



**St Vincent de Paul Society**  
*good works*

Submission

**INQUIRY INTO THE DISCLOSURE  
REGIMES FOR CHARITIES AND  
NOT-FOR-PROFIT ORGANISATIONS**

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## Executive Summary

The St. Vincent de Paul Society (“the Society”) is a charity rather than a not-for-profit organisation, company or other legal entity. The Society is now a federated national charity with separately incorporated state operations. The Society is also a global charity in over 140 countries around the world. In 2007-08 the Society in Australia responded to nearly 600,000 calls for financial or material assistance, operated 636 ‘Vinnies shops’, provided around 2,350 beds a night to people in needing accommodation and provided over an estimated one million meals.

While the Society has responded to the terms of reference and the discussion paper, the Society calls for something more than what is contained in the terms of reference or the discussion paper. The Society does not want a piecemeal approach to regulation of charities, but a holistic review of the charity sector that promotes the growth of charities in areas of social need.

The Society strongly supports full disclosure and with some pride and satisfaction notes its efforts at full disclosure of its affairs, both at State and National levels. It is important to recognise that charities are already regulated with disclosure regimes, both compulsory and voluntary and that charities are capable of being investigated for breaches.

The Society understands any potential advantage of a national disclosure regime as limited unless it is the product of far greater consultation. As the Society is a federation of separately incorporated state operations any new regulatory disclosure framework would add administration costs. The Society is concerned that a disclosure regime may not adequately recognise giving of talents and time as much as it recognises standardised financial measures such as fundraising cost ratios. The Society promotes a position where charities are required to provide enough information to allow a full and frank

analysis of their affairs to be carried out. This may be by disclosure in the accounts and/or a comprehensive series of notes.

The Society supports regulatory reform of charities that seeks international best practice to support charities through better regulation and legal forms. The Society notes that charities are already regulated and that the impetus for reform must come from the charitable sector. The government risks unnecessarily hindering the activities of charities like the Society unless the national regulatory system is supported and designed by charities for charities. Any national regulator should preferably be independent of government and subject to judicial review to avoid any conflict of interest or undue political interference. The national regulator should have an educative advisory role before any enforcement role.

In Australia, the Society is a loosely connected structure of ill fitting corporate veils that only functions nationally because of the Society's strong internal documents and procedures. The Society recognises that there would be great advantages to having a single, specialist, legal structure for the not-for-profit sector, particularly for a large national charity. However, such legal structure must be optional and assist charities, not hinder their activities. Charities must be able to determine and change their corporate structure to suit their particular needs in serving disadvantaged Australians.

## Background

The St. Vincent de Paul Society is a charity in the traditional and modern understanding. It fits all legal and legislative understandings of a charity; in particular it is for the public benefit, benevolent, non-profit, altruistic and focused on providing direct relief to those experiencing disadvantage. It understands itself legally as a charity rather than a not-for-profit organisation, company or other entity.

The Society is a charity present in Australia since 1854. The Society expanded throughout Australia with the separate colonial states. The Society prior to federation in 1901 formed separate operations in Victoria, Western Australia, New South Wales, Queensland, South Australia and Tasmania. The first national executive or 'National Council' of the state operations was formed in 1895 and the first National President saw federation in his 22 year term. As federation become more cooperative across states, the Society grew nationally and also witnessed greater cooperation and agreement between its separately incorporated state operations. A symbolic example of this was the agreement to accept a standard national logo in 1965 and the incorporation of the National Council as a separate legal body comprised of the president of each separately incorporated state operation. The Society in Australia is a membership governed, democratic organisation that "...aspires to live the gospel message by serving Christ in the poor with love, respect, justice, hope and joy, and by working to shape a more just and compassionate society."<sup>1</sup>

The Society is also a global charity established in France in 1833. It is now present in over 140 countries around the world. The Society has a Catholic ethos, but it does not form part of the structural Catholic Church. The Society

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<sup>1</sup> 'Our Mission', *St Vincent de Paul Society National Council of Australia*, 2008.

is not an ecclesiastical organisation, but rather a lay organisation of people seeking to do good works.

The Society is a federated organisation under French Law. The members of the federation are all member nations with an incorporated national body recognised pursuant to French Law. The St Vincent de Paul Society National Council of Australia Inc. is a member of the 'Confédération Internationale – Société de St Vincent de Paul'.

The St Vincent de Paul Society operates under an international constitution or statute called 'The Rule'. Article 1.3 of the International Rule (Appendix A) states:

No work of charity is foreign to the Society. It includes any form of help that alleviates suffering or deprivation and promotes human dignity and personal integrity in all their dimensions.

Member countries must obey the International Rule which also includes rules about disclosure regimes, regulation and legal forms. For example Article 3.14 demands:

... the Society uses money and property to help relieve the suffering of those in need. The Society's funds must be handled with utmost care, prudence and generosity. Money must not be hoarded. ... Accurate records must be kept of all money received or spent. The Society must not allot funds to other organisations...

The Society understands that its funds are owned by the poor and that the Society is a steward of this resource. This is guided by Catholic social teaching that requires Distributive Justice where goods and the burdens of the

community are shared on the basis that not all people can contribute in the same manner<sup>2</sup> and a Preferential Option for the Poor where the greater the needs of the people the greater the responsibility of authorities and those with a capacity to meet those needs<sup>3</sup>.

Stewardship places great demands on the Society to always be transparent in its dealings and ensure that resources are best used for ending poverty. As the Society works with those that have beneficial ownership of the Society's funds, the Society must always have open two-way communication and build trust by acting honestly.

It is from this perspective that the Society approaches disclosure regimes, regulation and legal forms, and other measures at a national, state and local level. Disclosure regimes, regulation and legal forms are not required to bring charities into line or simplistically as a measure to protect philanthropic activity, but rather to ensure proper stewardship of precious resources in the Society's fight to end poverty.

