

## New charity legislation to be enacted at last - a great outcome!

David Crosbie, CEO of the Community Council for Australia has welcomed the decision by the Australian Senate to support implementation of the new definition of charity; **'today's outcome is a victory for common sense that will benefit charities across Australia now and into the future. The charities sector welcomes the support of the Australian Senate.'**

The government's Bill seeking to delay the start date of the new charities legislation has not passed the Senate. The new definition of charity legislated six months ago will now be implemented from 1/1/14.

Mr Crosbie previously described any proposed delay to implementation of the new definition of charity as **'an unfortunate and unwelcome step backwards that will create uncertainty and mistrust... The charity sector needs clarity in charity legislation and stability for future planning. Any delay to this legislation jeopardizes both of these.'**

When the Definition of Charities Bill was passed through parliament earlier this year **Rev Tim Costello** Chair of CCA and CEO of World Vision said; **'at last we have a straight forward definition of charity that uses modern language and describes charities as they are now rather than as they were 400 years ago. This is a great step forward in providing certainty to the thousands of charities across Australia.'**

On 18<sup>th</sup> of September 2000, **Prime Minister Howard** announced the establishment of the Charity Definition Inquiry (CDI) into definitional issues on the basis that; **'we need to ensure that the legislative and administrative framework in which they operate is appropriate to the modern social and economic environment. Yet the common law definition of a charity, which is based on a legal concept dating back to 1601, has resulted in a number of legal definitions and often gives rise to legal disputes.'** This Howard Inquiry found that reliance on case law caused confusion even among well-resourced charities on what was or was not charitable. Since then, statutory definitions have been enacted in England and Wales, Scotland, Northern Ireland, New Zealand and Ireland.

In Australia there have been numerous consultations and the new legislation has attracted wide support from charity law experts and the charity sector. According to Mr Crosbie, the new Definition of Charities Bill achieves important goals including:

- Enshrining the High Court decision in Aid/Watch to ensure that charities can advocate changes to laws, policies and practices without jeopardising their charitable status, and
- Modernising current law to recognise charitable purposes including protection of human rights, the promotion of reconciliation and tolerance, Indigenous affairs, housing, disaster relief and advocacy.

Neither Mr Crosbie nor Rev Costello were aware of why the government had sought to delay implementation of the charities legislation, especially given the new definition enjoys widespread support.

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