



Mr Murray Crowe
Individuals and Indirect Tax Division
The Treasury
Langton Crescent
Parkes ACT 2600

Jane Edge
Chief Executive Officer
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By email: ACNCReview@treasury.gov.au

Dear Mr Crowe and the Review Panel,

Please find enclosed CBM Australia's submission to the review of the *Australian Charities and Not-for-profits Commission Act 2012* and the *Australian Charities Not-for-profits Commission (Consequential and Transitional) Act 2012* (the ACNC Acts). CBM Australia is an ACNC registered charity and an Australian public company limited by guarantee.

CBM Australia is a Christian international development organisation, dedicated to improving the lives of people with disabilities living in poverty. We are part of the CBM International federation, and in 2017 we supported field projects in 15 countries and supported advocacy and alliance partners including governments, non-government organisations and disabled people's organisations in 16 countries.

CBM Australia is an active member of the Australian Council for International Development (ACFID). In my own right I am a member of the ACFID Board, having been elected to this role in October 2017. ACFID has worked collaboratively and co-operatively with the ACNC since its inception, bringing significant mutual benefit for our members and registered charities respectively. The ACFID Code of Conduct is well aligned to the ACNC Acts and the ACNC Governance Standards, while also exceeding those Standards.

CBM Australia thanks the Review Panel for the due attention given to the ACNC Acts review, and for the opportunity to submit our thoughts and recommendations. If you require further information, or would like to discuss this submission further, please contact Company Secretary, Trudy Skilbeck, via email at tskilbeck@cbm.org.au or by phone on (03) 8843 4573.

Yours sincerely,

A handwritten signature in blue ink that reads 'Jane Edge'. The signature is written in a cursive, flowing style.

Jane Edge
Chief Executive Officer
CBM Australia

28 February 2018

SUBMISSION: REVIEW OF THE ACNC ACTS

28 February 2018

1. INTRODUCTION

CBM has a proud history, drawing on 30 years in Australia and 110 years internationally, as an organisation that provides and supports services and undertakes advocacy in solidarity with some of the world's most marginalised people. We believe that a strong governance and regulatory framework is critical to this work and to improving public policy outcomes across all charitable spheres.

CBM Australia has a keen interest in ensuring that the ACNC Acts are reviewed in a way that builds on the gains of the past 5 years while maintaining appropriate pitch and flexibility in the ACNC powers and objects, which have, in our view, served the public interest and Australian charities well.

CBM Australia believes that the current Objects, and powers, of the ACNC, of the ACNC Commissioner, and of the ACNC Advisory Board, should be retained. If additional development is warranted within the Acts, this can be undertaken without disturbing the appropriately broad current Objects and powers.

2. RECOMMENDATIONS

That the existing Objects set out in Division 15 of the Australian Charities and Not-for-profits Commission Act be retained without addition.

The existing Objects have served all interests well and are sufficiently broad to foster further maturing in the governance capacity of Australian charities. Changing the Objects would add bureaucracy and adjustment that is about language rather than substance. The role of the Regulator needs to be kept distinct from the role of a charity's governing body and management. The Governance Standards, not the ACNC Acts' Objects, are the place for creating progression in governance practices.

That consideration be given to review of the adequacy of ACNC resourcing, particularly regarding the important existing Objects relating to innovation and red tape reduction.

CBM Australia strongly suggests that current Objects, adequately resourced, remain the appropriate focus. The recommendations of the ACNC's own submission to the Review Panel which address red tape reduction should be actively pursued. These include recommendations 19, 20, 22 and 25 of that ACNC submission.

That consideration be given to enhancing the transparency and usability of the ACNC Charities Register, with appropriate interface with ASIC and the ATO. Attention could be given to historical record of governing body responsible persons, to DGR and other tax exemption status indications, and to the functioning of the Charity Passport.

The ACNC should be given opportunity to develop its Charities Register further. In addition, related sites, such as the ASIC register, should be directed to appropriately, and more comprehensively, point to the ACNC Register when ACNC charities are searched. This Review Panel is also uniquely placed to be able to promote the use of the Charity Passport by government agencies at all levels of government. Having one source of truth, created once and reported cross functionally, is an undeniable advantage to all stakeholders.

That consideration be given to enhancement of the ACNC governance standards, while maintaining appropriate alignment with other sector relevant regulation, such as the ACFID Code of Conduct.

The ACNC website maps the alignment between the ACNC governance standards and the ACFID Code of Conduct; a very useful indication of present collaboration. This alignment is a strong example of how very mature governance and accountability standards that incorporate sector specificity can sit alongside the ACNC 'minimum' governance standards. Enhancement of the ACNC governance standards, which is a work in progress over time, including as community expectations are raised, does not require changes to the ACNC Acts. It does require adequate ACNC resourcing.

CONTACT

For more information on CBM Australia's position, please contact:

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