



Tele-fundraising
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**TELECOMMUNICATIONS LEGISLATION (UNSOLICITED COMMUNICATIONS) BILL 2019
SENATE STANDING COMMITTEE ON ENVIRONMENT AND COMMUNICATIONS LEGISLATION
COMMITTEE INQUIRY
SUBMISSION BY
IVE Tele-fundraising (formerly Pareto Phone)
FEBRUARY 2020**

SUMMARY AND RECOMMENDATION

- Should the existing blanket exemption for registered charities which allows them to make designated calls to consumers be removed, we believe this will have a significant effect on many of Australia's largest charities and their supporter bases. We also believe that it could subsequently reduce the amount of fundraising income that charities heavily rely on to support their causes. It could also have a significant impact to tele-fundraising agencies, including IVE Tele-fundraising, and may result in a reduction to employees within the sector.
- IVE Tele-fundraising employs over 150 staff, specialising in acquiring and growing the value of the supporter bases of over 40 of the largest charities in the country. Without our services, many of Australia's largest and most trusted charity organisations would be unable to continue to deliver the services at the levels they do. In the last 12 months, IVE Tele-fundraising has been responsible for securing over 30,000 new supporters for Australian charities. This equates to many millions of dollars in ongoing regular income for our charity partners.
- Tele-fundraising forms a significant part of charities regular giving strategy. Regular giving forms a significant part of overall income generated by Australian charities, with some charities more reliant than others on this revenue source. The telephone is crucially important in the not-for-profit sector as it is an extremely effective medium at monetising the interest and advocacy created in other marketing activities and, as a result, has grown in importance over the last 15 years.
- In recent years the charitable fundraising sector has implemented effective preference mechanisms that enable consumers to manage the number of solicitations they receive. This is at a charity and agency level.
- IVE Tele-fundraising's recommendation to the Senate Committee is to not allow the proposed amendments to the DNCR charity exemption.



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INTRODUCTION

IVE Tele-fundraising is the industry leader in the \$60M+ market for telephone fundraising in Australia. Previously trading as Pareto Phone and sitting within the Pareto Group (including Pareto Fundraising), IVE Tele-fundraising has over 15 years' experience within the tele-fundraising sector. IVE Tele-fundraising employs over 150 staff, specialising in acquiring and growing the supporter bases of over 40 of the largest charities in the country.

Our highly-trained and passionate fundraisers speak to nearly one million supporters each year, helping to raise valuable income for charities. Without our services, many of Australia's largest and most trusted charity organisations would be unable to continue to deliver the services at the levels they do. In the last 12 months, IVE Tele-fundraising has been responsible for securing over 30,000 new supporters for Australian charities. This equates to many millions of dollars in ongoing regular income for our charity partners. IVE Tele-fundraising has invested in industry-leading processes and systems to ensure that charities outsourcing their tele-fundraising programs have confidence in complying with legislation relating to privacy, data security, telemarketing and the Fundraising Institute of Australia's Code of Conduct.

IVE Tele-fundraising's submission against the proposed Telecommunications Legislation (Unsolicited Communications) Bill 2019 is focused primarily on the third point of the outline summary within the Explanatory Memorandum:

- the DNCR Act to allow consumers who register on the Do Not Call Register (the Register) to opt out of receiving phone calls from a charity, by specifying to Australian Communications and Media Authority (ACMA) or its contracted service provider that their number is not a *charity-contactable number*. This removes the existing blanket exemption for registered charities which allows them to make designated telemarketing calls to consumers registered on the Do Not Call Register.

IVE Tele-fundraising's interpretation of this point is that those on the Do Not Call Register are able to 'opt out' of receiving phone calls from a charity. We make assumptions from this point, outlined below:

- This wouldn't mean all DNCR registered consumers would be excluded from calls, only those that chose to 'opt out;'
- That opting out of phone calls from a charity includes agencies that work on behalf of a charity.

With this understanding, IVE Tele-fundraising is firmly against the proposed change to legislation. The purpose of this submission is to outline our response and recommendations in relation to the proposed Bill.

RESPONSE

IVE Tele-fundraising is firmly against the proposed Telecommunications Legislation (Unsolicited Communications) Bill 2019, as we believe it would have detrimental impacts to our business, our sector and our charity partners. We also strongly refute some of statements made within the explanatory memorandum. Below is our response, in further detail, as to our argument against the proposed Bill and reasons why.

