



NATIONAL
BREAST CANCER FOUNDATION
FUNDING RESEARCH FOR PREVENTION AND CURE

29 August 2008

Committee Secretary
Senate Economics Committee
Department of the Senate
PO Box 6100
Parliament House
CANBERRA ACT 2600

Submitted by email: economics.sen@aph.gov.au

The National Breast Cancer Foundation (NBCF) welcomes the opportunity to provide comment to the Senate Standing Committee on Economics.

The NBCF is Australia's leading not for profit organisation focused on promoting and supporting research into breast cancer. The research program is driven by the National Action Plan for Breast Cancer Research and Funding which is the first document of its kind developed in Australia. The key actions arising from the National Plan are to:

1. Establish collaborative networks of researchers across disciplines and the country to pool their talents and expertise and to answer key questions that will significantly advance understanding of breast cancer.
2. Build research capacity and leadership for the future through the awarding of scholarships, fellowships and career development awards.

The National Plan requires more than \$100 million to effectively implement. This presents a major challenge to the NBCF requiring a focus on national implementation and coordinated national fundraising.

We are writing in support of Fundraising Institute Australia's submission, recommending a **commission of inquiry** be established to further develop the initiatives explored in this Senate Inquiry, in particular 'model' fundraising legislation, the shape of a national regulator and the elements of a compact to underpin the values and funding of this sector.

FIA is also proactive in working towards self regulation by creating mandatory Principles and Standards of Fundraising Practice. The Principles codify general ethical behaviour for fundraisers; the Standards are tailored to provide guidelines on specific disciplines of professional fundraising. The project was initiated in response to FIA's perception of an urgent need to establish standards for professional fundraising in order to improve public trust and confidence in accountability for and transparency in the use of publicly donated funds.

Research, business and the community – partnerships at work

Trustees The Hon Roslyn Kelly AO (Chair), Ms Fiona Balfour, Ms Sally Capp, Lady Jane Edwards AM, Mrs Elaine Henry OAM, Professor John Hopper OAM, Mr Greg Paramor, Mr John Pollaers, Ms Mavis Robertson AM, Professor Wayne Tilley, Professor Robyn Ward, Ms Margaret Wright

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Please find attached a summary of FIA's recommendations to the Senate Inquiry into disclosure regimes for charities and non-profit organisations.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Susan Murray". The signature is fluid and cursive, with a large, sweeping flourish at the end.

Susan Murray
Chief Executive Officer

Appendix 1: SUMMARY OF RECOMMENDATIONS

a) **the relevance and appropriateness of current disclosure regimes for charities and all other not-for-profit organisations**

A new single regulator for the entire nonprofit sector should:

- regulate proportional to risk and not in accordance with exemptions
- reduce multiple reporting requirements reducing the regulatory burden
- develop an appropriate accounting standards and reporting mechanisms that measures effectiveness (outcomes) not efficiency (ratios).

b) **models of regulation and legal forms that would improve governance and management of charities and not-for-profit organisations and cater for emerging social enterprises**

A new single regulator should:

- be based on principles similar to the Charity Commission (England and Wales)
- enable the work of the sector (light touch regulation proportional to risk)
- close the gap between statutory and non-statutory regulation (national industry self-regulation)

c) **Other measures that can be taken by government and the not-for-profit sector to assist the sector to improve governance, standards, accountability and transparency in its use of public and government funds.**

A new single regulator should:

- cut red tape
- allow for diversity (light touch regulation proportional to risk)
- support development of a national toolkit
- focus on effectiveness (outputs, public benefit) not efficiency (financial ratios)
- adopt a standardised disclosure regime
- encourage benchmarking
- assist nonprofit organisations in annual reporting
- provide meaningful information for the public
- promote the public interest in charity and nonprofit activities

d) **The Senate Inquiry has sought further comment on the recommendations from the inquiry into the definition of charities and related organisations (2001).**

- decide the name of the sector!
- promote responsibility for this sector to ministerial level

e) **The Senate Inquiry opens discussion on a number of initiatives that must be further explored.**

Establish a Commission of Inquiry to:

- develop 'model' fundraising legislation
- determine the 'shape' of a national regulator
- determine a national accounting standard and reporting mechanism
- review the elements of a compact to underpin partnerships with the sector.