

# Coalition for fundraising reform



## Call for election commitment to reform the laws that apply to the fundraising activities of charities

### EVERYONE AGREES! Australia's charity fundraising regulations are a mess.

They're out-of-date – they deal with wishing wells and the length of handles on collection boxes, but not with online fundraising, crowdfunding and websites. Charities want to do the right thing, but it's too complex and it's ineffective. Time and money are being wasted; resources are being diverted from core services. This regulation is a barrier to innovation.

There have been multiple inquiries over two decades (most recently the Senate Select Committee into Charitable Fundraising in the 21st Century, February 2019). None of these inquiries have been acted on, but all have affirmed what charities, fundraisers and volunteers know – current fundraising regulation is a significant source of unnecessary regulatory burden. There can be protection for donors and regulatory support for ethical behaviour without this burden.

In economic terms alone this is a big issue: the charity sector employs over 1.1 million Australians generating over \$134 billion in annual revenue, with more than \$11 billion from individual giving. The loss in productivity involved for the thousands of charities who try to meet the requirements of the seven different fundraising regimes amounts to tens of millions of dollars every year.

### It is time to fix this. It can be done now, at no cost. It needs to be a political priority.

Federal, State and Territory governments can provide the sector with one nationally-consistent, modern and fit-for-purpose fundraising regime as part of the Australian Consumer Law. Existing regulator guidance already confirms the application of this law to fundraising, and it can be amended to better ensure charities (and those raising funds for them) are required to meet a clear set of donor-focused expectations and requirements in their fundraising activities. The law simply needs to provide that no one can mislead, deceive, harass or coerce someone about a donation.

The Australian Consumer Law is a vehicle well suited to being part of the solution. It regulates ethical behaviour, is national in its application and already applies to activities of charities and other not-for-profits, including fundraising activities. It is well understood by the public (donors). There is an effective multi-regulator approach delivering national consistency; the Australian Competition & Consumer Commission works with State and Territory regulators (the same regulators currently responsible for state and territory based fundraising laws).

We need Federal leadership. This issue does not need another inquiry or to yet again be put on an endless merry-go-round of obfuscation. It is time to focus on a solution.

### Commitment sought:

We seek a commitment from the Liberal Party of Australia that, if re-elected on 18 May 2019, the Government will:

1. Within its first 30 days commit to implementation of recommendation 25 from the *Strengthening for Purpose: Australian Charities and Not-for-profits Commission Legislative Review 2018 Report* (that "The Australian Consumer Law be amended to clarify its application to charitable and not-for-profit fundraising and a mandatory Code of Conduct be developed.")
2. Within its first 100 days, convene a meeting of all Ministers with responsibility for the Australian Consumer Law with the sole purpose of discussing amendments that would support better regulation of fundraising activities by and on behalf charities, including consideration of a core mandatory code,
3. Support the repeal of existing fragmented State and ACT fundraising laws by ensuring the Australian Charities and Not-for-profits Commission is enabled as the one-stop shop for relevant reporting and registration, including its ability to securely share data with State, Territory and Commonwealth regulators.

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