## Introduction

The Senate has established an inquiry into the disclosure regimes for charities and not-for-profit organisations. The inquiry's terms of reference are to examine:

1. the relevance and appropriateness of current disclosure regimes for charities and all other not for profit organisations;

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<sup>2</sup> Pope Leo XIII, 1891, *Rerum novarum*, "On the condition of the working classes", Encyclical Letter, reprinted 1942, St Pauls Editions

<sup>3</sup> Pope John XXIII, 1963, *Pacem in terris*, 'Peace on earth,' Encyclical letter. Homebush: St Paul Publication

2. models of regulation and legal forms that would improve governance and management of charities and not for profit organisations and cater for emerging social enterprises; and
3. other measures that can be taken by government and the not for profit sector to assist the sector to improve governance, standards, accountability and transparency in its use of public and government funds.

Mindful of the terms of reference the St. Vincent de Paul Society has constructed its submission in two parts: disclosure regimes and regulation and legal forms. The St. Vincent de Paul Society directly answers the questions contained in the Senate's 'Background Paper'.

While the Society has responded to the terms of reference and the discussion paper, the Society calls for something more than what is contained in the terms of reference or the discussion paper. The Society does not want a piecemeal approach to regulation of charities, but a holistic review of the charity sector that promotes the growth of charities in areas of social need. The Society seeks regulation not as some reaction to a *Choice* article, but as a properly structured response to the social need.

The St. Vincent de Paul Society is mindful of the Australia's Future Tax System Review and reserves all comments about the taxation treatment of charities to its future submission to the AFTS Review.

## **Part A - Disclosure Regimes**

**Are current disclosure regimes for not-for-profit organisation adequate?**



The Society strongly supports full disclosure in all areas. The Society believes that there should be a fair and reasonable regime of disclosure for all charities. The Society notes with some pride and satisfaction its efforts at full disclosure of its affairs, both at State and National levels in recent years.

It is important to recognise that Charities are already regulated with disclosure regimes, both compulsory and voluntary. Compulsory disclosure regimes are created by both reporting requirements and investigative powers given to state and federal regulatory bodies. Charities can be investigated by various levels of government in the event of an alleged breach, such as the recent example of Interpal<sup>4</sup>.

The Society supports the simplification of current disclosure regimes with a single national disclosure regime; however the Society does not support a scheme that duplicates existing disclosure regimes or creates further red tape.

The experience of the Society in England is worth noting in this respect. The extension of powers given to the Charities Commission meant that its volunteer members faced the real possibility of being summonsed before courts for failing to meet bureaucratic demands and were left unprotected from litigation as the Charity Commission prevented Charities paying for director's liability insurance for volunteer directors. The Society notes that amendments in the Charities Act 2006 (UK) have reduced or eliminated some of these issues. However, this does not take away the experiences of volunteer members of the Society since the reforms introduced in the Charities Act 1992 (UK). Likewise it is the experience of the Society in New Zealand that a Charities Commission has only created further red tape to existing requirements and exhausted precious resources on satisfying bureaucratic demands.

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<sup>4</sup> Police raid on Muslim charity, *The Australian*, 25 July 2008.

### **Case Study A**

Registration for the New Zealand Charities commission opened on 1 February 2007. The Society in New Zealand estimated that it took around two months for its National Office to collate the necessary forms over November/December 2007 for its entities to gain the new registration as a charity. The forms were described as a 'mammoth task'. The Society submitted the forms to the Charities Commission in January 2008, well before the deadline of 28 Feb 2008. Because the New Zealand Government underestimated the size of the third sector the deadline was extended to 31 June 2008. If charities failed to submit the paperwork by the deadline they lost their charitable status.

On 28 July 2008 the Charities Commission advised the Society in New Zealand that it remained a charity. It took the Charities Commission nearly six months to work through its backlog to reach the Society's application. At the end of this costly and exhausting process the Society remained a charity.

A national regime must assist charities. The experience of the Society in Case Study A demonstrates how a national regime can hamper a charity. The experience of the Society in New Zealand was not an isolated incident, as at 27 August 2008 the New Zealand Charities Commission was still processing a back log of applications for registration to 3 June 2008.

A national regime must be simple. Any national scheme that requires lawyers and accountants to operate beyond present levels will add significantly to the costs of a charity in delivering its services. Sadly, experiences in England and New Zealand suggest Charities Commissions are not sufficiently funded to provide the level of support required by Charities to address extra regulation. The Commission gets caught on regulatory functions such as registration or enforcement and is unable to focus on other supportive educative functions.

As such the charity must take the administrative burden of acquiring the necessary expertise to comply with the new regulatory framework. The ability of Charities to attract staff of sufficient expertise and experience is compromised by the charitable sector's inability to pay salaries comparable with the not-for-profit sector, for-profit sector and government.

**What would be the potential advantages and disadvantages for not-for-profit organisations of moving towards a single national disclosure regime? How might any disadvantages be minimised?**

One of the most complex issues for any disclosure regime is how the expenditure of funds can be articulated to the public in a meaningful and comparable way between organizations. A major disadvantage to charities would be a "one size fits all" approach, based on cost of fundraising ratios. The *Choice* report frames the discussion of disclosure regimes around "How much of your donation is gobbled up by fundraising fees and expenses?"<sup>5</sup>. The discussion about disclosure regimes is often falsely centred on fundraising. The Society's International Rule demands that the Society never forget that "...giving love, talents and time is more important than giving money."

