

## “Environmental” Organisations - How Do They Obtain and Spend Their Money?

One of the myths portrayed by environmental activist groups is that they are small groups, with few people and very little money, compared to the industries they target. The reality is, the leading activist organisations in Australia are multi-million dollar businesses.

Below is a summary of the income and expenditure of the Australian Conservation Foundation (ACF) for the 2014 – 15 financial year. Total income was \$14,672,315 and expenditure, \$12,843,177. Other assets include land and a multistorey office block in Melbourne, with the value of land and buildings totalling \$9,055,391. Not bad for an organisation focussed on saving the Australian environment.

So how is the \$14,672,315 in revenue spent? What environmental surveys, predator control, weed eradication or habitat restoration did the ACF do in 2014 – 15? Geoffrey Cousins, president of the ACF did not mention a single project where the ACF actually did anything to address these threats to the Australian environment.

Actions mentioned in the president’s report included:

- Implementing the new ACF strategic plan – *“working towards our vision of a healthy and thriving future Australia.”*
- Naming of politicians who are *“failing.”* What constitutes failure was not specified.
- If the ACF needed *“to go into the board rooms of the major corporations in this country and tell them they are failing in their duties; if we need to go to their shareholders; if we need to go to their customers: so be it, we are doing it.”*
- If the ACF needed *“to name and shame the biggest polluters in the country and their directors, and point out where their pollution comes from and how they could stop it: so be it, we are doing that too.”*

Now that doesn’t seem to be a lot for \$12,843,177, so let us look in more detail where the money comes from and how the money is spent.

Income from memberships and grants, including government grants of \$173,604 made up six percent of total income. Given the ACF had a cash surplus of \$1,829,138 and \$7,200,000 in cash reserves, why would the ACF need any government grants? Rental from the ACF office building and returns from the “ethically invested” \$7,200,000 cash reserves, provided eight percent, bequests were nineteen percent and individual donations made up sixty seven percent of total income.

Four percent of the revenue was spent to maintain the multimillion dollar office building. Thirteen percent was spent on administration, thirty seven percent on fundraising and forty six percent on campaigns. **Fundraising costs at 37 percent of the ACF expenditure comes to \$4,751,975.**

In 20014-15, the ACF had 63.1 full time equivalent employees. In simple terms, about 23 of these employees raise funds, so the other 40 can be paid to go campaigning. **Membership fees, grants, investment, rental and bequests come to \$4,841,862.** If you are intending to leave a bequest to the ACF, do you want your money to pay fund raisers or would it be better donated to researchers trying to find ways to rid the Australian continent of, for example, feral cats?



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One of the high profile bequests to the ACF involved the estate of the late Margaret Anderson, who was married to a relative of the former Deputy Prime Minister, John Anderson. Details of the bequest and associated legal action by the ACF, were published in the Melbourne Herald Sun on 24 September 2004.

According to the report, up until five days before Mrs Anderson died, she intended to leave \$600,000 to the ACF and \$600,000 to the Wilderness Society (TWS). The day prior to her death, Mrs Anderson signed a new will to divide the \$1.2 million equally between the RSPCA, the World Wildlife Fund, the Wilderness Society and the Anglican diocese of Bendigo. The ACF then commenced court action to have the lastminute change of the will overturned, despite medical affidavits from Mrs Anderson's doctors stating she was of sound mind.

*"Mrs Anderson's relatives were shocked by what they described as the ACF's callousness."*

The ACF corporate responsibility campaigner, Charles Berger, was the signatory to the legal action. While the ACF is usually more than happy to voice an opinion on the actions of businesses targeted in "environmental" campaigns, when it came to justifying the ACF's behaviour, Mr Berger refused to comment.



**Charles Berger**

The dispute was settled through mediation and the AFC was a \$240,000 winner as a result of the legal action. Due to the ACF action, the distribution of Mrs Anderson's estate to all beneficiaries was delayed. So much for "Corporate Responsibility."

On page 11 of the ACF's 2005-06 Annual Report, the following acknowledgement is made:

***Legacies living on through ACF's work***

*ACF and conservation have benefited from the thoughtful gestures of the following people who left a bequest to ACF in their will.*

*Mrs Margaret M Anderson, VIC*

On page 15, the following note appears: *Thanks to the passionate commitment from a number of ACF supporters who left a gift in their wills, ACF was also fortunate to receive additional bequests income (\$328,694).*

The ACF appear to be quite adept in turning, what family members considered to be a callous act, into passionate commitment by ACF supporters to line the ACF coffers.



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Page 31 of the report reveals that the Anderson “bequest” makes up almost half of the total receipts of \$519,692 from bequests for the year. This “callousness” comes from an environmental charity, that is the longest standing of 13 organisations listed in the Income Tax Assessment Act 1997 and has been eligible to receive tax deductible donations since 26 October 1966.

Don Henry was the Chief Executive Officer of the ACF at the time of the legal action. No public comment by Don Henry, or any of the 35 members of the ACF council at the time can be found, so it would seem that they were either ignorant of, or comfortable with the ACF legal action taken against Mrs Anderson’s estate.

Following Don Henry’s departure from the ACF, he was recently appointed the independent chair of the Victorian Forest Industry Taskforce, which is, according to the government, a consensus-building forum which aims to find solutions that conserve Victoria's ecological assets while supporting the forest, fibre and wood products industry.



**Don Henry**

Like all the other leading activist groups in Australia, the ACF supports a conservation agenda that is based on a wilderness view of the Australian continent.

Unfortunately, wilderness policies have not helped to conserve Australia’s unique biodiversity.

