It is clear that this Inquiry is aimed at stifling advocacy on behalf of the environment, when in fact environmental advocacy is a necessary role in the interests of Australians and of Australia.

Advocacy is a widely accepted part of tax-deductible and charitable activities in many countries and many sectors of society. For example, it would be unthinkable to ask a poverty relief charity to feed the hungry, while not supporting their advocacy of good policies to reduce poverty. Similarly, those who fought against slavery in the 18th and 19th centuries were not expected to limit their good works to narrowly-defined "practical" measures (such as buying each slave, or tending to those enslaved), but instead, to the great benefit of humanity, applied intelligence, courage and vision in advocating and end to slavery itself.

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In the same way, asking environmental organisations to plant trees, pull weeds and collect litter while preventing them from urging proper governance of deforestation, or of biosecurity, or of pollution would be absurd and monstrously inefficient. This would see the tax-deductible gifts of generous Australians frittered away with little real effect.

For example the Landcare movement grew when struggling on-ground practitioners sought policy and financial support through advocacy. Landcare has benefitted Australia hugely and adds to our sense of national pride. No thinking Australian would begrudge those who advocated investment in Landcare their tax-deductible gifts.

Protection of this country's World Heritage has also arisen from advocacy. The Great Barrier Reef, Kakadu and the Tasmanian Wilderness World Heritage Area have all been listed and protected following community advocacy, carried through organisations such as those on the Register of Environmental Organisations. Today these places are sustained by the on-ground work and the advocacy of community groups, communities and individuals many of whom are supported and inspired by REO organisations and tax-deductible gifts.

Australia would have failed to act on climate change without advocacy from REO organisations. National and state governments have rarely initiated action to combat climate change without prompting by community organisations through advocacy.

Exemplifying this is the reduction of land clearing in this country that enabled Australia to meet its weak Kyoto target for greenhouse gas emission reductions. While governments were busy funding tree planting, for every tree planted one hundred were being bulldozed. Advocacy, principally by REO listed organisations, was prompted by the huge frustration of community members whose gnarled hands testified to years of tree planting effort. This advocacy bought the situation to the attention of governments and enabled policy solutions to be devised, debated and implemented to the benefit of the community, the environment *and of the governments themselves* (in that Australia was able to claim having met its Kyoto target as a result).

The community are doing their bit to tackle climate change. People are investing in solar panels and insulation for their homes, reducing their household waste, carefully managing their lands, and riding their bikes to work. But without a sound policy response from governments these efforts will fail. The millions of Australians who are themselves taking action on climate change have earned the right to tax-deductibility for the donations they make to organisations advocating a parallel and effective policy response from their governments.

Any curtailing of environmental advocacy would be a threat to the environment that sustains us all. It would have significant impacts for community environmental organisations and their ability to work with business, government and others to protect and sustain the environment.

Those who donate to REO organisations are giving to the country's welfare and giving to future generations. They deserve better than to be told (by Members of their own Parliament) that acts of charity towards the environment and future generations are somehow wrong or selfish.

Environmental advocacy is constitutional, lawful, patriotic and completely consistent with being a charity in the public interest. It provides a vital counterpoint to the well-funded lobbying of vested interests that may attempt to skew public policy in their own favour against the welfare of Australia and Australians.



Specific comments in relation to the Terms of Reference

The definition of 'environmental organisation' under the Income Tax Assessment Act 1997, including under Subdivision 30-E

We hold that the definition of environmental organisation is and must be construed and understood in light of Australia's constitutional system of representative and responsible government which recognises the importance of the free exchange of political views.

Under Environment Tasmania's Principal Purpose as an organisation (cited above) two of our objects are of particular relevance to the matter of advocacy:

- (h) To engage with the political process through campaigning, lobbying and meeting, including Ministers, Members of Parliament, advisers and political party representatives and committees, but to retain a strictly neutral position in regard to party politics.
- (i) To be apolitical and be free of affiliation with any political party and to have a non-partisan approach to political parties.

It is important to understand that to be an environmental organisation in a democracy must entail advocacy for sound environmental policy and law. Such advocacy is, as explained above, integral to achieving charitable environmental outcomes for the public and the nation's good.

Because of this, **Environment Tasmania holds that the right of environmental organisations to engage in advocacy aligned with their charitable purposes should be explicitly protected by amendment to the Income Tax Amendment Act 1997.**

The requirements to be met by an organisation to be listed on the Register and maintain its listing

We hold that the amendment proposed above would enable the consistent correct interpretation of the requirements to be met by REO organisations to maintain their listing, by making explicit the existing implied constitutional right to engage in public debate and the free exchange of political views in the interests of Australia's welfare.

Activities undertaken by organisations currently listed on the Register and the extent to which these activities involve on-ground environmental works

We have referred to the variety of activities, including practical on-ground advocacy, undertaken by REO organisations in our introductory comments above. The definition of "on-ground environmental works" is unclear, and (depending on how this is defined) the balance between such works and, for example, community education, or "undersea works", or research, or advocacy varies between different REO organisations and across time.

The majority of Environment Tasmania's current staff activity is around on-ground environmental restoration and community engagement (8 staff), with some management, administrative and advocacy roles as well. Among our Member groups (being a body corporate) there are a wide range of emphases, from ecosystem restoration, to natural resource management, to advocacy and community engagement. Our advocacy, community education and engagement work is often closely



interlinked as we gather information about environmental protection, communicate it to our Member groups and others, and develop policy positions and responses to others' policies relevant to our purpose. In short there is an integral and very practical link between all the aspects of our work, and that link is our charitable purpose.

