

**Senate Economics Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Supplementary Budget Estimates

2014 - 2015

**Department/Agency: ACNC**

**Question: SBT4136-4138**

**Topic: Advertising**

**Reference: Written - 30 October 2014**

**Senator: Ludwig, Joe**

**Question:**

Since Budget Estimates in June, 2014:

4136. 1. How much has the Department/Agency spent on Advertising? Including through the use of agencies.
4137. 2. Please detail each advertising campaign including its cost, where the advertising appeared, production costs, who approved, ministerial or ministerial staff involvement in commissioning.
4138. 3. Provide copies of approvals, including but not limited to, approvals made by the Prime Minister or his delegate, the Minister of their delegate or the department or their delegate.

**Answer:**

4136. The ACNC spent \$169,901 during this period to assist charities meet their statutory obligations under the ACNC Act.
4137. The ACNC commissioned advertising for two projects.

**Ask ACNC**

The ACNC is the independent, national regulator of charities, based a single location in Melbourne.

Since Budget Estimates the ACNC conducted a program of engagement with registered charities called Ask ACNC. This was the only face-to-face engagement program conducted by the ACNC in the last 18 months.

The Ask ACNC project was a series of 36 face-to-face information sessions held in 32 locations across Australia. The sessions were an opportunity for registered charities to speak directly to the ACNC's leaders and advice staff to help them understand their obligations under the ACNC Act.

Almost 3,500 registrations were taken for the sessions, demonstrating a high level of interest from charities.

The ACNC has an obligation under the ACNC Act to support charities to comply with and understand their obligations by providing them with guidance and education. As well as printed and online guidance, the ACNC has identified that there is also a need for face-to-face methods in order to reach all segments of the charity sector, in particular older demographics running smaller, less-resourced charities.

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In addition, due to the short period of time the ACNC has been in operation, there is still a lack of awareness and understanding amongst charities about their obligations. One key obligation is the requirement to submit an Annual Information Statement and non-compliance with this obligation can lead to revocation of charity status.

The sessions were held in areas with a high concentration of registered charities, low submissions of the 2013 Annual Information Statement, or both.

Paid advertising, primarily in the form of local newspaper advertisements were used to promote these sessions. Such advertising was necessary in order to reach charities that are not online or those that are currently not aware of the ACNC.

Paid editorial on sector media websites were also utilised to take advantage of their large and targeted audiences.

Evaluation of the sessions has shown they have had a positive impact on Annual Information Statement submissions. All of the regions that hosted an Ask ACNC sessions have demonstrated an increase in 2013 Annual Information Submissions between July and October. Feedback from attendees has also been overwhelmingly positive.

In addition to paid advertising, nil-cost activities including media releases, social media, and direct email were utilised to promote the events.

- The total cost of the Ask ACNC advertising was \$40,662. This figure includes account management, production and placement.
- The advertising was placed by Mitchell's Adcorp Alliance.
- The advertisements appeared as newspaper advertisements and as paid editorial on not-for-profit sector media websites
- The activity was approved by ACNC Commissioner, Susan Pascoe AM.
- Ministerial/ministerial staff had no involvement in commissioning the advertising.

### **Where are you? Missing charities project**

The Where are you? Missing charities project is key component of the ACNC's work to maintain and enhance public trust and confidence through the development of a national register of charities.

On 3 December 2012, the Australian Taxation Office (ATO) transferred the records of approximately 56,000 registered charities. Prior to the establishment of the ACNC, the ATO had no need to maintain an up-to-date register.

To inform these registered charities of their obligations under the ACNC Act, the ACNC has written to all registered three times. On each occasion, the ACNC has received significant

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numbers of return-to-sender mail, indicating that the charity is no longer at the address or they have ceased operating. The ACNC has used a variety of channels to try and contact these charities, including:

- Peak body communications
- Sector conferences and events
- Traditional media (both proactive and reactive)
- Social media

The ACNC has also assigned a small team to search for the contact details of these charities through other means, such as internet searches or third party databases.

If the ACNC is unable to contact these charities, and they do not meet their obligations, including submitting a 2013 Annual Information Statement by 30 June 2014, these charities may be removed from the ACNC Register and will therefore lose access to Commonwealth charity tax concessions.

The purpose of the advertising was to advise charities, employees, volunteers and members of the public of the missing charities lists. If charities or their representatives did not get in contact with the ACNC by a certain date following the publication of the list, then they would have their charity status revoked.

Advertising was required as the ACNC had exhausted all other communication channels.

- The total cost of the Where are you? Missing charities advertising was \$129,239. This figure includes account management, production and placement.
- The advertising was placed by Mitchells Adcorp Alliance and Universal McCann. The advertising required two media buying agencies as the Australian Government's media buying arrangements transitioned during this period.
- The advertisements appeared as newspaper advertisements and as paid editorial on not-for-profit sector media websites.
- The activity was approved by ACNC Commissioner, Susan Pascoe AM.
- Ministerial/ministerial staff had no involvement in commissioning the advertising.

4138. The ACNC Commissioner, Susan Pascoe AM, approved all advertising. Attempting to provide all approval documentation relevant to the advertising projects listed above would be an unreasonable diversion of departmental resources.