

Good charities being tossed to the dogs on technicalities

Susan Barker
COMMENT

OFTEN when I think of charities, an image of Fantine in *Les Miserables* comes to mind: there she lies, wretched and abandoned in her sick bed, having sold her hair and her two front teeth in an effort to meet the extortionate claims of her "friends", to whom she has entrusted the care of her beloved young daughter. Unbeknown to Fantine, her "friends" are subjecting her daughter to servitude, drudgery and abuse. Weak from tuberculosis, Fantine dies of shock and betrayal when she discovers the man whom she thought was bringing her daughter to see her has not done so and is actually a convict.

No doubt the story reflects the reality of many people who suffered in the harsh circumstances of the nineteenth century. When I think of charities, I think of the efforts people make to soften such circumstances.

Of course, not all charities work in that area, and not everyone in wretched circumstances manages to get help

from a charity, but you get my point: charities are a "Good Thing". Our society needs them.

But right now, many charities need us. Many perfectly good charities are being deregistered or declined registration by the Charities Commission on fine points of legal distinction. Take the National Council of Women for instance. For 115 years, NCW has been working for the betterment of women, children and families in New Zealand. However, on 22 July 2010, the Charities Commission knocked NCW off the charities register on the basis that it has been advocating for the betterment of women, children and families in New Zealand "too much".

Without registration, NCW is unable to access charitable exemption from income tax, one of the key means by which we, as a society, support charities. In addition, in a competitive funding environment, many funders now only support registered charitable entities, meaning NCW's ability to fund its operations will likely decrease, or disappear altogether.

What all this really means is that unless we do something, NCW, and other charities like it, may cease to exist.



Speaking out: Struck from the charitable register for its advocacy work, the National Council of Women risks a miserable end, leaving its clients to face harsh reality without its support.

Let's be clear: NCW hasn't done anything wrong. Of course it should advocate for the

betterment of women, children and families in New Zealand. It has been knocked off the register

on a technicality. The Charities Commission has taken the view that advocacy is "political" and

that political purposes are not charitable. On that basis, the Charities Commission is refusing registration to entities it considers are advocating "too much".

Many of the Charities Commission's decisions on political purposes could justifiably have been decided the other way on the authorities available in New Zealand 2011. There are many other fine points of legal distinction causing comparable difficulty, such as the public/private dichotomy, the distinction between purposes and activities, and the necessity to "assuage need".

In areas such as these, the Charities Commission appears to be taking a "hard line", contrary to the "presumption of charity".

But isn't the Charities Commission supposed to be a support to the charitable sector? Isn't NCW precisely the type of charity we as a community would want to support?

Shouldn't the punishment of deregistration be reserved for "bad" things, like money laundering, misuse of funds, gross mismanagement, and things of that ilk? Do we really want entities like the NCW being

knocked off the register on fine, technical, points of legal interpretation that could quite reasonably have been decided the other way? Are the current arrangements really working for 21st century New Zealand?

There is a chance that many of the issues that are causing so much practical difficulty in the charitable sector may be ironed out in the upcoming review of the Charities Act.

But the review hasn't even started and it isn't scheduled to be completed until 2015. Will NCW and others like it be able to last that long? What if they don't survive and then the review finds they were charitable all along? In the current economic climate, why are we obstructing good charities from carrying out their work?

Something needs to be done, and quickly. Many registered charities now fear that by "speaking out" even on their own behalf they will face a similar fate to NCW. We need to advocate now on behalf of charities to bring the review forward – or some of them may die like Fantine.

Susan Barker is the principal of Chen Palmer.

Efforts to find employees sabotaged, says boss

Catherine Harris

A FLEDGLING cleaning company has accused a Work and Income NZ worker of sabotaging its efforts to hire staff in Wellington.

Maxine Cook, owner of the Darlings Who Do company, has made a formal complaint to Work and Income after hearing that her Winz work broker had "black-listed" the company, saying it was a scam and urging co-workers not to refer job candidates.

Work and Income denied it blacklisted employers but confirmed Ms Cook's complaint was being investigated. It said there was an unusual upfront fee that Ms Cook asked job candidates to pay, but it did not meet their criteria.

Ms Cook said she was mystified about the scam allegation. "It is an

nothing back, she contacted a recruitment specialist, who had a contact within Work and Income.

"That person informed us that the mobile work broker I originally dealt with ... has advised all other Winz workers not to assist us in our search for workers, alleging my business is a scam and employs illegal workers."

Ms Cook said her business "absolutely isn't a scam" and she needed to stop any damage to her fledgling company.

The head of Work and Income, Liz Jones, said it would be "inappropriate for any staff member to talk negatively about vacancies that we list and I would not tolerate that type of behaviour".

"The positions available with Darlings Who Do remain listed with Work and Income."

Ms Jones said funding for Ms

Equidays to push Waikato industry

Maryanne Twentyman

MYSTERY CREEK is to host a major equestrian industry event in November attracting international companies and providing a large cash injection for the local economy.

The inaugural Equidays will, over three days, bring together local, domestic and international-related equine exhibitors.

Mystery Creek events manager Vanessa Richmond hoped the event would attract about 15,000 visitors who would have access to exhibitions, demonstrations and a range of equestrian activities.

"All disciplines within the industry will have equal opportunity to showcase their areas of expertise at the event," she said.

Equidays will bring together all sectors of the equine industry from sport horse to racing and organisers hope the event would



Smelter invests in spending, power contract

Scot MacKay

THE Tiwai Pt aluminium smelter has ramped up its capital expenditure and is planning to spend about \$80 million a year over the next four years, with southerners expected to benefit.

New Zealand Aluminium Smelters is expecting a doubling of its normal spending until 2015 after it secured a long-term electricity contract with Meridian Energy, ensuring power for the smelter until 2030.

Smelters general manager Ryan Cavanagh said the smelter typically spent \$30 million to \$50 million a year on project work and rebuilding aluminium cells, but last year spent about \$76m, and