

Media Release

from the fundraising sector

Friday, February 25, 2010

Charity peak body calls for independent regulator

The Fundraising Institute Australia today called on the Federal Government to create an independent body to regulate Australian charities.

In response to the Federal Government's Scoping Study for a National Not-For-Profit (NFP) Regulator, the FIA endorsed the concept of a national NFP regulator, but rejected the government's proposal to appoint the Australian Taxation Office or the Australian Securities Investment Commission as the regulator.

FIA CEO Chris McMillan said that neither the ATO nor ASIC would be an appropriate regulator.

"The needs of charities and NFP organisations are not aligned with the needs of for-profit corporations serviced by the ATO or ASIC," Ms McMillan said.

"The FIA supports the creation of an independent national NFP regulator.

"The ATO's counterparts in the USA and Canada have been unable to develop the necessary flexibility or openness to meet the needs of NFP regulation. This has resulted in regular demands from the US and Canadian NFP sectors for an independent regulator," Ms McMillan said.

FIA chairman Leo Orland said the FIA had long advocated measures of good governance, transparency and accountability to underpin strong philanthropic engagement in the community.

"Harmonisation of fundraising legislation and adoption of standardised accounting practices are particularly high on the FIA's agenda," Mr Orland said.

Ms McMillan said the FIA called on the Federal Government to take the first critical step towards harmonisation by liaising with all state and territory governments and other relevant stakeholders, such as the FIA and key charities.

"There is an urgent need to reduce the regulatory burden for charities which suffer from the present lack of harmonisation, making national campaigns more expensive and less efficient," Ms McMillan said.

Ms McMillan said more than 100 organisations had formally supported the FIA's submission on the national NFP regulator.

****The FIA is the peak body for professional fundraising in Australia and the voice for Australia's charity sector.***

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