



**Media Release – Embargoed And Not For Use  
Prior To Wednesday 30<sup>th</sup> August, 2017**

**Hundreds of charities band together demanding action on fundraising reform ... highlighting Australia's fundraising regulations actively work against the huge not-for-profit sector.**

**The Community Council for Australia's Tim Costello says current fundraising regulations are a total 'dog's breakfast' and mean up to \$150 million is now being wasted in the not-for-profit sector ... along with \$15 million wasted in the charity sector because regulations are utterly out of date.**

**He says the situation has become so ridiculous that many charities are now actively not complying with current rules and regulations - simply so they can get things done. He is calling for red tape around charities to be cut, pointing out the current red tape is dragging the entire not-for-profit sector down.**

**Australia's huge not-for-profit sector is one of Australia's biggest employers ... now employing over 1.1 million Australians and turning over \$134 billion in annual revenue.**

A coalition for fundraising reform – led by Justice Connect, ACOSS, CPA Australia, Australian Institute of Company Directors, Philanthropy Australia, Community Council for Australia, CAANZ, Governance Institute of Australia, Fundraising Institute of Australia, Public Fundraising Regulatory Association, and supported by numerous organisations including Smith Family, World Vision Australia, Law Council of Australia, Mission Australia, RSPCA, Save the Children, Girl Guides, YWCA Australia, and numerous other not-for-profits - is calling for critical action to be taken to change Australia's charity fundraising regulations.

The Community Council for Australia's Chair, Tim Costello, says it is now estimated that less than 20% of Australian charities even comply with the current fundraising regulations because they are 'a total dog's breakfast'. Community Council for Australia (CCA) estimates less than 10,000 of Australia's 50,000 charities even comply with current wily rules and regulations.

Tim Costello says independent studies now suggest the sheer wastage charities have to go through to comply with current regulations is at a phenomenal level. He says in the not-for-profit sector the wastage is estimated to be \$150 million and in the charity sector, \$15 million.

Tim Costello says it has simply become impossible for many charities to comply with the current ridiculous fundraising regulations that exist across Australia. He says the regulations – as they stand – are too complex, too confusing, completely outdated and way too ineffective. He says the regulations are an almighty mess.

Tim Costello highlights Australia's not-for-profit sector has become so huge that it now employs 1.1 million Australians and generated \$134 billion in annual revenue ... including \$11 billion in individual giving.

Tim Costello said, "We've been demanding for 20 years that governments fix fundraising ... yet nothing is done. We continue to be told the issue isn't important enough. It seems cutting red tape for business is essential but not for charity. This situation is obviously ridiculous."

"It is time to fix this and it can be done easily and at no cost. Our charities deserve better. Frankly they have had enough. What is needed is for Federal, State and Territory governments to provide charities with one nationally consistent modern and fit for purpose fundraising regime as part of the current review of Australian Consumer Law. We need a one stop shop for charities with the absurd red tape thrown out."

"We need one regulatory system that applies to any fundraising activity anywhere in Australia instead of seven different laws which are out of date. All the current laws are different and have all kinds of different rules. We want the Australian Consumer Law amended to make sure its application to fundraising is clear and broad. We need better regulation ... not more regulation. We want the outdated laws repealed."

Sue Woodward – Acting CEO of Justice Connect – said, "The Australian Consumer Law is the answer. It's that simple. Minor amendments to it would deliver one modern national system to regulate fundraising activity. We need to ensure Australian Consumer Law covers charities not just businesses. It is that simple. This will allow community organisations to be more productive."

"We need to stop the wastage and allow our community organisations to continue to create the significant contribution they make to the Australian community and the economy. The fragmented outdated laws need to be repealed. We are talking about laws that sometimes deal with wishing wells and the length of handles on collection boxes but don't talk about fundraising, crowd funding or websites."

Simon McKeon, AO – Founding Chair, MS Research Australia and Executive Director, Macquarie Bank – said, "Let's fix fundraising. Australians donate more than \$11 billion every year to charity. The charitable sector itself knows how important it is to make every dollar go as far as possible."

Tim Costello added, "The need for reform is critical. No reform has been achieved to date and yet there have been countless requests. Governments are once again treating the sector like second class citizens proposing the not-for-profit sector waits another two to three years for yet another review."

“Government has the power to make this happen. Ministers are meeting on 31<sup>st</sup> August 2017 and enough is enough. The opportunity for real change is there and needs to be seized. Charities want to do the right thing but the rules work against them. It is not fair. With one fundraising regime as part of Australian Consumer Law, the problem can be fixed. Right now so much staff time is wasted in compliance activity.”

“Our charities support and enable so many aspects of our lives. We are talking about people who work in education, health, the arts, emergency services, the environment, employment, housing and many other areas. They are critical to Australia’s productivity and Australia’s overall well-being. We want the fundraising mess fixed so that not-for-profits can get on with building flourishing communities.”

The ‘Let’s Fix Fundraising’ video can be viewed on the following link ...  
<https://www.youtube.com/watch?v=NtcSbdTr rk&feature=youtu.be>

**Media enquiries to Media Key on 03 9769 6488.  
Tim Costello and others are available for interviews.**