



OAC Ministries (Aust) Ltd
ABN 59 000 275 829

National Office

PO Box 4499
DONCASTER HEIGHTS VIC 3109
AUSTRALIA

Ph (03) 9840 1544
Fax (03) 8678 3019
Email national@oac.org.au
Web oac.org.au

OAC Ministries (Aust) Ltd

Response to Treasury: Charitable Fundraising Regulation Reform Discussion Paper and Draft Regulation Impact Statement of February 2012.

This paper sets out the response of OAC Ministries (Aust) Ltd (OACM) to questions posed in the discussion paper.

ABOUT OAC Ministries (Aust) Ltd

OACM is a small not for profit religious institution incorporated as a company limited by guarantee; is an endorsed income tax exempt charity; and has endorsement as a deductible gift recipient in respect of the OACM School Religious Education Fund.

The National Office of OACM is located in Victoria with staff also employed in New South Wales, South Australia, Queensland and Western Australia. Currently OACM employs 16 staff of which 14 are religious practitioners.

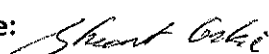
OACM relies primarily on donations from supporters within the Christian community to meet the religious objects for which it was established, namely, the presentation of the Christian message through outreach missions, services to local churches, training, and the conduct of school religious education seminars. A strong network of volunteer support also assists in achieving these objects.

OACM is the sole beneficiary of funds received and these funds finance the organisation's running costs and provision of ministry services. The need for financial support is highlighted on our websites and in monthly newsletters to those on the OACM mailing list. Additionally, freewill offerings (ie. voluntary donations) may be received when ministry is conducted, or a donation may be made by those for whom the ministry is conducted (eg a local church or school).

SUBMISSION AUTHORISATION

This submission is made by Stuart Conkie of OAC Ministries (Aust) Ltd in the capacity of Company Director and on behalf of the National Executive Committee.

On March 19th 2012

Signature: 



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RESPONSE to Consultation Question

Chapter 2 – Defining the scope of regulated activities.

Consultation question:

2.1 Is it necessary to have specific regulation that deals with charitable fundraising?

OACM response:

OACM agrees that this regulation is necessary. However, as a non-denominational religious organisation (commonly termed “para-church”) we would express our concern that small religious institutions whose purposes currently fall within the common law understanding of ‘advancement of religion’ do not find themselves precluded under the new definition of charity through restrictive definitions of ‘religion’ or requirements to measure a ‘public benefit’.

We understand that the definition of “charity” is being considered in a separate consultation regarding the statutory definition of charity. However we make these comments because the paper proposes that fundraising regulation would apply to those entities registered as a charity by the Australian Charities and Not-for-profits Commission.

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RESPONSE to Consultation Question

Chapter 2 – Defining fundraising activities that are to be regulated and activities that might be exempt from fundraising regulations

The following activities might be exempt from fundraising regulation...

'Donations to religious organisations from their own members- also on the basis that the recipients of such funds are usually personally known to at least a significant proportion of the donors.'

Consultation question:

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

OACM response:

OACM agrees that religious organisations should be exempted from fundraising legislation in this context. However, we consider the two-fold conditional basis of the exemption too restrictive.

1. *'from their own members'*: We would value some clarity around the meaning of "member". Is it intended to refer to members in a governance sense – that is, the members of a company limited by guarantee or incorporated association? In our view this interpretation would be too restrictive. However, if this interpretation was not adopted, there would need to be some means of ascertaining who the members or supporters of the organisation are.

We consider our donors to be 'supporters' of our ministry and this supporter base is far more extensive than our formal membership base in the governance sense of the word "member". Our supporter base is drawn from within the Christian community and our supporters give because they value the outreach mission work, school religious education and training which OACM undertakes.

As an organisation we do not approach the 'general public' for support (although a member of the public could access our website and become aware of our need for financial support). Rather we highlight our need for financial support within the Christian community – at churches where we minister and to those who have a personal interest in our ministry or support the religious objects of OACM.

It is worth noting that most of our supporters themselves elect to sign up to our update newsletters because of their personal interest in our work. They may then choose to

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give to the work. This can be distinguished from traditional fundraising activities in the public domain such as door knocking or tin rattling where the charity goes to the individual, not the other way around.

In our case, we think that it is appropriate for us to be subject to fundraising regulation in relation to our website, but not in relation to gifts from our supporters. The latter is analogous to the members of a church.

We would ask that the restriction *'from their own members'* be removed from the exemption requirement and replaced with another phrase, such as *"from their own supporters"*.

2. *'on the basis that the recipients of such funds are personally known to at least a significant proportion of donors':*

This appears an unusual and unnecessarily restrictive qualification to an exemption. As OACM is the recipient of the funds how do you quantify a personal relationship with an organisation? The supporters are giving because they value the outreach mission work, school religious education and training which OACM undertakes and it is only in that sense that you can construe that OACM is 'personally known' to them. OACM would query the value of such a qualification to the exemption.

Perhaps this qualification was designed to cover organisations such as churches, where the congregants meet regularly and develop personal relationships through fellowship. This is not necessarily the case with para-church organisations. Our supporters are geographically scattered. What unites them is their desire to see our work flourish and their personal beliefs and convictions about the value of our work. As a result our supporters may not have a personal connection to our organisation in the same way that a congregant of a church would. We suspect that these comments would apply equally to many para-church organisations.

We recommend that the wording of the fundraising regulations be drafted sufficiently broadly so as to encompass the supporters of organisations such as ours.

RESPECTFULLY submitted by OAC Ministries (Aust) Ltd March 19th 2012