



# Charitable fundraising regulation reform

DISCUSSION PAPER AND DRAFT REGULATION IMPACT STATEMENT

February 2012

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Consultation question:

2.1 Is it necessary to have specific regulation that deals with charitable fundraising? Please outline your views.

It would be appropriate to have a specific regulation that deals with charitable fundraising if:

- Charitable fundraisers are not disadvantaged when compared to registered political parties fundraising;
- Charitable fundraisers are not disadvantaged when compared to commercial consumer laws;
- Charitable fundraisers have a single national regulation that supersedes state and territory regulations.

2.2 Is there evidence about the financial or other impact of existing fundraising regulation on the costs faced by charities, particularly charities that operate in more than one State or Territory? Please provide examples.

As a South Australian Charity we have to apply for fundraising licences in each separate state that all have different requirements. For example Western Australia requires you to have an office in that state.

2.3 What evidence, if any, is available to demonstrate the impact of existing fundraising regulation on public confidence and participation by the community in fundraising activities?

Consultation questions

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

Religious organisations should not be exempt from fundraising regulation. If there is an exemption available to religious organisations for existing donors, then the same exemption should be available to other charities who have existing donors.

2.5 Are there additional fundraising activities that should be exempt from fundraising regulation?

If a charitable organisation is fully complying with national reporting standards for financial activities, or if an charitable organisation undertakes financial reporting based on International Financial Reporting Standards (General Purpose) then they should be exempt based on full transparency and disclosure.

If so, please provide an explanation of why the relevant activities should be exempt.

Consultation questions:

2.6 Is the financial or other effect of existing fundraising regulation on smaller charities disproportionate? Please provide quantitative evidence of this if it is readily available.

No the current fundraising regulation affects all charitable bodies with the same effect.

2.7 Should national fundraising regulation be limited to fundraising of large amounts? If so, what is an appropriate threshold level and why?

This would be difficult to monitor, however if included in regulation then a large amount should be defined as donations of \$1000-00 or over.

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?

Yes.

2.9 Should a transition period apply to give charities that will be covered by a nationally consistent approach time to transition to a new national law? If so, for how long should the transition period apply?

Yes. 3 years transitional period.

Consultation question:

3.1 Should the aforementioned provisions of the ACL apply to the fundraising activities of charities? No.

Consultation question:

3.2 Should the fundraising activities of charities be regulated in relation to calling hours? If so, what calling hours should be permitted? Extend to 7.00 PM Monday to Friday.

Consultation question:

3.3 Should unsolicited selling provisions of the ACL be explicitly applied to charitable entities? Alternatively, should charitable entities be exempt from the unsolicited selling provisions of the ACL? Exempt.

Consultation questions:

4.1 Should all charities be required to state their ABN on all public documents? Are there any exceptions that should apply? Yes.

4.2 Should persons engaged in charitable fundraising activities be required to provide information about whether the collector is paid and the name of the charity? Yes.

4.3 Should persons engaged in charitable fundraising activities be required to wear name badges and provide contact details for the relevant charity? Yes.

4.4 Should specific requirements apply to unattended collection points, advertisements or print materials? What should these requirements be? Yes, Contact details and ABN

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

4.6 Are there other information disclosure requirements that should apply at the time of giving? Please provide examples. Are the charitable funds used within Australia.

4.7 Should charities be required to provide contact details of the ACNC and a link to the ACNC website, on their public documents? No. Charities job is not to regulate on behalf of government.

### Consultation questions:

5.1 Should reporting requirements contain qualitative elements, such as a description of the beneficiaries and outcomes achieved? **No, the ACNC should require registered charities to utilise International Financial Reporting Standards (General Purpose) this way charities are treated in the same manner as other registered entities.**

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? Are there any exceptions that should apply? **No. The ACNC should require registered charities to utilise International Financial Reporting Standards (General Purpose) this way charities are treated in the same manner as other registered entities.**

5.3 Should any such requirements be complemented with fundraising-specific legislated accounting, record keeping, and auditing requirements? **No. The ACNC should require registered charities to utilise International Financial Reporting Standards (General Purpose) this way charities are treated in the same manner as other registered entities.**

5.4 What other fundraising-specific record keeping or reporting requirements should apply to charities? **IFRS (General Purpose) reporting.**

Consultation questions:

6.1 Should internet and electronic fundraising be prohibited unless conducted by a charity registered with the ACNC? **No, prohibition of free media is not a good course to take.**

6.2 Should charities conducting internet or electronic fundraising be required to state their ABN on all communications? Could this requirement be impractical in some circumstances? **Yes. No it is not impractical.**

6.3 Are there any technology-specific restrictions that should be placed on internet or electronic fundraising? **No.**

Consultation questions:

7.1 Is regulation required for third party fundraising? If so, what should regulation require? **Third party fundraisers should be approved by the ACNC registered charity. Third party fundraisers should be registered with the ACNC.**

7.2 It is appropriate to limit requirements on third party fundraising to those entities that earn a financial benefit? **Yes.**

7.3 Should third party fundraisers be required to register with the ACNC for fundraising purposes only? If so, what are the implications of requiring the registration of third party fundraisers? **Only those that obtain a financial benefit.**

7.4 Should third party fundraisers be required to state the name and ABN of charities for which they are collecting? **Only those that obtain a financial benefit.**

7.5 Should third party fundraisers be required to disclose that they are collecting donations on behalf of a charity and the fees that they are paid for their services? **No, If registered charities are utilising IFRS then this would be duplication.**

7.6 Should third party fundraisers (or charities) be required to inform potential donors that paid labour is being used for fundraising activities? **Yes.**

7.7 Is regulation required for private participators involved in charitable fundraising? If so, what should regulation require? **Yes, Full registration with ACNC including IFRS general purpose reporting.**