



ABN 48 609 882 288

Committee Secretary  
Select Committee on Charity Fundraising in the 21<sup>st</sup> Century  
Department of the Senate  
PO Box 6100  
Parliament House  
CANBERRA ACT 2600  
AUSTRALIA

1 August 2018

Dear Sir/Madam

**Re: SELECT COMMITTEE ON CHARITY FUNDRAISING IN THE 21<sup>ST</sup> CENTURY**

Thank you for the opportunity to make a submission to the Select Committee on Charity Fundraising in the 21<sup>st</sup> Century which is inquiring and reporting on the current framework of fundraising regulation for charities and options for reform.

**Aged & Community Services Australia**

Aged & Community Services Australia (ACSA) is the leading aged care peak body supporting over 700 church, charitable and community-based, not-for-profit organisations. Not-for-profit organisations provide care and accommodation services to about one million older Australians<sup>1</sup>. ACSA represents, leads and supports its members to achieve excellence in providing quality affordable housing and community and residential care services for older Australians.

**Aged care charities**

Many aged care providers are charities. The report *Australia's Aged Care Charities in 2015*<sup>2</sup> which profiles 1,465 registered charities with aged care as their main activity, noted:

- 'While many aged care charities deliver residential aged care and home care services as part of the national aged care system, charities perform a much wider range of

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<sup>1</sup> Australian Government, Department of Health, 2016-17 Report on the Operation of the *Aged Care Act 1997*, November 2017

<sup>2</sup> Cortis, N., Powell, A., and Ramia, I. (2017) *Australia's Aged Care Charities in 2015*. Centre for Social Impact and Social Policy Research Centre, UNSW Australia

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activities benefiting older people, including providing cultural and recreational opportunities, social services and religious services'; and

- 'However, donations and bequests make a relatively small contribution to the overall income of aged care charities, comprising 1.4% of aged care charities' total income compared with 8.3% across all charities'.

### **Fundraising regulation**

ACSA's view is that regulation including fundraising regulation should always be broad-based and outcomes-focused so it does not unnecessarily interfere with the efficient and effective operation of the sector being regulated. Having said that there is a need to ensure the right regulation is in place and operating efficiently and effectively while acknowledging that no amount of regulation will completely prevent errors in relation to fundraising.

Regulation needs to be based on clear evidence and support desired outcomes. Regulation and regulatory processes need to be proportionate to the risk being addressed with a focus on outcomes rather than on systems and processes that prove compliance.

ACSA suggests the framework of fundraising regulation should focus on effective governance and appropriate transparency to ensure donations are not used for unauthorised purposes and to ensure donors have a good understanding of where their donations are being spent.

In ACSA's view, ideally there would be one set of regulations applying to all charities regardless of which State or Territory a charity operates in. Having different arrangements in different States and Territories and duplicate reporting and monitoring results in a more complicated and expensive system and less money available for charitable purposes especially where there are increasing numbers of national or charities operating in more than one State or Territory.

National legislation or a set of clear and simple laws supported by a single national framework with consistent definitions (including for example an Australia-wide definition of charity) is easier to administer and to understand for the wide range of affected people including donors, charities and regulators. Issues from any cross-jurisdictional regulation need to be managed well to minimise overlaps in responsibilities and ensure there are no gaps.

In addition, Commonwealth, State and Territory Governments need to work together to minimise, if not eliminate, the need for the same or similar information to be reported by charities to more than one government body.

Under the current arrangements it is costly to apply for a licence in each State and Territory as well as time consuming and confusing where jurisdictions have different arrangements for how long a licence is valid for. Some confusion can also arise as States and Territories have the relevant function in different departments.

The extent of the regulatory burden placed on charities by governments is clearly



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demonstrated by the information published by the Australian Charities and Not-for-profits Commission<sup>3</sup>.

### **Contacts**

For further information, please contact me on [redacted] or  
Deidre Gerathy on [redacted]

Yours sincerely

**Derek Dittrich**

**MANAGER – POLICY AND MEMBER ADVICE**

Aged & Community Services Australia

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<sup>3</sup> List of regulators that may affect charities; State and territory regulation of charities; Obligations charities may have to other regulators; Australian Charities and Not-for-profits Commission website