



MEDIA RELEASE – EMBARGOED UNTIL WEDNESDAY MARCH 19TH, 2014

(Below is the media release plus a full list of who has signed the open letter plus the open letter)

Many of Australia’s biggest charities join together to completely oppose the Federal Government’s plan to close down the Australian Charities and Not-For-Profits Commission.

Charities including the RSPCA, Wesley Mission Victoria, Lifeline and many others say if the Commission is shut down, bureaucracy and red tape will continue to grow and services to the public will be reduced.

Community Council for Australia CEO David Crosbie bluntly warns nobody wants to return to the bad old days of the Australian Tax Office regulating charities and says the Government’s move appears to be all about satisfying a small minority that clearly opposes transparency across charities which – he says – is disturbing.

He says it is the equivalent of putting a fox in charge of a hen house and will damage the massive not-for-profit sector that employs approximately 1 million Australians and turns over close to \$100 billion every year.

Many of Australia’s biggest charities – along with legal experts, philanthropic organisations and arts organisations have all joined together on one platform to bluntly warn the Federal Government it is a huge mistake to close down the newly formed Australian Charities and Not-For-Profits Commission.

The organisations warn the Government’s intention to shut down the ACNC will simply mean Australia’s charity sector will go backwards.

Organisations involved include Save the Children, St. John Ambulance Australia, The Ted Noffs Foundation, RSPCA, the Myer Family Company, Foundation for Alcohol Research and Education, Volunteering Australia, Lifeline and many others.

In an open letter to the Prime Minister – which 40 separate organisations have signed (including everyone from the RSPCA and Save the Children to the head of philanthropic services for the Myer Family company) – organisations say if the Australian Charities and Not-For-Profits Commission is shut down and the ATO is reinstated to determine who is and isn’t a charity, “red tape will continue to grow, the size of bureaucracy will grow. Services to the public will be reduced. Services to the sector will be reduced.”

David Crosbie – who is the CEO of the Community Council for Australia – said, “If the Federal Government allows the ATO to regulate charities, it is simply putting the fox in charge of the hen house. It is a failed model from the past. It will not work. It also means you don’t have an independent dedicated regulator strengthening the massive not-for-profit sector and building public trust.”

David Crosbie highlights the charity sector and the not-for-profits are a massive part of the Australian economy. Figures show the huge not-for-profit sector now employs approximately 1 million Australians with a turnover close to \$100 billion a year.

David Crosbie said, “Nobody wants to go back to the bad old days of having the Australian Tax Office regulating charities. The ATO has no meaningful expertise in this field. Charities across the board are deeply alarmed that the Federal Government is heading down a path which will mean we will lose all the gains that were clearly made when the Australian Charities and Not-For-Profit Commission was established in 2012. It was created to provide a regulatory environment that works for the not-for-profit sector rather than against it.

Organisations warn the ACNC is good for charities and their sector and the Australian Tax Office is not said David Crosbie.

He added, “It is just as concerning that there is absolutely no plan relating to what will replace the Charities Commission. There is no plan at all. What lies behind the Government’s thinking? It certainly seems his is about satisfying a small minority that oppose transparency across charities. That’s disturbing.”

David Crosbie said “It is ridiculous for a government to say they want to listen to civil society and support them having a greater autonomy if you then clearly ignore what they are saying. Frankly it is a very bad signal about the arrogance of a government refusing to listen to the sector it claims to support. Without question, charities and the not-for-profit sector are at the heart of Australian communities.”

David Crosbie says if the ATO gets to decide who is a charity and who is not, it creates a clear situation where the ATO’s decisions can then only really be challenged in the High Court, which for charities is often not practical, is very expensive and hugely time consuming.

The Community Council of Australia highlights the Australian Charities and Not-For-Profits Commission is exactly what charities and the community needs. He says it needs a respected independent regulator of charities, which not only decides charitable status but cuts red tape, provides a vital public register of all charities, investigates complaints and educates the public about charities.

