



Submission to The Treasury

**Developing a voluntary code for charities to
improve the transparency of charitable donations
during natural disasters**

August 2021

Introduction

This submission outlines key areas of opportunity and concern for the Community Council for Australia (CCA) in relation to ‘developing a voluntary code for charities to improve the transparency of charitable donations during natural disasters.’

CCA welcomes the opportunity to engage with The Treasury on this important issue.

CCA is a member of the *fixfundraising* coalition, has liaised extensively with Justice Connect and strongly supports their submission.

CCA has also consulted with other members (see listing in Appendix 1) in framing this submission, however, it is important to note that this submission does not override the policy positions outlined in any individual submissions from CCA members.

The content of this submission includes: a brief background to CCA; three other context setting background discussions covering; the current context for the broader charities and not-for-profit (NFP) sector, CCA’s seven informing principles and three recommendations for fundraising regulation reform, and the latest research on charities and fundraising regulations. Following this context setting, this submission outlines some of the key issues relating to the Treasury’s transparency and fundraising discussion paper; and offers a conclusion.

CCA is keen to engage in further discussion with The Treasury and others to address the completely dysfunctional fundraising regulations currently impeding the work of the charities sector.

The Community Council for Australia

The Community Council for Australia is an independent non-political member-based organisation dedicated to building flourishing communities by enhancing the extraordinary work undertaken by the charities and not-for-profit sector in Australia. CCA seeks to change the way governments, communities and NFP organisations relate to one another. It does so by providing a national voice and facilitation for sector leaders to act on common and shared issues affecting the contribution, performance and viability of NFPs in Australia. This includes:

- promoting the values of the sector and the need for reform
- influencing and shaping relevant policy agendas
- improving the way people invest in the sector
- measuring and reporting success in a way that clearly articulates value
- building collaboration and sector efficiency
- informing, educating, and assisting organisations in the sector to deal with change and build sustainable futures
- providing a catalyst and mechanism for the sector to work in partnership with government, business and the broader Australian community to achieve positive change.

Our success will drive a more sustainable and effective charities and not-for-profit sector in Australia making an increased contribution to the well-being and resilience of all our communities.

Background: current state of the charities and not-for-profit sector

COVID-19 highlighted the critical role played by charities and Not-for-profits (NFPs) in Australia. The government acknowledged this role in extending a modified form of JobKeeper payments to charities as well as supporting increased giving during the pandemic. These measures have been important to many charities, but 2021 continues to be challenging for the charities and NFP sector.

While the history of the NFP sector is framed by growth and reform, the current situation is that many charities are struggling to survive. Research conducted by the Centre for Social Impact (CSI) and Social Ventures Australia suggests around 30% of all charities are now facing serious questions about ongoing viability. CSI's latest survey of the for-purpose sector ([Pulse of the For-Purpose Sector | CSI](#)) found that while 8 in 10 organisations had increased demand, 77% of organisations agreed or strongly agreed that the recent events have put considerable strain on their organisation's finances, 85% reported a reduction in revenue even with JobKeeper, and 52% were worried about their ability to continue to provide services in the current environment.

Some charities have had to hibernate programs and services in the hope of being able to re-establish their income streams in the coming years. For many charities, COVID-19 has meant increased costs, a decline in revenue, reduced access to volunteers, and increased demand for community-based services. While generalisations across all charities are very difficult within the COVID-19 context, the one certainty is that COVID-19 will have a negative impact on thousands of charities and thousands of workers within the charities sector.

The charities and NFP sector encompass over 600,000 organisations - from large to very small. Australia's 55,000+ charities employ over 1.3million staff (around 10% of all employees in Australia), collectively turn over more than \$147 billion each year and hold around \$300 billion in assets.

One of the most important impacts of the current pandemic situation is that many charities have had to abandon their usual fundraising practices and events because of COVID-19 restrictions. While some charities have been able to pivot their fundraising online, many have not, and those that have moved more to an online platform struggle to comply with what are obscure and dysfunctional regulations across Australia.