- 1. Tele-fundraising that IVE conducts on behalf of our charity partners is in most cases solicited**



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In the explanatory memorandum of the bill, it is stated that “concerns of consumers relate to not only the intrusiveness of unsolicited communication” as well as “the lack of a remedy to stop or avoid this type of unsolicited communication.” IVE Tele-fundraising supports our charity partners via a multitude of fundraising campaign types. Through each type of fundraising program, a variety of implied and express consent is generated, as listed in the below examples:

- Digital Conversion Campaigns: Campaigns designed to convert prospective donors whose details have been generated through online surveys, petitions and other online means, either exclusive to a particular charity or group of charities. All consumers provide their details willingly and in many cases are advised on the forms that the charity or an agency partner will give them a call. They enter into an agreement based on the topic that is being advocated, and would be expecting a call.
- Upgrade Campaigns: Campaigns designed to contact existing regular givers/supporters to thank them for their generous continued support, and to provide an update on the charities ongoing plans and how the donor can increase their donation in support of the cause. Existing donors who have signed up to be a regular giver will be aware of, and encourage, ongoing communication between themselves and the charity they support. These are solicited calls to engaged members of a charities supporter base.

All IVE Tele-fundraising calls are made in accordance with ACMA guidelines and ensure we only ever call a supporter who has given permission to do so. Any consumer that requests not to be called again, is removed from all future calling across all charity campaigns.

2. Charities and Agencies have effective controls to manage consumer preferences

In the explanatory memorandum to the bill, it is asserted that “Currently, Australian numbers registered on the Do Not Call Register may receive telemarketing calls from registered charities, among others, and consumers have little recourse should they wish to “opt out” of these.” IVE Tele-fundraising disputes this statement.

In recent years, the fundraising sector has implemented effective preference mechanisms that enable consumers to manage the communication they receive. This is at a charity and agency level. At IVE Tele-fundraising, a global suppressions list is utilised. This list comprises of donors and prospective donors from all campaign types that have either requested to not be contacted again, have been identified as vulnerable, or have been flagged to us by one of our charity partners as not to be contacted. The number of consumers on this list is greater than 20,000 at present and we exclude all records from all charity campaigns. This method of managing consumer preferences is one of many overlapping measures from agencies and charities alike that ensure the control is within the consumers hands.

3. The change to legislation will have a significant impact on tele-fundraising, regular giving and charity income

Within the explanatory memorandum, it is suggested that “the fundraising activities of charities will not be unduly impacted by the amendment.” IVE Tele-fundraising disagrees with this statement.

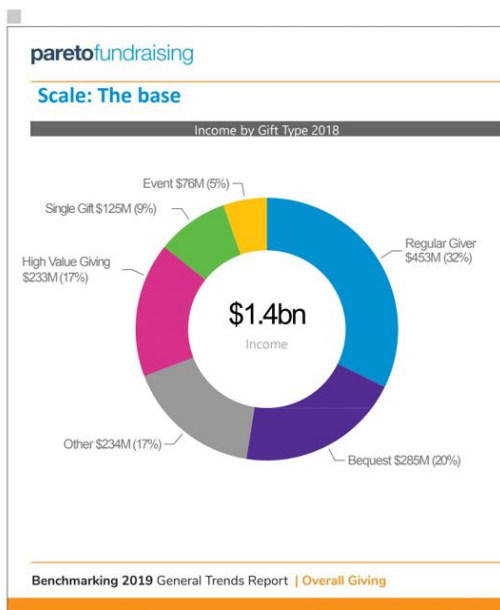
Tele-fundraising forms a significant part of charities regular giving strategy. Regular giving is the second largest source of income for Australian charities outside of government funding. In Pareto



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Fundraising’s benchmarking overview of income of by gift type, regular giving contributed to \$453M in income for Australia’s largest charities in 2018.

Tele-fundraising not only supports campaigns listed outlined above in point 1, but also has a significant part in generating income from all other gift types shown in the graph below.



In the last 12 months, IVE Tele-fundraising has been responsible for securing over 30,000 new supporters for Australian charities. This equates to many millions of dollars in ongoing regular income for our charity partners. Excellence in people and process management enable IVE Tele-fundraising to deliver consistently outstanding performance in a market where the phone channel is a critical and growing part of clients’ fundraising strategy.

The telephone is crucially important in the not-for-profit sector as it is an extremely effective medium at monetising the interest and advocacy created in other marketing activities and, as a result, has grown in importance over the last 15 years.

IVE Tele-fundraising employs over 150 staff, of which we firmly believe would be impacted by a change in legislation. A reduction in the number of consumers to contact for donations, would mean a reduction in tele-fundraising as a

source of income for charities, leading to a reduction in campaigns that IVE tele-fundraising would be able to deliver on their behalf.

With the above response, and as outlined in the Summary and Recommendations, IVE Tele-fundraising’s recommendation to the Senate Committee is to not allow the proposed amendments to the DNCR charity exemption.

With Regards,



Chris Bullock
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