

Chapter 1

1.1 On 19 June 2018, the Senate resolved to establish the Select Committee on Charity Fundraising in the 21st Century. The committee was established to inquire into and report on the current framework of fundraising regulation for charities and options for reform, with particular reference to:

- a. whether the current framework of fundraising regulation creates unnecessary problems for charities and organisations who rely on donations from Australian supporters;
- b. whether current fundraising laws meet the objectives that guided the decision to regulate donations;
- c. whether current fundraising compliance regimes allow charities to cultivate donor activity and make optimal use of resources donors provide;
- d. the loss in productivity for the thousands of charities who try to meet the requirements of the seven different fundraising regimes;
- e. whether the current frameworks for investigation and enforcement are the best model for the contemporary fundraising environment;
- f. how Federal, State and Territory Governments could work together to provide charities with a nationally-consistent, contemporary and fit-for-purpose fundraising regime;
- g. the appropriate donor-focused expectations and requirements that should govern fundraising regulation in the 21st century;
- h. how the Australian consumer law should apply to not-for-profit fundraising activities;
- i. what are the best mechanisms to regulate third party fundraisers and to ensure the culture of third party fundraisers matches community perceptions of the clients they work with;
- j. whether a harmonised, contemporary fundraising regime could help in addressing concerns about the potential influence of foreign money on civil society and political debate in Australia;
- k. the cost to the charity and not-for-profit sector, and the communities they serve, of postponing fundraising reform; and
- l. any other related matters.¹

1.2 The committee was to report on or before 18 October 2018. On 22 August 2018, the Senate granted an extension of time to report until the second sitting Tuesday in February 2019.² The committee resolved to table its report by 13 February 2019.

1.3 In accordance with its usual practice, the Committee advertised the inquiry on its website and wrote to relevant individuals and organisations inviting submissions by

1 *Journals of the Senate*, No. 99, 19 June 2018, p. 3180.

2 *Journals of the Senate*, No. 112, 22 August 2018, p. 3590.

6 August 2018. The Committee received 104 submissions, which are listed at Appendix 1, and held four public hearings:

- Melbourne on 29 October 2018
- Sydney on 30 October 2018
- Canberra on 7 November 2018
- Brisbane on 31 January 2019

1.4 Submissions and the transcripts of evidence are available on the committee's website.³

Key government and regulatory bodies

1.5 The following government and regulatory bodies with oversight of charitable fundraising are referred to throughout this report:

- Australian Charities and Not-for-Profits Commission (ACNC)
- Australian Competition and Consumer Commission (ACCC), which is responsible for administering the Australian Consumer Law (ACL)
- Australian Securities and Investments Commission (ASIC)
- Consumer Affairs Australia New Zealand (CAANZ), comprising Commonwealth, State and Territory officials responsible for consumer affairs
- Australian Taxation Office (ATO)

Note

1.6 References to the Hansard transcript throughout the report refer to the official transcript, unless otherwise stated. Page numbers may vary between the proof and official transcript.

Acknowledgements

1.7 The Committee thanks all submitters and witnesses who provided evidence to the inquiry.

Structure of this report

1.8 The report is divided into five chapters:

- Chapter 1 (this chapter) provides an overview of the conduct of the inquiry;
- Chapter 2 details previous inquiries and recent developments relevant to the inquiry's terms of reference;
- Chapter 3 outlines the current legislative and regulatory frameworks governing charity fundraising and not-for-profits at the state, territory and

3 Senate Select Committee on Charity Fundraising in the 21st Century,
www.aph.gov.au/Parliamentary_Business/Committees/Senate/Charity_Fundraising.

federal levels, as well as the bodies responsible for their oversight and enforcement;

- Chapter 4 highlights the issues identified in evidence in the absence of a consistent nation-wide regulatory framework for charity fundraising; and
- Chapter 5 outlines the options for reform to the current framework of fundraising regulation for charities and not-for-profits, and sets out the committee's views and recommendations arising from the inquiry.

