

Giving back to communities in need rather than the ATO

CCA Chair Rev Tim Costello has today joined with others in asking companies to seriously consider giving back to their communities rather than giving money back to the Australian Taxation Office.

“We know that some companies have received significant government assistance through JobKeeper and then found that not all that assistance was needed. Giving the money back to the Australian Taxation Office - as Toyota Australia have done – is to be commended, but there are other options, ways to give the money more directly to causes or people in need and to directly support rebuilding communities that may be doing it tough.”

Rev Costello has endorsed the suggestion that companies considering returning funds to the government should seriously consider boosting or to establishing workplace giving programs, company foundations and community support programs.

An article published today in Probono Australia News by CCA CEO David Crosbie argues that companies setting up their own giving programs is a more effective and efficient use of funds then returning it to the government.

“Giving money back to government entails a transfer process; government receiving and accounting for the money, allocating it internally through budgeting systems, developing priorities for its expenditure, processes around making the money available (often through onerous tendering requirements), overseeing appropriate expenditure and accounting for the money. While these transfer costs can vary significantly, in some cases more than 30% of the money will be lost in government management and oversight of the funds.”

CCA has consistently argued that an advantage of workplace giving programs and company supported charitable foundations is that they promote giving, not just as a one-off exercise, but as part of the expected normal behaviour within the company. A further benefit is how employees feel about working for a company that gives to charitable purposes within their communities. Employee loyalty and morale are both boosted by companies that take an active role in giving back to communities.

Mr Crosbie also suggested, ***“there are now a number of companies that are in a position to give back to the communities that support them, not by giving back to the ATO, but by giving to charities that serve their communities.***

If we are not going to promote giving when the work of charities in rebuilding post the pandemic is so critical, when the income of so many charities has been depleted, when volunteering has been hit so hard, when will we promote giving?”

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