

19 September 2008

Committee Secretary
Senate Economics Committee
Department of the Senate
PO Box 6100
Parliament House
Canberra ACT 2600
Australia

Head Office
136 Mt Alexander Road
PO Box 193
Flemington Victoria 3031

T 03 9376 1122
F 03 9376 8138
E admin@wintringham.org.au
I www.wintringham.org.au

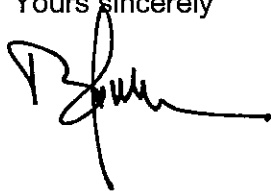
ABN 97 007 293 478

Dear Committee Secretary

Re: Inquiry into the Disclosure regimes for charities and not-for-profit organisations

Please find attached Wintringham's submission to the above inquiry. We thank-you for the extension granted us.

Yours sincerely



Bryan Lipmann AM
Chief Executive Officer
Wintringham
Wintringham Housing Ltd (WH)

mobile: 04 1188 5750
email: bryan@wintringham.org.au

Wintringham

Wintringham was established in 1989 as an independent not-for-profit welfare company to provide high quality aged care services to frail elderly homeless men and women. Today we provide a range of services to approximately 800 elderly people who are homeless or at risk of becoming homeless each night, including low and high care residential homes, community care packages, State funded support packages, a range of housing services and options, street based outreach work, advocacy services, as well as our work representing the interests of the homeless elderly on a variety of State and national ministerial advisory committees. More details about these services and further background to the company can be found at www.wintringham.org.au.

Wintringham submission to the Inquiry into the Disclosure regimes for charities and not-for-profit organisations

Our understanding of the rationale for tax concessions to the Charitable and Not-For-Profit sector is that they are an inducement to the market to enter into an otherwise unprofitable sector. The argument appears to be that without appropriate tax concessions, business entities cannot generate sufficient surpluses while working in these unprofitable areas to stay viable.

Tax concessions, therefore, are in principle targeted at those organisations that work with client groups which mainstream business would be unable to provide for.

In reforming the structures within which charities and other not-for-profit organisations operate, we believe that this underlying principle needs to be reinforced: i.e.

All organisations claiming and benefiting from not-for-profit and charity status tax concessions should be required to demonstrate that they perform work, and service clients, which will not be performed, or serviced, by for-profit businesses.'

Our concern, however, is that many of the aged care organisations that receive tax concessions are not working with difficult client groups that require special services, but are in fact working in mainstream Australian society competing directly with for-profit business.

Wintringham receives no bequests and virtually no donations from the public. We have always believed that it would be extremely difficult, and an unwise use of resources for a small independent company like ours to compete for public funds with older and more established Church-based organisations.

We do notice, however, that many of the larger organisations which receive substantial public support as well as enjoying the very generous tax concessions which flow from their not-for-profit status are usually reluctant to address the needs of homeless people. Indeed, Wintringham regularly receives referrals from mainstream aged care organisations who have the resources but who are unwilling to provide

services to aged people with behavioural problems associated with homelessness or alcohol related brain injuries.

We are of the view that Commonwealth aged care capital and recurrent subsidies should be set at a sufficient rate to enable the industry to meet public demand for its services, and that these subsidies should be entirely independent of tax concessions.

Wintringham believes that the granting of tax concessions be reserved for those welfare organisations that work with those disadvantaged or handicapped people whose needs are not being met by mainstream private or welfare organisations.

Wintringham therefore advocates that the Government review the current generous tax concessions awarded to not-for-profit organisations with the intention of developing a graded concessional taxation system aimed at benefiting those organisations who work with the disadvantaged.

Bryan Lipmann AM
19 September, 2008