

Committee Secretary
Charity Fundraising in the 21st Century
Department of the Senate
PO Box 6100
Parliament House
Canberra ACT 2600

Response to Questions on Notice

Select Committee on Charity Fundraising in the 21st Century
7 November 2018 hearing

Question: Senator the Hon Eric Abetz

What is the total turnover of Baptist Care Australia operations across the country? How much of that is from Government?

Baptist Care Australia members have a combined annual turnover of just over \$700 million annually. This revenue is made up of state and federal government contributions for the provision of services (71% of total revenue received by our members), contributions made by residents, clients and customers, investments, donations and bequests, as well as the sale of goods and assets.

The revenue received by our members from state, territory and federal governments is for the direct provision of specified services, in the same way that hospitals, doctors and state schools are paid to provide services to the community. There are a number of controls and conditions under which the funding is provided, including individualised funding tied to the service user rather than funding a program for many people. These controls do not allow discretion for funds to be used in ways other than providing the specified services.

Question: Senator the Hon Eric Abetz

What is your preferred regime for harmonisation between the states? What is your preferred starting point?

Baptist Care Australia is cautious to suggest one particular state's current system as the ideal fundraising regime to be modelled across the country, but would rather like to suggest a system where states and territories transfer their oversight capacity to the Australian Charities and Not for profits Commission (ACNC).

Under a simplified national system, charities registered by the ACNC could apply for a licence to fundraise through the ACNC. In doing so, registered charities would be required to comply with an agreed set of requirements for both reporting and the undertaking of a fundraising activity. Specifically, the single set of rules would outline the definition of fundraising, the ways in which fundraising activities must be conducted, and the financial reporting requirements. This model would enable charities to apply through the ACNC to gain access to state and territory charitable taxation concessions.

This model recognises that using an existing state or territory approach as the basis of a unified national system will not necessarily reduce the administrative burden of charities. By allowing the ACNC to hold the responsibility for the regulation of fundraising, the regulatory burden placed on both charities and the government can be reduced. Additional resourcing would be required to support enforcement of the regime by the ACNC; however this would improve current protections for donors as there is very little activity undertaken by states and territories to enforce the current unsatisfactory regulation.

Please feel free to contact us if you would like any additional information on any of the provided responses.

Kind Regards,

Marcia Balzer
Executive Director