

**Name (first and surname):** Rev Brian Lucas

If submitting on behalf of a company or organisation

**Name of organisation:** Australian Catholic Bishops Conference

**Stakeholder category (e.g. service provider, client, peak body, academic):** Peak body

**State/Territory:** ACT

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## Response to Options Paper:

Thank you for the opportunity to comment on the Options Paper.

The Australian Catholic Bishops Conference (ACBC) is a permanent institution of the Catholic Church in Australia (the Church) and the instrumentality used by the Australian Catholic Bishops to act nationally and address issues of national significance.

The ACBC welcomes the opportunity to contribute to the process of transition upon abolition of the Australian Charities and Not-for-profits Commission (ACNC). The ACBC recognises that this consultation runs adjacent to another process designed to scope the proposed Civil Society Centre of Excellence. As an overriding principle any replacement regime must operate in a way that supports and does not hinder the pursuit by religious organisations of their mission in the community. We would welcome any further opportunity to elaborate on the views expressed below.

### 1. Self reporting

- **Do you believe that these proposed requirements will be less time consuming than current requirements?**
- **What changes would your organisation need to make to meet the new requirements?**
- **Do you foresee any impediments to charities complying with these requirements?**
- **Do you believe these requirements will provide transparency? If not, what changes would you make?**

Removing the requirement for the Annual Information Statement and other reporting to the ACNC will undoubtedly save time and resources – particularly for small charities.

However, the suggested self-reporting requirements may still be onerous due to the suggested requirement that a charity maintains its own publicly accessible website that features information about (i) responsible persons, (ii) details of Government funding and (iii) with the exception of basic religious charities, financial reports.

Many charities do not maintain a website. For many small charities (such as parishes), the establishment, maintenance and cost of a website would be disproportionate to its resourcing.

The ACBC recommends that the Commonwealth Government exempt small charities and basic religious charities from the need to have an individual website. As good practice, however, small charities and basic religious charities could be encouraged (but not mandated) to place information on their governance on a relevant website, whether this be owned and managed by the charity or maintained by a peak body or sector-wide administration (e.g. diocese on behalf of parishes). In the case of Catholic parishes, information is often available currently through websites maintained by diocesan administrations.

The ACBC does not support the requirement to report on details of funding received from Government. The Commonwealth Government already holds such information in Government

departments who can request further information from individual charities on an as-needs basis (e.g. in a contract tendering process)

With the prospective archiving of the ACNC's Register, the ATO should consider overhauling the Australian Business Registry (ABR) website ([www.abr.gov.au](http://www.abr.gov.au)) by building functionality for uploading additional information to the ABR (such as the names of responsible persons and financial reports for applicable entities) as well as enhancing the existing ABR allowing the functionality of searching and identifying all organisations listed as a 'Charity' as a category. The recording of information on the ABR should be an alternative way for a charity to satisfy the requirement to record information to a website (eg. it should be sufficient for medium and large entities which do not otherwise maintain their own website). The ABR already is an important repository of information on all entities, including charities, and efficiency would be served by absorbing information into it.

With respect to schools, given the comprehensive regulatory and statutory obligations that all schools already adhere to extensively, we believe the education sector should be deemed already compliant with website reporting requirements by virtue of the existing Australian Curriculum, Assessment and Reporting Authority (ACARA) MySchool public reporting obligations. Should schools not be deemed exempt, it would be pragmatic for schools to opt for reporting via their own existing websites (separate from the smaller entities identified above).

We believe that the reporting suggested above strikes an appropriate balance and is consistent with the Government's commendable "presumption that [charities] are operating in the interests of those they serve and in accordance with their mission".

## **2. Determining charitable status**

- **Which of these options do you believe best guarantees the independence of the decision making process?**
- **Are there any other considerations that should be taken into account when these functions are undertaken?**

The ACBC does not have any issues with the Australian Taxation Office (ATO) assessing charitable status in accordance with its statutory responsibilities. Option Two (i.e. a separate area within the ATO) would enable retention of the gains in the culture of stakeholder engagement evident in the conduct of the ACNC.

## **3. Proportionate compliance framework**

- **Are there any reasons why this approach may not work?**
- **Do you foresee any risks in this approach?**

The ACBC agrees with the approach in the paper. The powers vested in the ACNC are excessive and unnecessary and more suitably enforced by existing crime detection and prevention agencies.

## **4. Transitional arrangements**

- **What other transitional arrangements might be required?**
- **Are there things the Department could undertake to assist charities with this transition?**
- **What factors should be considered in relation to the timing of the new arrangements?**

Our comments on self reporting and the requirement to maintain an entity-specific website should be considered in response to these questions because it will create an unnecessary cost and commitment of time to create dedicated websites for some of our entities, ie. there should be an exemption for small charities and basic religious charities from the need to maintain an individual website. We also support greater assimilation of information to the ABR website for medium and large entities. If these suggestions are accepted, the transitional arrangements would have a greater prospect of being seamless for Catholic entities. If the website requirement is implemented, we expect that a period beyond 1 July 2015 would be required for all Catholic entities to comply.