



Mater Foundation
620 Stanley Street,
Woolloongabba Qld 4102

PO Box 1002,
Coorparoo DC Qld 4151

materfoundation.org.au

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Committee Secretary
Parliamentary Joint Committee on Corporations and Financial Services
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Committee Secretary

We refer to the Parliamentary Joint Committee on Corporations and Financial Services inquiry into the regulation of the use of financial services such as credit cards and digital wallets for online gambling in Australia. Mater Foundation wishes to submit this contribution to assist the Committee's deliberations.

Executive Summary

This submission seeks to recommend that any legislative amendments should expressly exclude raffles, art unions and charitable lotteries run by not-for-profit organisations to ensure the community is not disadvantaged through reduced fundraising activities. We seek to ensure that art unions and charitable lotteries run by not-for-profit organisations are not inadvertently captured by such reforms.

About Mater Foundation

The Mater Foundation is a community-based fundraising organisation with a vision to empower people to live better lives through improved health and well-being. The Foundation raises funds through a wide range of programs to help support the community through exceptional health care, education, and investment in world-leading medical research.

Mater has been conducting fundraising activities for over a century, including raffles and art unions. In 1954 Mater conducted the first real estate art union in Queensland and still today conducts our Mater Prize Home art unions. These art unions are one the longest running art unions in Australia.

Raffles and Art Unions

Raffles and art unions are a well-established and recognised fundraising model for not-for-profits in Australia. Some not-for-profit organisations like Mater Foundation are charities that conduct art unions, whilst others are small sporting clubs and school parents and friends' associations etc. who conduct raffles. Due to COVID and the reduction in the use of cash many community raffles and art unions are now based online – providing simplicity of purchase.

These raffles and art unions are a charitable activity, albeit not deductible as a tax deduction. Research shows individuals are happy to purchase a ticket as a way of supporting the community, be it a raffle for their local school or sporting club or an art union raising funds for cancer research.

These raffles and art unions present a drastically lower risk in respect to problematic and harmful gambling behaviour, due to the structure of each raffle or art union. Raffles and art unions do not provide immediate gratification or the ability to engage in high-frequency gaming. Instead, raffles and art unions have a limited number of draws and buyers wait days or weeks between their purchase of tickets and ticket draw being conducted. Even after a draw is closed for major art unions, there are several days until the draw takes place and the winner is known. When there is a winner there isn't an ability for winners to re-invest their winnings, rather a prize is awarded and needs to be collected or transferred into the name of the winner.

For these reasons, people who purchase a raffle or art union ticket from a not-for-profit organisation do so in the hope that they will be helping others in their community, and whilst they are helping others in their community, they might win a prize. These individuals do not see themselves as gambling and they differentiate their raffle or art union ticket purchase as a 'community contribution' and not gambling.

Organisations such as Mater Foundation are regulated by the Australian Charities and Not-for-profits Commission (ACNC) and more specifically for the conduct of art unions we must comply with legislation and regulations in various States and Territories around Australia. Our prize draws are overseen by independent auditors, we are required to submit returns (as per each State or Territory) and comply with multiple standards including the Fundraising Institute of Australia Code of Conduct.

Summary

Raffles and art unions are part of our way of life in Australian communities and a critical part of the economic fabric of Australian society by being a source of income for many not-for-profit organisations, such as charities, sporting clubs, and school associations. Raffles and art unions enable funding of essential services and achieve a vast number of positive community outcomes.

As a society we are moving more and more of our purchases online, which has been exacerbated by COVID. Individuals who buy raffle and art union tickets, either online or not online, do not consider their purchase to be gambling. Their motivation is to support others in the community.

It is for these reasons that we recommend that any legislative amendments should expressly exclude raffles, art unions and charitable lotteries run by not-for-profit organisations to ensure the community is not disadvantaged through reduced fundraising activities. We seek to ensure that raffles, art unions and charitable lotteries run by not-for-profit organisations are not inadvertently captured by such reforms.

Mater Foundation appreciates the opportunity to make this submission to the Parliamentary Joint Committee's inquiry and is happy to provide further information should it be of assistance to the Committee.

Kind Regards

Andrew Thomas
Executive Director