



NATIONAL
FOUNDATION
FOR AUSTRALIAN
WOMEN

NFAW Submission to the Productivity Commission Inquiry: Review of the Contribution of the Not for Profit Sector

1 INTRODUCTION

The National Foundation for Australian Women (NFAW) welcomes this review of the contribution of the not for profit (NFP) sector. The scope of the sector is vast, and includes organisations ranging from small entities to significant quasi business enterprises, in fields ranging from education through the environment, sporting, health, and community. The sector includes bodies providing direct services (employment agencies, aged care nursing facilities, child care centres, meals on wheels), advice or information provision (women's information and referral agencies), lobbying (Australian Conservation Foundation, Women's Electoral Lobby), and various combinations of these.

The NFAW is an element of that part of the NFP sector which is focused on the experiences and life-long well-being of women and girls. We seek to ensure that the contribution of women and girls to the nation is recognised.

NFAW is not a service delivery agency; we do not provide advice to individuals, nor do we engage in direct partisan political lobbying, but through our various activities promote the advancement of women in all spheres.

Our founders sought to create an entity which could resource other entities which shared similar objectives, however those entities went about meeting that objective - direct service, lobbying, advice. In some instances our resourcing has a function of informing public debate around public policies. In another activity, we support a project to promote greater participation of women on the governing boards of Australian companies and institutions. The activity focus is by policy decision domestic, as contrasted with foreign affairs.

NFAW seeks always to work collaboratively with other organisations (not exclusively women-specific bodies) which share interests. NFAW is formally affiliated to two of the national Alliances of women's organisations which received financial support from the Commonwealth Office for Women - ie the WomenSpeak Alliance and Security for Women (S4W). NFAW publishes a regular e-newsletter distributed to its members and friends.

NFAW enjoys Deductible Gift Recipient status (DGR) in its own right, rather than for specific identified purposes, and is listed by name in the *Income Tax Assessment Act 1997* Section 30.45, with no conditions attached.

NFAW is constitutionally a public company limited by guarantee and registered with the Australian Securities and Investment Commission. A detailed description of NFAW governance and activities is at [Attachment A](#)¹. The NFAW Board of Directors is also the Trustee of the NFAW Education and Research Trust. The web-site www.nfaw.org provides publicly accessible information about NFAW's aims, structure and governance at <http://www.nfaw.org/aims-and-structure/>. Our accounts are audited by Deloitte Touche Tohmatsu, and a copy of the most recent audited financial statement is included at Appendix B to [Attachment A](#).

2. CURRENT ACTIVITIES

NFAW activities make a significant contribution to Australian society. We incubate ideas, contribute to public policy debate and ensure that the contributions to the nation of women and girls are publicly recognised. We cannot, however, put a numeric or dollar value on these contributions. In our view, we are contributing significantly to social capital. Our capacity to do these things depends on committed volunteers on Boards and Committees, and, significantly, our DGR status.

2.1 Women's History - Australian Women's Archives Project²

NFAW established the Australian Women's Archives Project (AWAP) in 2000 to build knowledge and recognition of the contribution made by women to Australia.

AWAP is a joint project with the University of Melbourne. Staff in the School of Historical Studies provide leadership in the area of historical research. Technical innovation and support to the project is provided by research fellows in the University's e-Scholarship Research Centre.

AWAP is now an important and authoritative resource for information about the roles of women in Australian history. The activities of AWAP include:

- Conducting original research and compiling information about women's history
- Making that information available on the web through the Australian Women's Register
- Celebrating groups of women including sportswomen, migrants, scientists and parliamentarians in the AWAP Showcase

Australian Women's Register

The searchable-on-line [Australian Women's Register](#) is a valuable and growing source of biographical data about Australian women and their organisations, with hyper-links to the archival repositories and libraries where their records are held and to other sources of information. Women and women's organisations are listed

¹ Note- document originally prepared for fund-raising purposes

² www.womenaustralia.info



alphabetically. It is possible to search by functional classification, for example, 'P' covers physicists, politicians, pharmacists, pacifists and many more. An update of the Register developed through an Australian Research Council Grant, in association with the National Library of Australia, the University of Melbourne, and other institutions will be launched in the second half of the year.