The Australian public and the Australian Government support charities beyond simply examining fundraising ratios. Government tenders regularly examine service delivery standards, established relationships and partner input. Private donors select charities that they may have a connection with, work within their community and demonstrate results. To avoid the disadvantage of a singular focus on cost of fundraising ratios, a national disclosure regime must instead focus on:

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<sup>5</sup> Choice, *How much of your donation is gobbled up by fundraising fees and expenses?*

- financial accounts;
- the giving of voluntary labour;
- the giving of goods; and
- service delivery standards.

“The provision of simple and standardised financial information would allow those that wish to make an evaluation based on financial performance able to do so, but such information would be provided alongside the other information such as details of the service efforts and accomplishments and their long term financial strategy. In this way, donors will be able to access a more balanced set of information and make decisions based on a range of factors rather than being encouraged to rely on less than meaningful cost of fundraising ratios. In such a regime, regulators and policy makers would not be reliant on a single measure of performance, such as cost of fundraising ratios, and thereby avoid the unintended consequences of such a focus.”<sup>6</sup>

Charities should provide enough information to allow a full and frank analysis of their affairs to be carried out. This may be by disclosure in the accounts and/or a comprehensive series of notes. To understand the complexities of Charities like the Society, the inclusion of Treasurer notes to financial reports would offer a broader insight into how effective the expenses have been in delivering services to those in need. For instance whilst a value cannot be calculated, there is merit in acknowledging that a proportion of reported operational expenses (eg. administration, staff costs, etc) do in fact contribute to the servicing of the poor (be it directly or indirectly) and whilst financial reports don't clearly demonstrate this, the types of work and the effective outcomes should also serve as such measure in comment.

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<sup>6</sup> Flack T. *The Mandatory Disclosure of Cost of Fundraising Ratios: Does it achieve the Regulators' Purpose?*, Queensland University of Technology, May 2004

As an alternative to the use of prescribed expense ratios, there may be a requirement to disclose the expense ratio on the organisation's own accounting standard. The way the expense ratio is calculated must be detailed.

It must always be recognised that disclosure is not simply about reporting to government, but reconciling with the community and more particularly the disadvantaged and excluded how the charity has expended funds. Ultimately, Charities are accountable to the disadvantaged and excluded people they assist.

**Would a standardised disclosure regime assist not-for-profit organisations who undertake fundraising activities, and who operate nationally, to reduce their compliance costs if it meant that they would only have to report on fundraising to a single entity (rather than reporting to each state and territory)?**

At a state level a standardised national disclosure system would not greatly assist the Society as it would simply change existing requirements and create further compliance work in bringing fundraising activities into line with new requirements. The Society already complies with fundraising legislation in each state and territory. At a national level there would be some advantages of a national disclosure system, as the lack of consistency across the eight jurisdictions making it very complex and expensive for national fundraising appeals.

Historically the Society has not carried out much fundraising at a national level. The Society has grown from State memberships into a truly national charity present in all parts of Australia. As the Society has grown the states have increasingly cooperated in making national fundraising appeals. For

over ten years both the Society's Winter Appeal and Christmas Appeal have been put together by a national committee of the Society's state and territory operations. Both the Winter Appeal and Christmas Appeal are given 'one look', but are then largely separately conducted in each state and territory. A benefit of one national disclosure system would be to allow the Society's state and territory operations to still continue fundraising as separate entities, but also join together pursuant to one disclosure regime to increase national fundraising efforts and find new creative fundraising initiatives. As a charity that both undertakes fundraising activities and operates nationally this would be the largest benefit of a standardised national disclosure system. However, the Society would not overstate this benefit given the considerable administrative costs to the Society's state and territory operations in adjusting to a standardised national disclosure regime.

The cooperation of State Governments is crucial to the success of any proposed national scheme. If any state government was not to accept the national disclosure regime, then a new burden would be created. Our state and territory operations already note that government programmes are applying more detailed and onerous reporting processes. If states maintained one reporting standard and the federal government required a single national disclosure regime, then there would be a costly, confusing duplication of limited resources. This would be further compounded if the proposed disclosure regime was not accepted by companies, foundations and other non-government entities.

**If there was to be a nationally consistent disclosure regime, should it apply across all not-for-profit organisations or should different regimes apply to different parts of the sector? For example, should charities be treated differently than other not-for-profit entities?**

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As stated earlier the Society understands itself legally as a charity rather than a not-for-profit organisation, company or other entity. It adheres to the present ATO characteristics of a charity<sup>7</sup> which lists being a not for profit as simply one characteristic of a charity. The Society is also an entity which exists for the public benefit and the relief of poverty. Its activities are charitable within the legal sense and its sole purpose is charitable.

From the Society's national Annual Report over 19,000 members in over 1200 small branches across Australia delivered practical assistance to people in need<sup>8</sup>. This assistance was delivered by members visiting people that request assistance in their homes and providing emotional, material or financial relief. Nearly 600,000 visits were performed in 2007-08.

In addition, in 2007-08, the Society operated across Australia 636 Centres of Charity, or as better known in Australia 'Vinnies Shops'. The Centres of Charity operate on the support of over 23,900 volunteers and thousands of tonnes of donated goods each year. The Centres of Charity promote environmental awareness by recycling thousands of tonnes of clothing and furniture each year that would otherwise be landfill. The Centres of Charity act as hubs of community support, an outlet for no cost or low cost clothing and furniture, and in some cases a revenue stream to assist other discretionary acts of charity in unpopular or unrecognised areas that may not receive public or government funding.

The Society has a long history in Australia of helping people who are experiencing homelessness. Presently, the Society provides around 2,350

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<sup>7</sup> Is your organisations a charity? ATO Website <http://www.ato.gov.au/nonprofit/content.asp?doc=/content/24483.htm&page=2&H2> Accessed: 15 August 2008.