Governments' funding of the environment sector is so poor in Australia (and this a sector where the public good is paramount) that our organisation and those who donate to it are subsidising governments by providing vital funding for the administrative systems that support our excellent acquittal of government grants for environmental work. With a 10% limit to administrative expenditure under many government grant programs, the large environmental and community outcomes achieved would simply not be possible without our REO organisation being also supported by generous Australians' tax deductible gifts.

Reporting requirements for organisations to disclose donations and activities funded by donations

We report under both state and national regulations as an Incorporated Association on the Register of Environmental Organisations. We report to our Member groups through a Management Committee and Annual General Meetings convened under our Rules of Association. We produce independently audited end-of-year financial accounts, collated with the assistance of an external contracted accountant and our qualified honorary Treasurer.

Our reporting to donors varies according to the wishes and needs of the donors and grantors. We always strive to honour the reporting requirements of donors and grantors.

Privacy laws and regulations govern the use of personal information relating to donors, and we strive to comply with these laws, while meeting our reporting and compliance responsibilities.

It is noteworthy that some politicians and media commentators have chosen at times to vilify Australians who donate to REO organisations. This poor behaviour does not encourage donors to publically disclose their acts of environmental charity towards Australia's welfare.

The administration of the Register and potential efficiency improvements

The advent of the Australian Charities and Not-for-Profits Commission was a great step forward for streamlined administration of governance of charities in Australia including those on the Register. We urge that the ACNC be maintained and adequately funded to play its proper role in this arena.

Compliance arrangements and the measures available to the Department of the Environment and the Australian Taxation Office to investigate breaches of the Act and Ministerial Guidelines by listed organisations

Politicians hostile to the environment and to community organisations and individuals who love the environment have apparently instigated repeated audits of the affairs of REO organisations over the years. This constitutes political interference in the governance and administration of the REO. While we support proper compliance, and investigation of breaches relating to the REO, it is crucial that investigations not be miss-used as "witch hunts" against governments' imagined opponents.

The ACNC plays a vital and measured role in managing, advising, supporting, cautioning and proscribing charities in relation to compliance issues. We support the ACNC's role as a proper and sensible one, well acquitted to date.

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Relevant governance arrangements in international jurisdictions, and exploring methods to adopt best practice in Australia.

We are not expert in the various governance arrangements internationally.

We do note the occurrence through history in less democratic countries and times of baseless interrogation and persecution by governments of citizens and civil society organisations imagined to be opposed to the orthodoxy of the day. We are grateful that Australia's constitution protects civil society and upholds the public good so strongly, including supporting citizens' rights to love, care for and advocate for Australia's wonderful natural environment.

We also note that government funding for environmental organisations in Australia has tended towards what might be defined as "on-ground" activities such as tree planting. Environment Tasmania, though a peak State conservation council, receives no core State or Federal funding support.

As outlined in our introductory remarks, no amount of investment in "on-ground works" can adequately address environmental issues in the interests of the public and the nation, without a complementary system of laws, regulations, policies and programs of government.

Government investment in protecting, repairing and sustaining the environment in this country is miniscule compared to investment in other important sectors such as health and education. This can be readily seen by viewing the summary pie chart of expenditure accompanying any state or National budget. Despite some departmental expenditure and ephemeral initiatives like the landcare program, there has been no visible "slice" of the budget piechart for the environment since federation.

The tax deductions available to Australians generous enough to donate to REO organisations are doubly important in the context of this meagre government funding for environmental programs.

Concluding comments

Politicians may at times forget that it is Australia's system of pluralistic democracy, and the robust parliamentary debate that that entails, which "politicises" environmental issues. Such politicians can be tempted to blame those who love and stand up for Australia's environment for the political anguish they experience when the environment is at the centre of that institutionalised adversarialism.

Governments and politicians are therefore sometimes uncomfortable with environmental advocacy. The factual truths and the new ideas conveyed through advocacy can be confronting, especially if they reveal gaps and weaknesses in governments' environmental policies. And so it is tempting for governments to "shoot the messenger".

But mature and effective governors understand the importance of listening, and of being open to information and ideas. Good governors will also understand that the environment predated democracy, and underlies the current and future welfare of all Australians. Indeed the best governments facilitate and encourage information, ideas and advocacy towards public good environmental outcomes. **Environment Tasmania urges this Inquiry to do the same by recommending statutory protection for the right of REO organisations to tax deductible gift recipient status including for environmental advocacy.**

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Environment Tasmania is proud of the great outcomes that environmental stewardship and advocacy have achieved for Tasmanians, Australians and for our magnificent environment. The Franklin, the Great Barrier Reef, cleaner air and water, healthier communities and many sustainable industries and jobs- All have flowed from the works and advocacy of REO organisations like Environment Tasmania.

Thank you for the opportunity to make this submission.

Yours sincerely

Charlie Sherwin
Chief Executive Officer

PS: We note the scrapping of the \$1.3 million Grants to Voluntary Environment and Heritage Organisations program in last year's Federal budget. We further note the contrast between the ending of that program, whose meagre funds were shared across many small community groups around the country, and the *continuing* \$10 **b**illion in subsidies provided to the fossil fuel industry. This monstrous perversity further exemplifies poor governance for vested interests, as opposed to proper governance in the interests of the community and the nation.