Our dysfunctional fundraising laws and regulations have time and again been highlighted as a barrier to the way charities can best serve their communities. The Royal Commission into National Natural Disaster Arrangements (2020), Productivity Commission Inquiries (1995, 2010), Senate Inquiries (2008, 2019), and various research reports have all called out the costs, and yet here we are again, considering new fundraising transparency measures.

Our communities, our economy and our country all benefit when charities are enabled to operate effectively to deliver public benefit. This includes their capacity to fundraise so they can pursue their charitable purpose. Putting more and more ineffectual barriers in place to restrict the fundraising activities of Australia's charities seems counter-productive at best.

CCA, like many charities has been arguing for fundraising regulatory reform for more than a decade. Surely now, more than ever, the pointlessness of even more fundraising regulations is apparent?

Background: informing principles and recommendations for fundraising regulation reform

Three years ago, CCA provided the following list of principles and three recommendations for fundraising regulatory reform. They are even more relevant today than they were then.

1. Never has it been more critical for charities to diversify their income and build their capacity. For this reason, CCA believes the first principle of any proposed new fundraising regulations should be to **encourage and support fundraising activities** undertaken by charities.
2. There is no evidence to indicate the Australian public lack trust in charities or are concerned about widespread inappropriate fundraising activities. The goal of any new regulation should not be seen as addressing a market failure, but to **promote more charitable giving**.
3. The current regulatory system applying to charities engaged in fundraising is broken. Separate jurisdictional fundraising regulatory regimes in Australia is not justifiable, especially given the emergence of on line and other cross border activities. **Fundraising regulation need to be workable, efficient and fit-for-purpose**. Current regulations fail this basic test.
4. CCA is **opposed to the establishment of additional regulations and compliance burdens for charities** unless there is good evidence that the proposed new regulations will contribute to efficiencies, a reduction in compliance costs, and further increase public trust. The goal in relation to fundraising regulation should be to reduce not increase compliance costs.
5. Fundraising regulations must take account of the existing criminal law, consumer protection laws, common law and others, as well as the role of the Australian Charities and Not-for-profit Commission (ACNC). **Duplication of existing laws in fundraising regulation makes no sense**.
6. It is the **purpose of the charity** and ensuring money raised supports achievement of the charitable purpose that matters, not just the nature of the fundraising activity undertaken.
7. The emphasis in any fundraising regulatory framework should be on the actual fundraising behaviour, the way the agency involved has acted. It should not be about compliance, reporting and accurate filling in of forms. This includes **ensuring appropriate enforcement options for the very small minority of charities doing the wrong thing**.

Recommendation (shared with Justice Connect and others in 2018)

The Federal Government should actively support and assist with the development of a nationally consistent, contemporary and fit-for-purpose charitable fundraising regime for implementation no later than mid-2019 by:

1. initiating (or at least supporting) amendments to the Australian Consumer Law to ensure its application to fundraising activities for and on behalf of charities (and other not-for-profit organisations) is clear and broad;
2. urging the repeal of existing fragmented State and Territory fundraising laws; and
3. working with other Australian Consumer Law regulators, the Australian Charities and Not-for-profits Commission (ACNC), self-regulatory bodies and sector intermediaries to draft and consult publicly on a core mandatory code to be enforced under the Australian Consumer Law multi-regulatory framework and noted on the ACNC website as good governance practice.

Background: What do we know about charities, fundraising accountability, and transparency?

In June 2021, Piazza Research conducted a survey of around 600 charities in relation to their fundraising practices and compliance with all the required legislation (Appendix 2). Here are the key findings:

Charity donation origin by state and territory – Australia’s charities and NFPs undertaking fundraising activity are required to complete multiple registrations across states and territories depending on where they raise donations. Organisations most frequently registered in NSW (40%) and VIC (40%). Between 19% and 28% registered in the other states and territories. A substantial proportion of charities and NFPs surveyed (20%) did not register in any state or territory.

Fundraising Activities – Fundraising events are used by 60% of charities and NFPs. The majority use online fundraising methods (55%). This has implications for registration, reporting and ongoing compliance requirements; online fundraising requires consideration of seven different state and territory registration systems and compliance regimes.