<sup>8</sup> Taking it to the Streets Annual Report 2007, Vinnies Website, [www.vinnies.org.au](http://www.vinnies.org.au) Accessed: 15 August 2008

beds a night to people in need and around over an estimated one million meals each year. While many of people experiencing homeless need the Society's assistance only during a period of domestic violence or financial crisis, other people with more complex needs often require assistance for longer.

As stated earlier no work of charity is foreign to the Society. See Appendix B for a short list of some of the other works the Society provides to Australians. The Society leaves it to the Committee to decide whether different regimes should apply to charities and not-for-profits.

**If different regimes were to apply to different parts of the sector, how would this be determined and why? For example, would it be based on classifications . ie., as a charity or deductible gift recipient or would different regimes apply to different organisations based on their annual financial turnover or staffing levels (or some other proxy for size and/or capacity)?**

The Society leaves it to the Committee to decide whether different regimes should apply to charities and not-for-profits. The Society notes the ATO's ability to presently classify differences between charities and not-for-profits.

## **Part B - Regulation and Legal Forms**

**Does there need to be regulatory reform of the not-for-profit sector?**

The Society repeats that it is important to recognise that Charities are already regulated. Charities are regulated in the same manner as all other associations. In some cases Charities choose more complex forms of incorporation such as company law and accept more complex regulatory control in exchange for the ability to operate as a company instead of an



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incorporated association. As stated earlier, Charities can be investigated, such as the recent example of Interpal<sup>9</sup>.

The impetus for reform must come from the charitable sector. Charities should own and drive the process of reform with the support of government and the community. That said, presently there is little momentum within the charitable sector for a significant reform agenda. This may be because there is insufficient evidence for reform or perhaps insufficient resources to concentrate on a reform agenda when the charitable need remains so large.

If the charitable sector drives for a national regulatory system, then the Society would see the following as a minimum:

- simple and clear, not requiring additional support from lawyers;
- easy to comply with, without added administrative cost to the Society;
- government-funded with no greater cost recovery than the present system;
- make decisions about charitable registration;
- allow registration at local, state or national levels;
- allow registration of groups of entities, with a streamlined process for the addition or removal of entities from a group;
- a searchable national register of charities (the Society notes the ATO presently maintains a public list of organisations with DGR status);
- a model set of rules for incorporation of charities (similar to model rules for associations);
- a model reporting standard including fundraising ratios (not enforceable);
- minimum reporting standard (enforceable);
- contains measures to improve governance and management such as model meeting guides, rather than penalties;

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<sup>9</sup> Police raid on Muslim charity, *The Australian*, 25 July 2008.

- a commissioner that can make decisions and rulings that can be appealed to a court (similar to present situation with ATO);
- provide rulings to assist with charities with operational matters like new charitable works, investments, personal/public interest expenses, etc;
- adaptation for small charities, medium charities and large charities; and
- a parliamentary review of the national regulatory system after two years.

The government should look at animation, rather than consultation with charities. Charities must take a leadership role in any reform. The government risks unnecessarily hindering the activities of charities like the Society unless the national regulatory system is supported and designed by charities for charities.

By allowing charities to design the national regulatory system, it would ensure that the system was capable of adapting to emerging social trends. The International Rule of the Society demands that no work of charity is foreign to the Society and the Society's founder demanded that the Society search out new forms of charity as the needs of the time demand. Accordingly, the Society, like other charities, would create a national regulatory system that allowed sufficient flexibility not to constrain the activities of a charity in catering for emerging social trends.

### **Should there be a single national regulator for the not-for-profit sector?**

This question ignores the reality that presently there is a national regulator for the not-for-profit sector, in particular the charitable sector. A charity cannot obtain PBI status or DGR status without the regulatory approval of the ATO. Further regulation is also given by other state and federal bodies.

National regulation in place of the current mixture of regulatory control does pose some difficulties for the Society. In particular, the Society's separately incorporated state operations would all have the separate cost of compliance.

To minimise the disadvantages of a national regulator the Society would want a regulatory presence in all capital cities. Location within an existing institution is one solution, such as the ASIC or perhaps more suitably the ATO. However, such a situation would cause some concern about the independence of the body. Charities have a role in openly criticising government policy where it impacts on marginalised Australians. The Society is a strong advocate for marginalised Australians. The National Regulator should preferably be independent of government and subject to judicial review to avoid any conflict of interest or undue political interference.

To further minimise the disadvantages of a national regulator, the national regulator should have an educative advisory role before any enforcement role.

The Society believes that future reporting requirements should be based on a consolidated company level by State rather than by an entity level.

### **Should there be a single, specialist, legal structure for the not-for-profit sector?**

In Australia, the Society is a loosely connected structure of ill fitting corporate veils that only functions nationally because of the Society's strong internal documents and procedures (See Appendix C). The incorporation of the Society's state operations demonstrates some charities are not incorporated by registration, but obtain incorporation by Statute or other devices such as letters patent. The Society recognises that there would be great advantages to having a single, specialist, legal structure for the not-for-profit sector, particularly for a large national charity. However, such structure must assist

Charities, not hinder their activities. Present association incorporation law demonstrates the practical difficulty of harmonising state laws into a uniform law.

In the same manner that the Society has the ability to choose various forms of incorporation for its structure, a new form should not be mandated, but such an attractive option that charities choose to transfer to it. There should not be an attempt to disturb existing forms of incorporation. Charities must be able to determine and change their corporate structure to suit their particular needs.

Minimum features of any legal structure for a charity should be:

- simple and clear, not requiring additional legal support;
- easy to comply with, without added administrative cost to the charity;
- government-funded with no greater cost recovery than the present system;
- automatic charitable registration;
- can operate at local, state or national levels;
- a model set of rules for incorporation of charities (similar to model rules for associations);
- reporting requirements with a model disclosure regime; and
- contains measures to improve governance and management such as model meeting guides, rather than penalties.

