



NDS Submission

Charitable fundraising regulation reform





National Disability Services

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About National Disability Services

National Disability Services is the peak industry body for non-government disability services. Its purpose is to promote and advance services for people with disability. Its Australia-wide membership includes around 700 non-government organisations, which support people with all forms of disability. Its members collectively provide the full range of disability services—from accommodation support, respite and therapy to community access and employment. NDS provides information and networking opportunities to its members and policy advice to State, Territory and Federal governments.

NDS supports the concept of a nationally consistent approach to the regulation of fundraising. It is important that such a reform delivers tangible benefits through the reduction of red tape and streamlined reporting requirements. Evidence of decreased administrative burden will help the not-for-profit sector accept the government's desire for increased transparency and accountability.

Responses to specific questions

2.4 Should the activities mentioned above be exempted from fundraising regulation?

NDS agrees that the activities listed—soliciting for government grants; corporate donations or donations from public and private ancillary funds; workplace appeals for assistance for colleagues and their families; and donations to religious organisations from their own members—should be exempt from fundraising regulation.

As suggested, where certain activities are comprehensively regulated under other regulation (such as lotteries and raffles that are regulated under a States or Territory law), duplication should be avoided. At present, this would mean these activities would continue to be regulated by State or Territory law. Over time, however, it would be preferable for all aspects of charitable fundraising to be regulated by one body, thus simplifying administrative processes for charities even further.

2.8 Should existing State or Territory fundraising legislation continue to apply to smaller entities that engage in fundraising activities that are below the proposed monetary threshold?

NDS questions the merit of allowing State or Territory fundraising legislation to continue to apply to small entities that engage in fundraising activities below a monetary threshold. While this may ease the reform process initially, it is cumbersome and will not provide the public with clarity. The ultimate aim for the reform should be to have all entities that engage in fundraising to be covered by a national fundraising law.

2.10 What should be the role of the ACNC in relation to fundraising?

For charities, the proposed reporting required by the ACNC (which includes specific information about fundraising) should be adequate to meet all reporting requirements that arise from national fundraising legislation. That said, NDS has sought greater clarity in its submission on 'Implementation Design'. That submission stated:

NDS notes the annual information statement for the Tiers varies. Tier 1 is asked to state the 'income from fundraising' and provide narrative on how fundraising proceeds were spent; Tier 2 must state 'fundraising contributions' and 'fundraising costs' only; and Tier 3 must state 'fundraising contributions' and

'fundraising costs', answer whether paid agencies were used for any fundraising/donor recruitment activities, and provide narrative on the three main fundraising activities undertaken in the past 12 months.

A reconsideration of the narrative provided on fundraising is warranted, with a focus on how fundraising proceeds are spent (or will be used for in the future). This should be required for all Tiers and would be more useful than either statements of fundraising income and costs alone (proposed for Tier 2) or a description of activities and whether paid agencies had been used (proposed for Tier 3).

NDS would like to see these suggested changes reflected in the finalised arrangements for the ACNC and for this to be a sufficient reporting framework for charities that undertake fundraising.

2.11 Should charities registered by the ACNC be automatically authorised for fundraising activities under the proposed national legislation?

NDS supports the proposal that charities registered by the ACNC should be automatically authorised for fundraising. Streamlining registration processes for charities would be welcome.

4.1 Should all charities be required to state their ABN on all public documents?

NDS supports the proposal that all charities should be required to state their ABN on all public documents. The broader community should have ready access to ABN details to assist them to obtain information about charities and their activities.

4.5 Should a charity be required to disclose whether the charity is a Deductible Gift Recipient and whether the gift is tax deductible?

Charities should be required to disclose whether the charity is a Deductible Gift Recipient and whether the gift is tax deductible. Donors need clarity on which donations can be claimed as tax deductions.

4.7 Should charities be required to provide contact details of the ACNC and a link to the ACNC website, on their public documents?

NDS rejects the proposal that charities should be required to provide contact details of the ACNC (and a link to the ACNC website) on their public documents. Over time, the ACNC will become known as the source of public information on charities; heavy-handed promotion on all public documents of charities is unnecessary and burdensome.

In the short-to-medium term, charities could be encouraged (but not required) to provide this information on their website and in substantial documents (such as an Annual Report) as evidence of their transparency.

5.1 Should reporting requirements contain qualitative elements, such as a description of the beneficiaries and outcomes achieved?

NDS strongly supports narrative responses to provide greater detail on fundraising activities and how those funds were (or will be) spent.

5.2 Should charities be required to report on the outcomes of any fundraising activities, including specific details relating to the amount of funds raised, any costs associated with raising those funds, and their remittance to the intended charity?

NDS believes that the reporting proposed for the ACNC would provide sufficient quantitative data on the fundraising activities of charities (which is tiered on the basis of revenue). As mentioned above, this should be supplemented by narrative on how the funds were (or will be) used.



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