Awareness of the need to comply with different licenses and regulations across states and territories when using online fundraising methods – A high proportion (39%) of Australia’s charities and NFPs are not aware of the need to comply with different state and territory licenses and regulations when raising funds online.

Speed of the fundraising registration process – Substantial proportions of Australian charities and NFPs experience the speed of the fundraising registration process as slow (14% in the ACT to 50% in QLD).

Complexity of the current fundraising registration process – The majority of Australian charities and NFPs across all states and territories (between 57% and 88%) report that the fundraising registration process is either very complex with a lot of excessive information required, or ‘somewhat complex’.

Financial and human resource burden from current fundraising rules and requirements – Between 22% and 40% of Australia’s charities and NFPs report that current fundraising rules and requirements cause a high and unacceptable level of financial and human resource burden. This trend appears across all states and territories.

Average fundraising registration and compliance cost – The average registration and compliance cost of the middle 90% of Australia’s charities is \$11,663.

Impact of current fundraising registration and rules on Australian charities – More than half (53%) of Australian charities and NFPs consider the impact of current fundraising rules and registration processes as ‘significant’ and 22% consider them so significant they have become a barrier to fundraising.

Support for simplified regulation model – Ninety-seven per cent (97%) of Australian charities strongly support or support the ‘#FixFundraising’ Coalition/Charities Crisis Cabinet simplified regulation model.

Importance of a single national regulation scheme as recommended by the Royal Commission into National Disaster Arrangements – Almost all Australian charities and NFPs (91%) believe it is very important or somewhat important for state and territory governments to create a single national regulation scheme for charitable fundraising (as recommended by the Royal Commission into National Natural Disaster Arrangements).

State and Territory comparison – Charities and NFPs rated QLD, VIC, WA and NSW as the worst performing jurisdictions imposing the highest costs, complexity and time delays on charities seeking to undertake fundraising activities.

CCA response to The Treasury discussion paper *'Developing a Transparency Code – A consultation paper'* of July 2021

CCA is a strong supporter of transparency including in relation to fundraising which is why we are seeking fundraising regulatory reform.

The most important commodity that charities trade is trust. Trust is built upon clear and authentic communication – which is why charities enjoy high levels of trust compared to governments, insurance companies, and most other institutions. Charities want to limit inappropriate behaviour by the very small minority of charities that behave badly and undermine community trust and confidence.

Charities also want transparency and accountability to their donors. Charities strive to build strong relationships with their donors – it is the best way to create effective giving programs where donors and the charity work together towards shared goals. Charities are engaged with their communities, accountable and transparent, and there is nothing in the discussion paper that suggests otherwise.

The biggest barrier to fundraising transparency is not the lack of a code, but the mish mash of duplicated regulations that may or may not apply to any charity that has a 'donate here' button on their website.

For the discussion paper to interpret some media coverage as representing widely held views is misleading at best.

What CCA saw in the media reporting of bushfire recovery was a small minority of people actively undermining the role of charities in a disaster. This may have partly been a deflection from the inability of government and insurance agencies to respond appropriately and partly an attempt to create sensationalist media, but such criticism and blame shifting is usually not in the interests of the communities impacted.

The way celebrities represent themselves is not the responsibility of the charities sector.

During the bushfires there was clearly some misrepresentation from celebrities about how donations to a certain fund could and would be used.

Most people understand that when a celebrity endorses a charity and encourages people to donate, it is not the charity making representations to the community, but the celebrity themselves.

In the case of the bushfires, a very well-intentioned celebrity did not engage with the charity before engaging in promotional activities. Perhaps the lesson here is that we need a voluntary code for celebrity endorsements that includes the celebrity needing to have some knowledge of, or understanding about, the product or service they are promoting?

There is no evidence suggesting charities misrepresent their purpose or activities.