## Appendix A

### SOCIETY RULE PART I

#### RULE OF THE INTERNATIONAL CONFEDERATION OF THE SOCIETY OF ST. VINCENT DE PAUL

##### 1. THE ORIGINS OF THE SOCIETY & SERVICE TO THE POOR

###### 1.1 Origins

The Society of St. Vincent de Paul is a worldwide Christian community, founded in Paris in 1833, by a group of young Catholic lay people and an older person, who joined together to create the first Conference. The Society wishes to remember them all with gratitude, as they set an example of dedication to the poor and to the Church. From Le Taillandier, who received the first inspiration, to Blessed Frederic Ozanam, Paul Lamache, Francois Lallier, Jules Deveaux, Felix Clave, all of them knew, in their humility, how to seek the wise advice and support of the one who would become the first President General of the flourishing Society, Emmanuel Bailly.

The Holy Spirit was undoubtedly present in all of them at the founding of the Society, fostering the charisma of each one. Among them, Blessed Frederic Ozanam was a radiant source of inspiration.

The Society has been Catholic from its origins. It remains an international Catholic voluntary organisation of lay people, men and women.

##### PURPOSE AND SCOPE OF OUR SERVICE

###### 1.2 The Vincentian Vocation

The vocation of the Society's members, who are called Vincentians, is to follow Christ through service to those in need and so bear witness to His compassionate and liberating love. Members show their commitment through person-to-person contact. Vincentians serve in hope.

###### 1.3 Any form of personal help...

No work of charity is foreign to the Society. It includes any form of help that alleviates suffering or deprivation and promotes human dignity and personal integrity in all their dimensions.

###### 1.4 ... to anyone in need

The Society serves those in need regardless of creed, ethnic or social background, health, gender, or political opinions.

###### 1.5 To Seek Out the Poor

Vincentians strive to seek out and find those in need and the forgotten, the victims of exclusion or adversity.

###### 1.6 Adaptation to a Changing World

Faithful to the spirit of its founders, the Society constantly strives for renewal, adapting to changing world conditions. It seeks to be ever aware of the changes that occur in human society and the new types of poverty that may be identified or anticipated. It gives priority to the poorest of the poor and to those who are most rejected by society.

## OUR PERSONAL ENCOUNTERS WITH THE POOR

### 1.7 Prayer Before Personal Encounters or Visits

Vincentians pray that the Holy Spirit may guide them during their visits and make them channels for the peace and joy of Christ.

### 1.8 Reverence for the poor

Vincentians serve the poor cheerfully, listening to them and respecting their wishes, helping them to feel and recover their own dignity, for we are all created in God's image. In the poor, they see the suffering Christ.

Members observe the utmost confidentiality in the provision of material and any other type of support.

### 1.9 Empathy

Vincentians endeavour to establish relationships based on trust and friendship. Conscious of their own frailty and weakness, their hearts beat with the heartbeat of the poor. They do not judge those they serve. Rather, they seek to understand them as they would a brother or sister.

### 1.10 Promotion of self-sufficiency

Vincentians endeavour to help the poor to help themselves whenever possible, and to be aware that they can forge and change their own destinies and that of their local community.

### 1.11 Concerns for deeper needs and spirituality

Vincentians are sincerely concerned with the deeper needs and the spiritual well-being of those they help, always observing a profound respect for their conscience and the faith they believe in, listening and understanding with their hearts, beyond both words and appearances.

Vincentians serve in hope. They rejoice in discovering the spirit of prayer in the poor, for in the silence, the poor can perceive God's Plan for every person.

The acceptance of God's Plan leads each one to nurture the seeds of love, generosity, reconciliation and inner peace in themselves, their families and all those whose lives they touch. Vincentians are privileged to foster these signs of the presence of Risen Christ in the poor and among themselves.

### 1.12 Gratitude to those we visit

Vincentians never forget the many blessings they receive from those they visit. They recognise that the fruit of their labours springs, not from themselves, but especially from God and from the poor they serve.

## 2 VINCENTIAN SPIRITUALITY & VOCATION

### Faith in Christ and the Life of Grace

"Since we are justified by faith, we have peace with God through our Lord Jesus Christ. Through Him we have obtained access to this grace in which we stand, and we rejoice in our hope of sharing the glory of God" (Rom. 5,1-2).

### 2.1 Love in Union with Christ

Convinced of the truth of the Apostle St. Paul's words, Vincentians seek to draw closer to Christ. They hope that someday it will be no longer they who love, but Christ who loves through them (Gal 2,20 "... I have been crucified with

Christ; it is no longer I who live, but Christ who lives in me; and the life I now live in the flesh I live by faith in the Son of God"), and that even now, in their caring, the poor may catch a glimpse of God's great love for them.

## 2.2 The journey together towards holiness

Vincentians are called to journey together towards holiness, because true holiness is perfect union with Christ and the perfection of love, which is central to their vocation and the source of its fruitfulness. They aspire to burn with the love of God as revealed by Christ and to deepen their own faith and fidelity.

Vincentians are aware of their own brokenness and need for God's grace. They seek His glory, not their own. Their ideal is to help relieve suffering for love alone, without thinking of any reward or advantage for themselves.

They draw nearer to Christ, serving Him in the poor and one another. They grow more perfect in love by expressing compassionate and tender love to the poor and one another.

Therefore, their journey together towards holiness is primarily made through:

- Visiting and dedicating themselves to the poor, whose faith and courage often teach Vincentians how to live. Vincentians assume the needs of the poor as their own.
- Attending the meeting of the Conference or Council, where shared fraternal spirituality is a source of inspiration.
- Promoting a life of prayer and reflection, both at the individual and community level, sharing with their fellow members. Meditating on their Vincentian experiences offers them internal spiritual knowledge of themselves, others and the goodness of God.
- Transforming their concern into action and their compassion into practical and effective love.