Preserving our history

Records about women provide the basis of all AWAP's work. To ensure records are available in the future, AWAP promotes the keeping and care of personal records and encourages individuals and organisations to deposit records appropriately in available archives and libraries.

2.2 Women's History - National History Challenge

The National History Challenge is an exciting contest that encourages students from years 5 to 12 to use research and inquiry based learning to discover more about Australia and its past. The History Teachers Association of Australia conducts the National History Challenge each year.

NFAW is proud to sponsor the Women's Category of the National History Challenge. Including a women's category in this competition has a significant impact, raising the awareness of Australian school children of the role played by women in Australia's history.

All students who participate in the National History Challenge receive a Certificate of Participation. Each Australian State and Territory has a coordinator, and State and Territory judging is undertaken locally. The National Judging takes place in October to determine category winners and the Young Historian of the Year finalists. From these finalists, the Young Historian of the Year is chosen. The prizes are presented to the winner at Parliament House, Canberra.

Sponsors of other special categories in the National History Challenge include the Department of Veterans' Affairs, Old Parliament House and the National Archives of Australia.

2.3 Supporting womens' groups - Preferred Donor Fund arrangements

NFAW has tax-deductible status in its own right, through its listing in the Section 30.45 of the *Income Tax Assessment Act 1997*. NFAW encourages other women's organizations or projects to access this aid to tax-effective fund raising through its Preferred Donor Arrangements.

NFAW recognises that there has been a growth in recent years of philanthropic Community Foundations which can offer somewhat similar assistance, however these foundations tend to focus on more direct service provision of a highly localized

nature. It is also the case that the large Trustee Funds established under State law will, in the main, not deal with very small projects or groups, insisting on a significant initial and continuing corpus to manage. The NFAW Preferred Donor arrangements suit organisations and individuals who do not have large financial resources at their disposal. Most of the donor funds now established have a corpus in the range of \$5,000 to \$40,000.

Many of the projects or organisations would have extreme difficulty in obtaining DGR status in their own right.

Projects and organisations whose objectives are consistent with those of NFAW can seek the Board's agreement to a Preferred Donor arrangement. Once agreed, tax deductible donations can be made to the NFAW, with donors expressing a preference about the particular fund or purpose for which their donation is to be used.

There is no standard application form to establish a Fund, but an application in writing should be made to the NFAW Secretary outlining the purpose of the fund, which cannot be for political lobbying purposes, but can be to cover an organisation's administrative costs, public education, research and such like.

NFAW requires a minimum establishment donation of \$200 to the Fund. Current NFAW administrative charges are 7% of donations, to contribute to the costs of managing the fund. Annual audited statements are provided, as well as more frequent updates on balances held.

Women's groups supported through preferred donor funds are listed in Appendix A to Attachment A.

2.4 Women on Boards³

The Women on Boards network (now an independent entity, paying an annual license fee for intellectual property to NFAW) was started in 2001 by a group of businesswomen who were inspired by the success of female athletes at the Sydney Olympic Games. Their objective was to help women get selected for board positions in Australia.

Women on Boards became a project of NFAW and directors from private, public, government and sports boards supported the initiative, as did the following professional women's organisations:

- Women in Finance
- Women in IT
- Women Lawyers
- Zonta International
- Women Sport and Recreation
- Foundation for Australian Agricultural Women.

³ <http://www.womenonboards.org.au/>



The first networking event was held in Sydney in March 2001 and was a great success. More than 250 senior professional women gathered to meet with experienced board members who shared their knowledge, contacts and experiences.

In 2002, five women were placed on sporting boards and a number of enquiries started to come in from boards interested in appointing women on to their boards.

With support from the Australian Government through its Office for Women and the corporate sector, Women on Boards expanded nationally between 2003-2005, funding research, hosting high profile networking and mentoring events around Australia, including rural women in the program, targeting government and for-profit boards and improving its training and other services to women seeking directorships.