Within the discussion paper, there is no example or evidence provided suggesting any charity has misrepresented their purpose, the scope of their activities or how donations can or are being used. Importantly, the exceptional charity that might in any way feel they did not meet public expectations in accounting for the donations they receive is very unlikely to participate in a voluntary code.

Voluntary communications about donations

As already noted, charities seek to build their relationships with donors as part of their marketing. This includes many levels of communication and accountability. Charities that do this better tend to retain donors for longer. The market forces that operate here can be very sensitive. Charities know this market and communicate accordingly. Once again, there is no example of market failure here, other than some rogue media commentary, a well-meaning and ill-informed celebrity, and a minority of politicians and others pursuing their own agendas.

Why are disaster recovery donations seen as different from donations to other critical areas of community well-being and infrastructure?

Why is it only during times of disaster that the government is seeking to focus on the transparency of charities in using donated funds?

Why do donations to support disaster recovery need additional provisions or separate codes from all the other requirements on charities engaged in fundraising for other purposes?

If disaster recovery itself needs a higher level of accountability wouldn't that also apply to governments and insurance companies given they spend so much more (taxpayer funds and insurance premiums) on disaster recovery than charities?

If there is a need for a fundraising transparency code wouldn't the code be the central part of fundraising and licensing requirements within Australia?

CCA has long supported a single set of fundraising principles be adopted as the basis for all fundraising registrations and accountability. As part of the *fixfundraising* coalition, we have adopted the position outlined in more detail in the submission to this Treasury consultation from Justice Connect, a submission we strongly support. This position is that:

To promote transparent, ethical fundraising we recommend all states and territories adopt a single set of clear principles for all fundraising backed by registration by and reporting to the ACNC.

This is consistent with all the reviews and recommendations from the Senate, the Productivity Commission, and the recent Royal Commission into National Natural Disaster Arrangements. It would allow the full force of Australian Consumer Law to be applied where misleading and deceptive conduct was involved, but would more importantly provide a single clear statement of the principles by which all charities need to operate their fundraising. The principles would also allow individual jurisdictions to initiate enforcement action in collaboration with the ACNC as currently applies to charities in other areas of regulation.

The proposed Australian Fundraising Principles not only cover off the issue of transparency, but also all the other potential concerns about inappropriate fundraising practices. A copy of these principles is included in this submission (Appendix 3).

The Justice Connect submission also provides a table comparing the proposed voluntary transparency code outlined in the consultation paper to the Australian Fundraising Principles. This table is included with this submission (Appendix 4).

Conclusion

In 2018, CCA was one of over 100 charities to sign an open letter to government on the issue of fundraising regulation and reform. In part this letter read:

Australia's fundraising regulations are a mess. In fact, it is so hard to comply with the current system of compliance that most of Australia's 55,000 charities do not bother. The charities sector employs over 1.1 million Australians and turns over more than \$134 billion annually. The loss in productivity involved for the thousands of charities that seek to meet all the requirements of the seven different fundraising regimes amounts to hundreds of millions of dollars annually.

It is time. The Commonwealth Government and every State and Territory Government can quickly and effectively provide charities and not-for-profit organisations with one nationally consistent and fit-for-purpose fundraising regime. The current Review of the Australian Consumer Law (ACL) is an important opportunity for real reform..... We do not need seven sets of onerous and unenforceable regulations.

For more than ten years charities and not-for-profits have been asking governments to #fixfundraising. Our feedback has been that this issue is not important enough for governments to bother. Cutting red tape for business is essential. Cutting red tape for charities is not.

We, the charities of Australia, who support and enable so many aspects of our lives including: education; the arts; health; housing; employment; recreation; social services; childcare; emergency services; family support; justice systems; international development; the environment, childcare, religion and spirituality, animal welfare; and many other areas that are crucial to Australia's productivity and well-being; are asking for your help. Please, fix this fundraising mess so we can get on with what we do best – building flourishing communities.

CCA hope this latest Treasury consultation into fundraising and transparency does more than again highlight the problems. The concerns of charities about fundraising laws have been repeatedly dismissed, the issues have been largely ignored, and charities continue to waste substantial time, energy and resources complying with a useless set of inconsistent regulations.