In the public statement being released by the 40 plus charities in opposition to the plan to disband the Australian Charities and Not-For-Profits Commission, the charities point out the establishment of the Commission was “a major step forward in creating a regulatory environment that works for the not-for-profit sector, rather than against it.”

The organisations all agree “In little over one year of operation, the Commission has built a strong positive reputation by establishing the first public national register of charities, registering 2,600 new charities, responding to over 70,000 requests for information, investigating and resolving over 200 complaints against charities and doing what few new regulators achieve – gaining widespread support across the sector it is regulating.”

They further point out, “Governments in Ireland and Jamaica are the latest to set up new charity regulators as part of a world-wide push to improve public transparency of the charities’ sector, increase giving, cut compliance costs and reduce red tape.”

The charities further warn “Planning to return the key role of determining charitable status to the ATO is recreating a conflict of interest.”

**Media enquiries to: David Crosbie at the Community Council of Australia
on 02 6198 3435 or 0419 624 420**

**EMBARGOED UNTIL
WEDNESDAY MARCH 19TH, 2014**

**ALL THE FOLLOWING ORGANISATIONS BELOW HAVE
SIGNED THE OPEN LETER TO THE PRIME MINISTER OF
AUSTRALIA (THE OPEN LETTER IS AT THE FOOT OF THIS
DOCUMENT):**

Supporters: Open Letter to Government

1. Professor Ann O’Connell, NFP Project, Melbourne Law School, University of Melbourne
2. Belinda Drew, Chief Executive Officer, Foresters Community Finance
3. Brett Williamson, Chief Executive Officer, Volunteering Australia
4. Dr Caroline Lambert, Executive Director, YWCA Australia
5. Dr Cassandra Goldie, Chief Executive Officer, Australian Council of Social Services
6. Carrie Fowlie, Executive Officer, Alcohol Tobacco and Other Drug Association ACT
7. Cate Sayers, Chief Executive Officer, e.motion.21
8. Fr Chris Riley, Chief Executive Officer, Youth Off The Streets
9. Chris Voll, Chair, Church Communities Australia

10. Danny Vadasz, Acting Chief Executive Officer, Australian Conservation Foundation
11. Dawn O'Neil, Managing Director, Dawn O'Neil & Associates
12. David Crosbie, Chief Executive Officer, Community Council for Australia
13. Dr Dennis Young, Executive Director, DRUG ARM Australasia
14. Professor David Gilchrist, Director of Curtin Not-for-profit Initiative, Curtin University
15. Professor Dale Pinto, Professor of Taxation Law and Head of Department (Taxation), Curtin Law School, Curtin University
16. Evelyn O'Loughlin, Chief Executive Officer, Volunteering SA & NT
17. Associate Professor, Fiona Martin, Australian School of Business, UNSW
18. Fiona McLeay, Chief Executive Officer, Justice Connect
19. Graeme Danks, Trustee, Danks Trust
20. Heather Neil, Chief Executive Officer, RSPCA Australia
21. Jack Heath, Chief Executive Officer, SANE Australia
22. James Pitts, Chief Executive Officer, Odyssey House McGrath Foundation
23. Jane Hayden, Chief Executive Officer, Lifeline National Office
24. Jill Reichstein, Chair, Changemakers Australia
25. John Ryan, Chief Executive Officer, Anex
26. Karen Barnett, Chief Executive Officer, Port Phillip Housing Association
27. Karen Mahlab, Chief Executive Officer, Pro Bono Australia
28. Kate Brooks, Chief Executive Officer, Community Colleges Australia
29. Lisa Grinham, Chief Executive Officer, Charities Aid Foundation Australia
30. Marc Purcell, Executive Director, Australian Council for International Development
31. Mary Jo Capps, Chief Executive Officer, Musica Viva Australia
32. Associate Professor Matthew Harding, NFP Project, Melbourne Law School, University of Melbourne
33. Mark Watt, Chief Executive Officer, Whitelion
34. Matthew Noffs, Acting Chief Executive Officer, Ted Noffs Foundation
35. Michael Thorn, Chief Executive, Foundation for Alcohol Research and Education
36. Michael Traill, Chief Executive, Social Ventures Australia
37. Nieves Murray, Chief Executive Officer, IRT Group

