

Chapter 11

Implementing the Recommendations

Committee View

11.1 The committee has recommended some significant changes in order to improve the regulation of Not-For-Profit Organisations and increase transparency and accountability. Most significantly for the Sector, the committee has recommended the establishment of a national regulator; development of a specialist legal structure for mandatory use; and a national fundraising act.

11.2 The committee acknowledges that its recommendations do not contain the fine detail that will be needed in order to introduce the new systems with as little impact as possible on the day to day functioning of organisations as they carry out their business, but maximum impact on the transparency of the sector. Further guidance will need to be provided to governments on the implementation of the recommendations.

11.3 In addition, the committee wishes to ensure that organisations such as social enterprises (of which the committee received minimal evidence) are not neglected in the reform process.

11.4 Several contributors suggested that the committee recommend in its report the establishment of a Taskforce in order to progress reform for Not-For-Profit Organisations.¹ Jesuit Social Services commented that:

Our organisation is action oriented and often we are critical of governments for establishing reviews and inquiries when clear solutions are apparent and what is needed is action, not further inquiry.

However, in this instance, given the complexity of the issues involved, the range of different types and sizes of organisations within the sector and the lack of clear basic data about the sector to inform policy making, it seems that a partnership based Taskforce approach would be most appropriate.²

11.5 The committee agrees that a Taskforce that includes people of appropriate expertise will assist in driving the reform process and implementing this committee's recommendations. The Taskforce should comprise: a government representative from the Commonwealth and a COAG-elected representative to speak for states and territories; one or more qualified legal experts with expertise with the major pieces of legislation affecting Not-For-Profit organisations; a representative from an

1 See, for example: PilchConnect, *Submission 129*, p. 44.; Mackillop Family Services, *Submission 43*, p. 4.; Australian Council of Social Services, *Submission 109*, p. 7.

2 Jesuit Social Services, *Submission 83*, pp 2-3.

organisation which manages private charitable foundations; an accountant with not-for-profit expertise; and a number of representatives from the peak bodies of Not-For-Profit Organisations, including a representative from a peak body for social enterprises. The committee also believes that micro and small organisations should be represented on the Taskforce; in the absence of a peak body, consideration should be given to including a representative of an organisation such as the CPA Third Age Network Committee which has advocated well for micro organisations during this Inquiry.

11.6 Ideally, this group should report to COAG on a quarterly basis, and should continue to meet until such time as all of the report's recommendations are implemented.

Recommendation 15

11.7 **The committee recommends that a Taskforce be established for the purposes of implementing the recommendations of this report. The Taskforce should report to COAG. Its membership should include:**

- **a government representative from the Commonwealth;**
- **a COAG-elected representative to speak for states and territories;**
- **one or more qualified legal experts with expertise with the major pieces of legislation affecting Not-For-Profit organisations;**
- **a representative from an organisation which manages private charitable foundations;**
- **an accountant with not-for-profit expertise; and**
- **a number of representatives from the peak bodies of Not-For-Profit Organisations, including a representative from a peak body for social enterprises.**

The Taskforce should actively seek to ensure that the measures of reform that it implements do not impose an unreasonable reporting burden on small and micro Not-For-Profit Organisations.

Senator Annette Hurley

Chair