The bushfires and the pandemic have highlighted the critical role of charities within communities, but when it comes to helping charities respond and better serve their communities, it seems streamlining fundraising regulatory processes is a step too far.

The proposal in the Treasury consultation discussion paper to add another requirement – albeit voluntary – makes no sense when around 40% of charities are already non-compliant with existing letter of the law fundraising regulatory requirements.

Just as importantly, many charities are concerned that not enough is being done to protect public trust and confidence in charities. In terms of the specific fundraising regulations across jurisdictions, they are largely unenforceable and fail to offer the protection of the charities brand that charities have called for.

CCA believe this Treasury consultation should at least acknowledge the widespread existing failures in fundraising regulations and make recommendations that do more than bolt another optional requirement on to what we all know is a rusted out seized up dysfunctional set of regulatory processes.

Current Membership – Community Council for Australia *Appendix 1*

Adult Learning Australia

Alannah and Madeline Foundation

Arab Council Australia

Australian Conservation Foundation

Australian Council for International Development, Marc Purcell, CEO (CCA Board Director)

Australian Environmental Grantmakers Network

Australian Scholarships Foundation

Australians Investing in Women

Barnardos Australia

Beacon Foundation

Brotherhood of St Laurence

Camp Quality

Carers Australia

Centre for Social Impact, Prof Kristy Muir, CEO (CCA Board Director)

Chain Reaction Foundation

Christians Against Poverty

Churches of Christ Community Care Vic/Tas

Community Bridging Services (CBS)

Community Broadcasting Association of Australia

Community Colleges Australia

Connecting Up

Drug Arm Australia, Jody Wright, CEO (CCA Board Director)

Endeavour Foundation

Ethical Jobs

Everyman

Exodus Foundation

Feanix Foundation

Fitted for Work

Foundation for Alcohol Research and Education

Foundation for Young Australians

Fragile X Association of Australia

Good Samaritan Foundation

Good2Give

Hammondcare

Hillsong Church, George Aghajanian, CEO (CCA Board Director)

InfoXchange

Justice Connect

Kilfinan Australia

Learning Links

Life Without Barriers, Claire Robbs, CEO (CCA Board Director)

Lock the Gate

McGrath Foundation

Menslink

Mission Australia

Missions Interlink

Non Profit Alliance

Our Community

OzHarvest

Painaustralia

Philanthropy Australia

Pro Bono Australia

Queensland Water & Land Carers

Relationships Australia NSW

Ronald McDonald House Charities

RSPCA Australia, Richard Mussell, CEO (CCA Board Director)

Saba Rose Button Foundation

SANE

SARRAH

Save the Children, Paul Ronalds, CEO (CCA Board Director)

Settlement Services International

Smith Family

Social Ventures Australia, Suzie Riddell, CEO (CCA Board Director)

St John Ambulance

Social Leadership Foundation

Starlight Foundation, Louise Baxter, CEO (CCA Board Director)

Sydney Children's Hospital Foundation

Ted Noffs Foundation

The Centre for Volunteering

The Shepherd Centre

Volunteering Australia, Mark Pearce, CEO (CCA Board Director)

Wesley Mission

Workplace Giving Australia

World Vision Australia

World Wide Fund for Nature Australia

YMCA Australia

FUNDRAISING SURVEY 2021 (PIAZZA RESEARCH, CANBERRA, 2021)**SUMMARY OF MAIN FINDINGS**

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Australian Fundraising Principles (proposed)

Context

The following principles are designed to provide a nationally harmonised standard for fundraising in place of the current confusing, expensive and ineffective state-based system.

Underpinned by the Australian Consumer Law, Privacy Act, Telecommunications Industry Standard, local council regulations and the ACNC, but with states retaining their oversight and enforcement powers, these principles would lead to stronger fundraising and better regulation. These principles are designed to complement existing self-regulatory fundraising codes, and do not require any additional compliance to meet them.

