

24 November 2009

Mr Robert Fitzgerald AM
Not for Profit Sector
Productivity Commission
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Canberra City ACT 2601

nfp@pc.gov.au

Dear Mr Fitzgerald

RSPCA submission on the contribution of the not for profit sector - draft research report

Congratulations to you and your team for preparing such a comprehensive analysis of the value of our sector and clearly articulating many of the issues we face in delivering our services to the community.

RSPCA Australia endorses all of the recommendations contained in the draft report, noting that some have greater application to the RSPCA than others. I make the following specific comments in relation to a number of the more pertinent recommendations for the RSPCA:

- As a matter of priority, we would like to see a decrease and streamlining of our regulatory burdens in terms of registration, reporting and fundraising (recommendations 6.2, 6.4, 7.1).
- Lowering the costs for the engagement of volunteers is highly commended (recommendation 10.1).
- An increase in governance skills across the sector will lift knowledge, standards and accountability to donors and the government and will benefit the whole sector (recommendation 10.4).
- A driver of these changes is essential. We fully support the establishment of an Office for Not-For-Profit Sector Engagement within the Prime Minister's portfolio. This will maximise the chance of changes across the whole of government rather than in just human or family services portfolio areas, where much of the discussion to date has been focused (recommendation 13.2).

The draft report correctly identifies that different organisations within the sector have differing taxation regimes. For the RSPCA, our employees being treated differently in relation to fringe benefits tax than the major human focused charities and health promotion organisations who have PBI status or similar, and who are our major competitors for many employees, means that the RSPCA is significantly disadvantaged in trying to sustain our workforce. While we recognise that this issue is also being addressed by the Henry Review, the RSPCA would like to see the Productivity Commission more fully articulate the importance of charities who deliver services directly to the community, being treated equally in relation to taxation benefits for employees.

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I look forward to the finalisation of the report and a prompt adoption by the Government of the recommendations.

Yours sincerely

A handwritten signature in dark ink, reading "Heather Neil". The signature is written in a cursive style with a large initial 'H' and a stylized 'N'.

Heather Neil
Chief Executive Officer
RSPCA Australia