Their journey together towards holiness will be all the more fruitful if the members' personal lives are characterised by prayer, meditation on the Holy Scriptures and other inspirational texts and devotion to the Eucharist and the Virgin Mary, whose protection we have always sought, and to the teachings of the Church.

## 2.3 Prayer in Union with Christ

In every Conference throughout the world and in their personal lives, Vincentians raise their prayers to God, united with the prayer of Christ, on behalf of one another and their masters the poor, whose suffering they wish to share.

## 2.4 The Spirituality of Blessed Frederic Ozanam

The spirituality of one of its founders inspires Vincentians profoundly. The Blessed Frederic Ozanam:

- Sought to renew faith, among all people, in Christ and in the civilising effect of the teachings of the Church through all time.
- Envisioned the establishment of a network of charity and social justice encircling the world.
- Attained holiness as a layman through living the Gospel fully in all aspects of his life.
- Had a passion for truth, democracy and education.

## 2.5 The Spirituality of St. Vincent

Having been placed under the patronage of St. Vincent de Paul by the founding members, members of the Society are inspired by his spirituality, manifest in his attitudes, his thoughts, his example and his words.

For Vincentians, the key aspects of St. Vincent's spirituality are:

- To love God, our Father, with the sweat of our brow and the strength of our arms
- To see Christ in the poor and the poor in Christ

- To share the compassionate and liberating love of Christ the Evangeliser and Servant of the poor
- To heed the inspiration of the Holy Spirit.

#### 2.5.1 Essential virtues

Vincetians seek to emulate St. Vincent in the five virtues essential for promoting love and respect for the poor:

- Simplicity - frankness, integrity, genuineness.
- Humility - accepting the truth about our frailties, gifts talents and charisms, yet knowing that all that God gives us is for others and that we can achieve nothing of eternal value without His grace.
- Gentleness - friendly assurance and invincible goodwill, which mean kindness, sweetness \_and patience in our relationship with others.
- Selflessness - dying to our ego with a life of self-sacrifice; members share their time, their possessions, their talents and themselves in a spirit of generosity.
- Zeal - a passion for the full flourishing and eternal happiness of every person.

#### 2.6 A vocation for every moment of our lives

The Vincentian vocation affects all aspects of members' daily lives, making them more sensitive and caring in their family, work and leisure activities. Vincetians are available for work in the Conferences only after fulfilling their family and professional duties.

### 3 MEMBERS, CONFERENCES, COUNCILS - COMMUNITIES OF FAITH & LOVE

#### 3.1 Membership

The Society is open to all those who seek to live their faith loving and committing themselves to their neighbour in need. (See Article 6.4 of the Rule).

#### 3.2 Equality

The Society, in each of its Conferences (the primary basic unit of the Society of St. Vincent de Paul), makes no distinction regarding gender, wealth, occupation, social status or ethnic origin.

#### 3.3 Meetings of the Vincentian members

The members meet as brothers and sisters with Christ in the midst of them, in Conferences that are genuine communities of faith and love, of prayer and action. Spiritual bonds and friendship between members are essential, as is the common mission to help the poor and marginalized. The entire Society is a true and unique worldwide Community of Vincentian friends.

##### 3.3.1 Frequency of the meetings

The Conferences meet regularly and consistently, usually weekly, but at least every fortnight.

#### 3.4 Fraternity and simplicity

Meetings are held in a spirit of fraternity, simplicity and Christian joy.

#### 3.5 Preserving the spirit

Members of all ages strive to preserve the spirit of youth, which is characterised by enthusiasm, adaptability and creative imagination. They are willing to make sacrifices and take risks for the benefit of the poor wherever they may be: by sharing their discomfort, needs, and sorrows and defending their rights.

#### 3.6 Councils

Conferences are grouped under various levels of Councils.



Councils exist to serve all the Conferences they coordinate. They help the Conferences to develop their spiritual life, to intensify their service and to diversify their activities so that they may always be responsive to the needs of those who suffer.

Councils at appropriate levels are particularly called to: create new Conferences, to help existing Conferences to expand, to promote Special Works, to prepare training courses and encourage Vincentians to attend them, to foster interest in cooperation with the Vincentian Family, to promote cooperation with other organisations and Institutions, to develop friendship between members in the same area, to provide communication to and from Conferences and higher Councils. In summary, to promote the sense of belonging to a Society which encircles the world.

### 3.7 Young members

Young members keep the Society young. They see with new eyes and often look far ahead. The Society works constantly to form Youth Conferences and welcomes young members into all Conferences. Their experience in a community of faith and love and their exposure to poverty deepen their spirituality, spur them to action and help them to grow as human beings. The senior members assume the responsibility of assisting them along their path of training, respecting their personal choices and their aspirations of Vincentian service.

### 3.8 Aggregation and Institution of Conferences and Councils

The visible unifying link within the Society is the Aggregation of the Conferences and the Institution of the Councils declared by the Council General.

### 3.9 Subsidiarity and freedom of action

The Society embraces the Principle of Subsidiarity as its basic standard of operation. Tasks are performed as close as possible to the area of activity to ensure that the local environment and circumstances (cultural, social, political, etc.) are taken into consideration. In this way, the Society promotes local initiatives within its spirit. This freedom of action of Conferences and Councils, which has been kept faithfully since the origins of the Society, enables them to help the poor spontaneously and more effectively.

In exercising this freedom of action to face the challenge of poverty in their area, Vincentians feel called to pray together for guidance and strength and for that creative imagination which is the promised gift of the Holy Spirit, "Your old men shall dream dreams and your young men shall see visions" (Joel 3,1).

### 3.10 Democracy

All decisions are made by consensus after the necessary prayer, reflection and consultation. The democratic spirit is fundamental at all levels of the Society and, when appropriate, matters are put to a vote.