Principles

As a charity registered with the Australian Charities and Not-for-profits Commission (ACNC), we pledge to take all reasonable steps to ensure our fundraising is lawful, truthful and transparent. To do this, we will adhere to the following principles of ethical fundraising practice.

1. We will not mislead or deceive or use false or inaccurate information when fundraising.
2. We will not place undue or unreasonable pressure on a person when fundraising, or act unconscionably in any way to obtain a donation.
3. When fundraising, we will take all reasonable measures to never exploit the trust, lack of knowledge, lack of capacity, apparent need for care and support, or [vulnerable circumstances](#) of any [donor](#).
4. We will ensure that our fundraisers are always clearly, and individually, identifiable by the public.
5. We will take responsibility for the standards, practices and conduct of all our fundraising activities, regardless of who conducts them (us, or a contractor or agent on our behalf), or how they are delivered.
6. We will conduct all reasonable due diligence when engaging contractors or agents to assist, support or deliver fundraising activities on our behalf.
7. When we incur costs for our fundraising, such as using paid fundraisers or other contractors or agents, we will explain this as clearly and simply as possible to the public, before they choose to donate.
8. We will be open and honest in our annual reporting about our fundraising strategy, results and costs, and why they are appropriate for our cause at this time.
9. To justify the trust shown by donors in the efficient and effective use of the resources given to our organisation, when fundraising (and in our reporting) we will clearly explain the purpose to which funds raised will be, or have been, applied.
10. We will ensure that fundraisers employed, or directly engaged by us, only work within the designated hours of operation as permitted by relevant national, state/territory or local laws, or by a properly constituted self-regulatory body if no such laws exist.
11. We will only contact the public to seek support where we have the proper and lawful authority to do so, where this is required.

12. We will ensure personal information we collect, use and manage is done so in accordance with the Australian Privacy Principles.
13. We will take all reasonable measures to protect the health and well-being of fundraisers employed or directly engaged by us, and members of the public, during our fundraising activities.
14. We will operate a complaints process that allows for the proper investigation and redress of fundraising complaints by the public, and encourage anyone with any concerns about fundraising activity conducted in our name to contact us.

Charities Crisis Cabinet, <https://www.communitycouncil.com.au/content/australian-fundraising-principles-proposed>, accessed 13 August 2021

Australian Fundraising Principles vs Transparency Code *Appendix 4*

How the proposed AFPs would cover off the Transparency Code principles

The AFPs are intended to be applicable in all fundraising contexts – including natural disaster fundraising appeals.

Below we outline how, if adopted, the AFPs would satisfy all the features of the proposed Transparency Code.

Transparency Code principle	Discussion paper reference	Australian Fundraising Principles (AFPs)	Analysis
Transparency Code will require that signatories publish an appeal intent outlining how donated funds will be used in response to the natural disaster.	Question 1: Would an appeal intent similar to the example provide sufficient information for donors? What additional information should be included?	AFP 9: To justify the trust shown by donors in the efficient and effective use of the resources given to our organisation, when fundraising (and in our reporting) we will clearly explain the purpose to which funds raised will be, or have been, applied.	The AFPs covers this Transparency principle. One way to help satisfy AFP 9 would be an appeal intent statement, but it is not the only way. Having the broader AFPs gives charities greater flexibility (to consider their size, the type of appeal, donor base etc.) <i>Note: requiring a charity to produce an appeal intent would not overcome the issues that arose in the Celeste Barber – NSW RFS situation.</i>
Transparency Code will prescribe specific information for signatories to report.	Question 3: Is there additional information that should be reported under the Transparency Code? Question 5: Should administration costs be included in the Transparency Code? Do you have suggestions for what should be included in the definition of	AFP 7: When we incur costs for our fundraising, such as using paid fundraisers or other contractors or agents, we will explain this as clearly and simply as possible to the public, before they choose to donate. AFP 8: We will be open and honest in our annual reporting about our fundraising	The AFPs cover this Transparency principle. AFP 7 provides transparency about fundraising costs. It also covers contractors (third party fundraisers) which is important as many large charities use contractors (it is often more efficient to do so). The Australian accounting standards need to provide a standard way of accounting for these costs leveraging off the existing (ACNC maintained) National Standard Chart of Accounts. Each charity that elects to have a 'deemed fundraising authority' as