38. Pam Thyer, National Director, Missions Interlink
39. Paul Artnott, Executive Director, Churches of Christ Vic and Tas
40. Paul Ronalds, Chief Executive Officer, Save the Children
41. Peter LeCornu, Chief Executive Officer, St John Ambulance Australia
42. Peter Ridley, Chief Executive Officer, Hillsong Church
43. Peter Winneke, Head of Philanthropic Services, The Myer Family Company
44. Rob Evers, Chief Executive Officer, Wesley Mission Victoria
45. Robert Dunn, Chief Executive Officer, Opportunity International Australia
46. Rod Wellington, Chief Executive Officer, SARRAH
47. Ron Mell, Chief Executive Officer, YMCA Australia
48. Sandie de Wolf, Chief Executive Officer, Berry Street
49. Sandra Dill, Chief Executive Officer, Access Australia
50. Sue Donnelly, Executive Director, Queensland Theatre Company
51. Dr Stephen Judd, Chief Executive, HammondCare
52. Tim Costello, Chair, Community Council for Australia
53. Tony Lawson, Chair, Consumers Health Forum of Australia
54. Viv Allanson, Chief Executive Officer, Maroba Lodge

**THE LETTER TO THE PRIME MINISTER THAT
NUMEROUS ORGANISATIONS (SEE ABOVE)
HAVE SIGNED.**

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Dear Prime Minister

We want to make it very clear to the Commonwealth Government and wider community that like most charities across Australia, we value the Australian Charities and Not-for-Profits Commission, and we want to see it continue its impressive work.

Charities and the broader not-for-profit sector are at the heart of Australian communities. They are there in the good times and bad. They provide support to the most vulnerable; lift our sights and our hearts through culture, sport, education, welfare, support for the aged or the unwell; promote our spirituality; protect our animals and our environment; play our part internationally, and ensure those less able can still participate.

The not-for-profit sector also makes a major economic contribution, employing approximately one million Australians and turning over close to \$100 billion each year.

In tight economic times, this sector needs to be both productive and effective, regardless of whether it is supported by tax payer funds, self-generated income, public donations or the efforts of our many volunteers. Governments all know we need a strong not-for-profit sector in this country if we are to be both economically strong, and enjoy healthy fulfilling lives.

The establishment of an independent national charities regulator was first seriously proposed through a Howard Government review of the definition of charity in 2001, and has since been supported by many, including the Productivity Commission, the Henry Review and Senate Inquiries involving hundreds of submissions and numerous public hearings.

The launch of the Australian Charities and Not-for-profits Commission in 2012 was a major step forward in creating a regulatory environment that works for the not-for-profit sector rather than against it. In little over one year of operation, the ACNC has built a strong positive reputation by establishing the first public national register of charities, registering more than 2,600 new charities, responding to over 70,000 requests for information from charities and the broader community, investigating and resolving over 200 complaints against charities, and monitoring the extent of red tape and level of public trust and confidence in our charities.

The ACNC has done what few new regulators achieve – gained widespread support across the sector it is regulating.

Governments in Ireland and Jamaica are the latest to set up new charity regulators as part of a world-wide push to improve public transparency of the charities sector, increase giving, cut compliance costs and reduce red tape.

The Australian Government intends to shut down the ACNC as soon as it can, and in the meantime, cut its funding and capacity. It is planning to return the key role of determining charitable status to the Australian Taxation Office, re-creating a conflict of interest. This approach is, at best, an unfortunate policy for charities across Australia and our community. Red tape will continue to grow, the size of the bureaucracy will grow, and services to the sector and the public will be reduced.

The vital work of the ACNC must be maintained, for the benefit of charities, not-for-profits and the many communities they serve.

(The list of organisations that have signed this letter is above the letter).