
Are eco-charity donations benefiting the environment?

This is a private submission. I make it as someone who supports environmental organisations financially as well as in other ways, and also as someone directly involved in an environmental organisation (The Ocean Nourishment Foundation) which has attempted - and failed - to achieve tax-deductibility for furtherance of an idea which has the potential to address the entire carbon problem faced by Australia. I have thought about tax-deductibility in this area quite hard.

To quote the Chair, Alex Hawke, MP, the currently deductible gift recipients are to use funds “to fund important, practical work to improve the natural environment.” Funds are to be used “for the purpose intended and expected by the community.”

It may be assumed that direct action, such as removing weeds, is not at issue here, but rather it is the range of activities which trend towards the political which are being scrutinised – potentially with a view to pulling the deductibility rug from under any which fail to reflect the scope identified above by the Chair.

The question quickly moves from the objective to the subjective, and worse, to the politically subjective. Let me state my view on the eligibility by use of some examples:

Funds used to support protestors against, say, a coal mine. Here the support for the natural environment is glaringly clear: Burning coal is producing greenhouse gases which are damaging the environment. Further, the loss of surface topography and ecology is a clear negative. Taxpayers have supported tax deductibility of such activities for years because they rely on the government acting on their behalf to ensure the best long term environmental outcomes are achieved. This is in part achieved by Government supporting the contrary views of environmental organisations. **Benefiting the environment? Yes!**

Funds used to oppose dredging of the Great Barrier Reef. Again, a no-brainer, with the Minister for the Environment moving to ban such behaviour on behalf of all Australians. **Benefiting the environment? Yes!**

Funds used to oppose coal seam methane production. This appears tricky as there are statements that we are about to run out of gas. Not so. We have hundreds of years of reserves off the WA coast and these should be conserved for the use of our citizens for millennia to come. The issue here is economic as a quick profit is the driver of the gas companies. However, all Australians want a long term future. The green movements speak for them and are widely supported at an active level but further supported by those who are politically passive but want a future for their kids. **Benefiting the environment? Yes!**

Funds used to provide expensive cars for CEOs of environmental organisations: Sure, it is right to ensure that accountability is in place so that the support lent by the tax system to funds actually

given by taxpayers, is put to work in a manner which does not make. **Benefiting the environment?**
No!

Without the environmental movements of Australia and the tax-deductibility afforded them, we would currently have a very different Australia, one with dwindling or non-existent old growth forests, one with destroyed fisheries, one with no hope for wine or horses in the Hunter Valley, one with silt-laden waters choking the Great Barrier Reef – and the list goes on. These issues have been brought to public attention and action not by politicians but by enviro groups standing up for our homeland and with the support of ordinary taxpayers. This must not be lost.

In summary, the tax deductibility of donations to environmental groups is something that has been supported by taxpayers over many years as an appropriate way of providing broad community support for those supporting the environment so they have a voice against those aiming to make money or “progress” at the cost of destroying the very planet we rely on for life, now and in the long term. The activities of those supporting the environment may range across a wide variety of actions from lobbying to chaining themselves to bulldozers. Irrespective of those activities, the support should be there so long as the organisation can show that it is using the money to maximise its activities and effectiveness for the environment, and that those involved are not achieving undue personal gain from their roles.

Should the rules for tax-deductibility be broadened so that organisations such as Ocean Nourishment Foundation can more rapidly and effectively achieve its goals of increasing fish stocks and sequestering carbon in the world’s deep oceans? Yes, but that is probably another debate, and one to which I look forward.

Yours faithfully

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