Transparency Code principle	Discussion paper reference	Australian Fundraising Principles (AFPs)	Analysis
	administration costs?	strategy, results and costs and why they are appropriate for our cause at this time.	<p>part of its ACNC registration should then report its compliance with the AFPs through its Annual Information Statement (AIS) to the ACNC. The states and territories would be able to enforce the AFPs as deemed licence conditions.</p> <p>No additional reporting obligation should be mandated. There are existing self-regulatory codes that expand on these issues.</p>
<p>Transparency Code will set out minimum reporting frequencies for signatories to meet.</p>	<p>Question 2: Do you think the reporting elements proposed are appropriate?</p> <p>Question 6: Do you consider the quarterly minimum reporting will meet donors' expectations of transparency? Would you suggest a different approach?</p>	<p>AF 8: We will be open and honest in our annual reporting about our fundraising strategy, results and costs, and why they are appropriate for our cause at this time.</p>	<p>The AFPs cover this Transparency principle.</p> <p>See above. As a minimum, charities using the deemed fundraising authority via the ACNC would be required to report on their compliance with the AFPs annually. Charities can also use such additional means (eg, updates on their website) that are suited to their donors.</p> <p>The Australian National Disaster Recovery Principles support steady, medium to long term expenditure in response to natural disasters – which would be appropriately captured through the AIS.</p>
<p>Transparency Code will be voluntary and target charities involved in the response to a natural disaster and in receipt of substantial public donations.</p>	<p>Question 4: Would your charity have the capability to publish the proposed reporting content during a natural disaster?</p>	<p>AFP 5: We will take responsibility for the standards, practices and conduct of all our fundraising activities, regardless of who conducts them (us, or a contractor or agent on our behalf), or how they are delivered.</p>	<p>The AFPs go further than this Transparency principle</p> <p>Australia needs straightforward regulation that <u>applies to all charities</u> (and those fundraising on its behalf), that applies to all types of fundraising appeals.</p> <p>A voluntary code that applies only when a natural disaster has been declared and sits on top of existing fundraising laws adds an unnecessary layer. But the AFPs would be <u>instead of</u> the existing seven different sets laws.</p>

Transparency Code principle	Discussion paper reference	Australian Fundraising Principles (AFPs)	Analysis
<p>Commonwealth will facilitate but not administer or enforce the Transparency Code, with compliance driven by signatories.</p>	<p>Question 7: Should there be an expectation that charities who receive donations in excess of \$3 million from a disaster specific appeal should be a signatory to the Transparency Code?</p> <p>Question 8: Are there sufficient incentives for charities involved in disaster responses to adopt the Transparency Code voluntarily?</p> <p>Question 9: Do you see any risk with allowing signatories to self-regulate compliance with the Transparency Code?</p>	<p>Preamble: AFPs are designed to complement existing self-regulatory fundraising codes, and do not require any additional compliance to meet them.</p>	<p>The AFPs are consistent with the Commonwealth approach of not administering or enforcing the Transparency Code.</p> <p>The Commonwealth can support and facilitate by the ACNC: (1) serving as the central point for registration and reporting, and (2) providing education for the public and charities on these issues.</p> <p>The AFPs are ultimately enforced by the states as they serve as conditions of the deemed fundraising authority. By adopting the AFPs, the states can remove out of date regulation in favour of the AFPs but retain their enforcement powers.</p> <p>The Commonwealth can facilitate, and drive the urgency of this work, by continuing to work with the states and territories via the Council of Federal Financial Reforms.</p> <p>If the ACNC website serves as a platform to highlight that a charity has agreed to comply with the Transparency Code, it should also allow charities to indicate compliance with other voluntary codes such as ACFID, PFRA, FIA and the numerous sector accreditation standards.</p>

Justice Connect submission to Treasury, Developing a voluntary code for charities to improve the transparency of charitable donations during natural disasters, August 2021