

Coalition for fundraising reform



Bushfire crisis highlights gaps in fundraising laws that government refuses to fix

Today the Government has wasted another opportunity to reform Australia's outdated fundraising laws when it has given its long awaited response to the review of the Australian Charities and Not-for-Profits Commission (*Report of the Australian Charities and Not-for-profits Commission Legislation Review 2018*).

Spokesperson for the #FixFundraising Coalition Sue Woodward said:

"Everybody knows that Australia's fundraising laws are completely inadequate and out of date.

"Currently charities who fundraise have to deal with seven different laws across Australia.

"Astonishingly, the Federal government has rejected the recommendation of the expert panel's report – a report that it commissioned. In doing so it has also shunned consistent and clear calls from all parts of the charitable sector and their advisers.

"Instead the Federal government says it will leave it up to the states to harmonise their fundraising laws. The thing is, we know this hasn't worked over previous decades and there is no reason to think this is likely to change in the future.

"This year's bushfire crisis highlighted that the state based laws are inadequate to deal with the modern reality of cross border, internet based fundraising, including new forms of fundraising like those going via Pay Pal.

The solution

"During the bushfires, it wasn't the states and territories ensuring that fundraisers weren't engaging in misleading or deceptive conduct, it was the Australian Competition and Consumer Commission (ACCC). The reality is that the ACCC, working with the ACNC, is the best placed body in Australia to ensure integrity in charitable fundraising. Also, the Australian Consumer Law has a readymade mechanism for the ACCC to work with the states and territories."

"The expert Australian Charities and Not-for-Profits Commission report concluded the '*most appropriate mechanism*' to reform fundraising is through the use of the Australian Consumer Law supported by a mandatory Code of Conduct. We support this solution.

"The Report also stated that in the absence of reform '*the sector will continue to be subject to an unacceptable level of unnecessary red tape*'. This red tape is draining precious donated funds.

“There is a simple way to provide a better regulatory framework for fundraising – clarify and improve how it is covered by the Australian Consumer Law and repeal existing inconsistent and out-of-date state and territory legislation.”

The recommendation to reform fundraising through the use of the Australian Consumer Law and associated mandatory Code of Conduct is the solution proposed by the *#FixFundraising* coalition. This solution is increasingly supported by a clear majority of the submissions to the *Senate Select Committee on Charitable Fundraising in the 21st Century*, with every single submission calling for fundraising reform.

***#FixFundraising* supporters including major charities and peak professional bodies:**

<https://www.nfplaw.org.au/supporters-stories>

***#FixFundraising* lead supporters include (alphabetical):**

Australian Council of Social Services

Chartered Accountants Australia & New Zealand

Community Council for Australia

Governance Institute of Australia

Justice Connect

Philanthropy Australia

Public Fundraising Regulatory Association

Government response

<https://treasury.gov.au/sites/default/files/2020-03/p2020-61958-govt-response.pdf>

Comment– Sue Woodward, Head of Not-for-profit Law, Justice Connect

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Ends