



Australian Government

Prime Minister's Community Business Partnership

The Hon Michael McCormack MP
Minister for Small Business
PO Box 6022
Parliament House
Canberra ACT 2600

CC
Minister for Social Services
Minister for Revenue and Financial Services

Australian Consumer Law Review

Dear Minister McCormack

We are writing on behalf of the Prime Minister's Community Business Partnership (the Partnership) to add support for changes to the Australian Consumer Law (ACL) Review to harmonise fundraising regulation.

The Partnership has received feedback from many stakeholders that harmonisation of fundraising regulations is a critical issue for the not-for-profit and charity sector, unlocking potential to focus on outcomes and impact, improving efficiency and reducing regulatory burden and red tape. These issues have been highlighted in the submissions made by Justice Connect and the ACNC, which we support. The key recommendations we are supporting are:

Recommendations 1 - 3: Amend the definition of "trade and commerce" to clarify whether not-for-profit activities fall within or outside the scope of this definition, specifically giving clarity to not-for-profits about what activities might qualify as trade and commerce. At the moment there are a number of grey areas that cause some confusion for the sector. The recommendations include education and also a transition period into the final regime for not-for-profits, which the Partnership believes would be helpful for the not-for-profit sector.

Recommendation 4: The Partnership endorses the critical reform of the fundraising licence regime. In our discussions with the sector this has been one of the key reforms that has been raised with us on numerous occasions and in different forums¹. The current, fragmented regulatory landscape is ineffective at regulating fundraising, and compliance with it is burdensome in the extreme. This is a well identified area of red tape that acts as a barrier to not-for-profits getting their important work done.

Fundraising legislation differs significantly between jurisdictions, adding to costs incurred by the NFP sector. Harmonisation of fundraising legislation through the adoption of a model act should be an early priority for governments².

¹ The Partnership has conducted several roundtables in which this has been raised.

² Australian Productivity Commission Contribution of the Not-for-profit Sector 2010 p xxiv

The Partnership specifically agrees with the inclusion of fundraising to fall within the ACL provisions and for the state and territory fundraising laws to be repealed. The ACNC could then carry out the role of regulator of fundraising activities e.g. door knocking and telemarketing as we see them as best placed to oversee this in conjunction with the Fundraising Institute of Australia.

Yours sincerely



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