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The Manager  
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### **Submission on the Consultation Paper : “ Definition of a Charity “**

U3A Alliance Australia [U3AAA] – an Introduction

The U3A movement is the largest provider of adult education programs offered by volunteers for the senior population in Australia. U3AAA is comprised of State/Territory U3A Networks across Australia, and U3A Online Inc. The Alliance represents 70,000 individual members in over 230 individual incorporated U3A groups spread across the nation.

We welcome this initiative to clarify the charitable status of organisations in Australia and offer the following submission to assist this development.

#### **Re Chapter 2. Consultation Paper – Issues in Defining Charity**

Section 2.1.2 ‘Dominant purpose’ to be replaced by ‘exclusively charitable purpose’.

We support this proposal to move towards the English interpretation provided that the meaning of ‘charity’ and of ‘charitable purpose’ as defined in the English legislation is also adopted in the proposed Australian legislation. The English definition addresses the issue more acceptably where a sector of an organisation’s operations may be demonstrated to not be directly related to its stated charitable purpose. We submit that this definition provides a clarity that is necessary for organisations to determine their potential eligibility.

Para 57. ‘Peak Bodies’

We support the concept that a peak body that is integrated with and has a commonality of purpose with its constituent members could be classed as a charity even though that peak body may not deal directly with the public. Further, we submit that if such a peak body can demonstrate that its constituents comply with the conditions for registration as a charity, then conferral of charity status to the peak body would automatically be conferred to each of its separately incorporated constituents. It would seem a matter of administrative convenience for example that if the peak body of U3A in a State or at national level can be considered as a charity then each of the 230 individual groups registered as members of that network need not apply for registration, but would have automatic charitable status as a result of being a member of the peak body.

### Section 2.1.3 ‘Public Benefit’ paras.71- 77

As a potential applicant for charitable status, our organisation supports a clearly defined charity test as defined in the Scottish legislation. As applicants we need clear guidelines to allow cost effective applications to be made. If such applications require lengthy and costly legal representations for interpretation then the potential benefit of registration as a charity may be lost.

### Section 2.2 ‘Charitable Purposes’ and ‘Public Benefit’

We submit as indicated above, that very clear guidelines need to be given for organisations if they are to demonstrate their public benefit and/or charitable purpose.

Two examples are offered for consideration;

#### 1 . Education:

While ‘the advancement of education’ is listed as a charitable purpose, there is no clear definition of what that means. To ascribe a strictly vocational definition to the word ‘education’ is to ignore the wider connotations of what education is or can be.

Governmental preoccupation with vocational training and education devalues informal learning. Continuing to learn in mature age has an important social and health impact upon seniors and others who were possibly denied access to educational programmes earlier in their lives due to social or familial responsibilities. We submit that education needs to be defined in its widest sense to include the concept of lifelong learning rather than from a strictly vocational perspective.

The public benefit of the U3A movement rests on solid research which clearly shows that continuing education has positive benefits for successful ageing. ( *MacArthur Foundation Study* – Rowe and Kahn 1999). Such education “ can protect against cognitive decline” as we age. ( *The Foresight Project on Mental Capital and Wellbeing* - Beddington et al 2008).

#### 2. Social or community Welfare :

We support the clearer definition as given in the Scottish Charity Register, which includes ‘the advancement of citizenship or community development’, and adding a definition which includes ‘volunteering, and the voluntary sector’.

It would be of real benefit to applicants if the Scottish Charity Test were included in the Australian legislation to recognize in unequivocal terms the real benefits of volunteering to the social and community welfare of Australians. Numerous studies have shown the value of volunteering to the Australian community, not the least of which is the U3A contribution estimated to be in 2008 to be in excess of \$20 million annually ( Swindell. R et. Al., *U3As in Australia and NZ – The successful Ageing organisations. 2008* ) This effort deserves recognition and support for its contribution to the social and community welfare of an increasingly large population of seniors in Australia.

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