The key enabler of this significant shift in capacity was the establishment of the website www.womenonboards.org.au as an interactive self-help tool for aspirant female directors. This gave the program an instant national audience and the ability to expand rapidly beyond the geographic and economic barriers imposed by the limited number of volunteers and funding for the program. It exponentially increased the power of the network.

While the Women on Boards program addresses equity issues by highlighting the under representation of women in positions of leadership, the primary objective of the program is to ensure that aspiring female directors be judged on their corporate governance skills and experience, not their gender. It seeks to put politics aside and let the CVs speak for themselves. By failing to access all available boardroom talent there is on offer, Australian organisations will not be capable of reaching their full potential.

2.5 Social Policy⁴

The NFAW Social Policy Committee is a Committee of the Board of Directors, chaired by the founding Company Secretary, Ms Marie Coleman PSM.

The Committee includes women living in the national capital, as well as a range of contributing and corresponding members from other parts of the nation.

The Committee focuses its work on developing soundly research-underpinned positions on emerging issues in public social policy, and widely disseminating that information as a resource to other entities. The Committee is able to raise funds and attract donations to support its research through use of the NFAW's DGR status.

The Social Policy Committee makes every effort to form alliances and consortia with other groups to carry out its work. It has been particularly occupied in the past twelve

⁴ <http://www.nfaw.org/women-s-social-policy/>

months or so in responding to a wide ranging series of Governmental initiatives in reviews such as this, and through Parliamentary Committees of Inquiry - such as, for example, the Senate Constitutional and Legal Affairs Committee inquiry into the Sex Discrimination Act, and the House of representatives Standing Committee on Employment and Workforce Participation inquiry into Pay Equity.

We believe that our analysis and comments are found useful by Government and Members of the Parliament in their considerations of public policy issues.

Reports, submissions research results and the like are posted on www.nfaw.org to ensure a high degree of transparency and accountability.

3 The Impact of the Taxation System on the Sector

NFAW, as can be seen from the above, draws on public donations made possible through its DGR status, and also from grants from Government and philanthropic bodies to carry out its activities. We have had very little support in generating sponsorship support from business. It may be that our approaches have been less than optimal, but in general it appears to us that business is more likely to offer generous support to a particular service supporting an appealing or worthy group of recipients (children, sports) than the more abstract concept of advancement of women and girls.

Thus, our tax status is critical to us.

In addition, our DGR status allows us to help small groups and projects in a very cost effective fashion - see the section above on supporting women's groups.

NFAW and the elements of the NFP sector with whom we have much in common are very dependent on access to tax effective giving, to relieve ourselves of dependency entirely on Government grants.

It follows that we strongly support the maintenance in the tax system of support for philanthropic giving through DGR status.

NFAW is very conscious, as a registered public company, of the importance of good governance in the NFP sector. Our associated entity Women on Boards provides an important service in the courses and mentoring it provides to develop appropriate skills in potential members of governing Boards - and at an affordable price for individual women.

We are aware from interactions with other NFP groups that there is scope for improved governance in many of the smaller organisations, and consider that measures to extend approaches such as those provided through Women on Boards could be valuable.

We also recognise that access to tax effective fund raising demands good standards of governance, and appropriate risk management.



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We practise a high degree of openness and transparency in the manner in which we make use of the DGR status. Our existence is reasonably well known; we have been affiliated with Philanthropy Australia and listed in publications on not for profit agencies.

We do not support the lack of transparency of some NFP entities nor the fact that this is permitted by legislation. The growth in such entities as Prescribed Private Funds⁵ which are not required to publicly report, let alone to make their existence known to potential beneficiaries wanting to make application, seems to us to be an abuse of the concept of philanthropy, as well as of the taxation system.

Kate Bosser
Secretary
NFAW

ATTACHMENT A: NFAW Donor Proposal including Governance arrangements and Financial Statements

ATTACHMENT B: Opinion for the Australian Financial Review by Elizabeth Cham

⁵ See Attachment B - Glass Pockets- an op-ed by Elizabeth Cham, originally published in the Australian Financial Review.