### 3.11 Presidents as servant leaders

Following Christ's example, the Presidents at all levels of the Society endeavour to be servant leaders. They provide an encouraging atmosphere in which the talents, capacities and spiritual charisms of the members are identified, developed and put to the service of the poor and the Society of St. Vincent de Paul. The President of the Conference or Council will have special responsibility for promoting Vincentian spirituality.

### 3.12 Formation of members

It is essential that the Society continually promote the formation and training of its members and Officers, in order to deepen their knowledge of the Society and their spirituality, improve the sensitivity, quality and efficiency of their service to the poor and help them be aware of the benefits, resources and opportunities that are available for the

poor. The Society also offers members higher training in order to better help to raise the cultural and social level of those who request this support.

### 3.13 The spirit of poverty and encouragement

Members of the Society are united in the same spirit of poverty and of sharing. They encourage one another to live a profound spiritual life and spirit of prayer. For this purpose, the role of a Spiritual Adviser is very important.

### 3.14 The use of money and property for the poor

Vincentians should never forget that giving love, talents and time is more important than giving money.

Nevertheless, the Society uses money and property to help relieve the suffering of those in need. The Society's funds must be handled with the utmost care, prudence and generosity. Money must not be hoarded. Decisions regarding the use of money and property are to be made after reflection in the light of the Gospel and Vincentian principles. Accurate records must be kept of all money received or spent. The Society may not allot funds to other organisations, except occasionally for other branches of the Vincentian Family, save under exceptional circumstances.

### 3.15 Communication

The vitality of the Society's network of charity depends on the regular and rapid exchange of news and information. Such communication broadens the members' horizon and enhances the interest of members in the experiences and challenges of their brothers and sisters throughout the world. The Vincentian response to communication is a willingness to learn and a desire to help.

## 4 RELATIONSHIPS WITHIN THE VINCENTIAN & CATHOLIC NETWORK OF CHARITY

### 4.1 Twinning

Conferences and Councils help others in need, both at the national and international level. This is one of the activities most cherished by the Society. The awareness of acute poverty in a great number of countries and the Vincentian preferential option for the poor spurs Conferences and Councils to assist others with less resources or in particular situations.

This direct link between two Conferences or Councils, consisting of sharing prayer, a profound friendship and material resources, is called twinning. This activity contributes to world peace and to understanding and cultural exchange among peoples.

#### 4.1.1 Prayer as the basis of friendship

Twinning promotes spirituality, deep friendship, solidarity and mutual help. Funds and other material resources can be provided to enable a Conference or Council to help local families. Financial, technical, medical and educational support is given to projects which are suggested by the Society locally and which encourage self-sufficiency. Even more important is support given through prayer, as well as through mutual communication regarding what has been accomplished and what is happening among Vincentians in each area, including news about persons and families.

#### 4.1.2 Vincentians' personal commitment

The Society urges the Vincentians to consider undertaking a personal commitment for a particular period of time to work with Vincentians in other countries or to spread Conferences.

### 4.2 Emergency assistance

When disasters, war or major accidents occur, the Society launches emergency initiatives on the spot and provides funds for the local Society to help victims.

4.3 The Vincention Family

Members throughout the world, together with other communities inspired by the spirituality of St. Vincent de Paul and with those whom they help, form a single family. Gratefully remembering the support and encouragement the first Conference received from Blessed Rosalie Rendu, the Society maintains and develops close relationships with other branches of the Vincentian family, while preserving its identity. It cooperates with them in spiritual development and common projects, as well as with the Church's charitable pastoral initiatives at every level, whenever this may be mutually enriching and useful to those who suffer.

5 RELATIONSHIP WITH THE CHURCH HIERARCHY

5.1 A close relationship

Faithful to the clear intentions of Blessed Frederic Ozanam and his companions, the Society has a close relationship with the hierarchy of the Catholic Church. Respect of the members for the hierarchy provides the foundation for harmonious reciprocal cooperation.

5.2 Autonomy

The Society is legally autonomous as to its existence, constitution, organisation, rules, activities and internal government. Vincentians freely choose their own officers and manage the Society's activities and assets with full autonomy, in accordance with their own Statutes and the legislation in effect in each country.

5.3 Moral recognition

The Society recognizes the right and duty of the diocesan bishop to confirm that none of its activities is contrary to Catholic faith or morals. The Society, whenever possible, informs the diocesan bishops of its activities annually, as a sign of ecclesial communion.

6 OTHER RELATIONSHIPS ECUMENICAL & INTER-FAITH RELATIONSHIPS

6.1 Every member should foster ecumenism

Each Vincentian should seek to deepen a personal commitment to ecumenism and to cooperation in works of charity and justice as a contribution towards the achievement of that full and visible unity of the Church for which Christ prayed, "that they may all be one. As you, Father, are in me and I am in you, may they be one in us so that the world may believe that you have sent me" (Jn 17:21).

6.2 The Society is committed to ecumenical and inter-faith cooperation

Following the teachings of the Catholic Church, the Society of St. Vincent de Paul recognizes, accepts and encourages the call to ecumenical and inter-faith dialogue and cooperation which arise from its charitable activity. It is prepared to participate in the Church's ecumenical and inter-faith initiatives within each country, in harmony with the diocesan bishop.

6.3 The adoption of practical initiatives

Conferences and Councils should establish a dialogue with their counterparts in other Christian churches or ecclesial communities and other faiths, with regard to cooperation in charitable work, wherever this is appropriate.

6.4 Ecumenical and inter-faith membership

In some countries, circumstances may make it desirable to accept as members Christians of other confessions or people of other faiths who sincerely respect and accept the Society's identity and its principles insofar as differences of faith allow. The Episcopal Conference should be consulted.

#### 6.5 Preserving the Catholic credo and ethos

The Catholic beliefs and ethos of the Society of St. Vincent de Paul must be preserved. The President, Vice-President and Spiritual Adviser should, therefore, be Roman Catholic. They may, in certain situations depending on national circumstances, and after consultation with the local diocesan Bishop, be members of churches and ecclesial communities which share the Catholic belief in, among other issues, the real presence of Christ in the Eucharist, the seven Sacraments and devotion to Mary.

#### 6.6 Affiliated groups can work very closely with us

The Society accepts the principle of affiliated groups. These groups consist mainly of members of other Christian churches and ecclesial communities who are attracted by the work of the Society and/or its spirituality. They are welcome to participate in the charitable work, appropriate Council discussions and the fraternal life of the Society, but are not eligible for office in the Society. Groups from non-Christian religions may also be similarly affiliated.

#### 6.7 Relationships with state agencies & other charities

When the problems they encounter are beyond their competence or capacity, Vincentians may contact State Agencies and other more specialised charitable organisations, provided that such action helps the Society in its struggle against injustice and respects the spirit of the Society.

### 7 RELATIONSHIP WITH CIVIL SOCIETY - WORK SOCIAL JUSTICE

#### 7.1 The Society gives immediate help but also seeks mid-term and long-term solutions

The Society is concerned not only with alleviating need but also with identifying the unjust structures that cause it. It is, therefore, committed to identifying the root causes of poverty and to contributing to their elimination. In all its charitable actions there should be a search for justice; in its struggle for justice, the Society must keep in mind the demands of charity.

#### 7.2 A vision of the civilization of love

Affirming the dignity of each human being as created in God's image, and Jesus' particular identification with those who are excluded by society, Vincentians envision a more just society in which the rights, responsibilities and development of all people are promoted.

As citizens of one world, Vincentians listen to the voice of the Church which demands their participation in creating a more equitable and compassionate social order, promoting the culture of life and the civilization of love. In this way, the Society shares the Church's mission to evangelise the world through visible witness, in both actions and words.

#### 7.3 Vision of the future

The Society's vision goes beyond the immediate future, looking towards sustainable development and protection of the environment for the benefit of future generations.

#### 7.4 The practical Vincentian approach to social justice

The distinctive approach of Vincentians to issues of social justice is to see them from the perspective of those we visit who suffer from injustice.

#### 7.5 A voice for the voiceless

The Society helps the poor and disadvantaged speak for themselves. When they cannot, the Society must speak on behalf of those who are ignored.

7.6 Facing the structures of sin

Where injustice, inequality, poverty or exclusion are due to unjust economic, political or social structures or to inadequate or unjust legislation, the Society should speak out clearly against the situation, always with charity, with the aim of contributing to and demanding improvements.

7.7 Striving to change attitudes

Vincentians oppose discrimination of all kinds and work to change the attitudes of those who view the weak or those who are different with prejudice, fear or scorn, attitudes which gravely wound the dignity of others.

The Society strives, with charity, to foster new attitudes of respect and empathy for the weak, so that all are able to understand, recognise and defend the right of each person to be responsible for his or her own life. The Society promotes understanding, cooperation and mutual love among people of different cultures, religions, ethnic origins and social groups, and so contributes to the peace and unity of all peoples.

7.8 Political independence of the Society

The Society does not identify with any political party and always adopts a non-violent approach.

It is good that some members follow and fully participate in their political vocation in such a way that they bring Christian values to political matters. Those members who hold political offices will be asked, always with charity, not to hold any mission of representation in the Society during their term of political office.

7.9 Working with communities

The Society should work not only with individuals in need but also with families and communities. It can help an excluded or deprived local community to develop a sense of responsibility and solidarity which leads it to improve its economic, social or environmental wellbeing, always retaining the personal contact of members with those who suffer.

## Appendix B

In Australia the St Vincent de Paul Society has over 40,000 volunteers and 2900 paid employees that provide services across Australia in the following areas, inter alia:

- aged care,
- migrant and refugee services,
- hospital,
- prison and detention centres visitation,
- homeless person's services,
- clothing and assistance centres,
- care for people with psychiatric disabilities,
- vocational services for people with a disability,
- drug, alcohol and gambling counselling,
- financial counselling,
- disaster recovery, and
- street vans.

## Appendix C

State / Territory	Legal Name	Jurisdiction	Act
National Council	St Vincent de Paul Society National council of Australia Incorporated	Department of Consumer and Employment Protection, WA	Associations Incorporation Act 1987(WA)
New South Wales	The Trustees of the Society of St. Vincent de Paul (NSW)	Attorney General, NSW	Roman Catholic Church Communities' Lands Act 1942 (NSW)
Victoria	St Vincent de Paul Society Victoria Incorporated	Consumer Affairs Victoria	Associations Incorporation Act 1981 (Vic)
Queensland	St Vincent de Paul Society Queensland	Office of Fair Trading, Qld	Religious Educational and Charitable Institutions Act of 1861 (Qld) repealed
Western Australia	St Vincent de Paul Society (WA) Inc	Department of Consumer and Employment Protection, WA	Associations Incorporation Act 1987(WA)

Tasmania	St. Vincent de Paul Society (Tasmania) Inc	Department of Justice, Tas	Associations Incorporation Act (Tas)
South Australia	St Vincent de Paul Society (SA) Incorporated	Office of Consumer & Business Affairs, SA	Associations Incorporation Act (SA)
Northern Territory	St Vincent de Paul Society (NT) Inc	Office of Business Affairs, NT	Associations Incorporation Act (NT)
Australian Capital Territory	St Vincent de Paul Society (ACT) Inc	Registrar-General's Office, ACT	Associations Incorporation Act 1991 (ACT)