28 February 2018



**Principal Adviser** Individuals and Indirect Tax Division The Treasury Langton Crescent PARKES ACT 2600

Sent by email: ACNCReview@treasury.gov.au

To whom it may concern,

## Re: Review of Australian Charities and Not-for-profits Commission (ACNC) legislation

Thank you for the invitation to provide feedback to the review of Australian Charities and Not-for-profits Commission (ACNC) legislation.

ACON is New South Wales' leading health promotion organisation specialising in HIV prevention, HIV support and lesbian, gay, bisexual, transgender and intersex (LGBTI) health. Established in 1985, our mission is to enhance the health and wellbeing of our communities by ending HIV transmission among gay and homosexually active men, and promoting the lifelong health of LGBTI people and people with HIV.

ACON is a member of the NonProfit Alliance, who have recently made a submission to the Joint Standing Committee on Electoral Matters into the Inquiry into the Electoral Legislation Amendment (Electoral Funding Disclosure Reform) Bill 2017. In this submission, the NPA notes its particular concern at both the onerous new administrative requirements and restrictions on donations as well as the framing of charities engaging in advocacy for charitable purposes as political actors.

The ACNC was a welcome addition to the regulatory framework that charities and non-for-profits operate under in the Australian context. Much of our work is contingent on the trust that we build and maintain with our communities and Government. The potential for some organisations to abuse their position of trust, whether intentional or through poor governance, has implications for us.

While we appreciate the importance of transparent oversight and for individuals to have trust in the regulation of charities, ACON is concerned at the proposal of the ACNC Commissioner to include two additional objects to the ACNC Act: to promote the effective use of the resources of not-for-profit entitites; and to enhance the accountability of not-for-profit entities to donors, beneficiaries and the public.

The ability to support the development of evidence-based health policy is a key role for organsiation such as ACON. Indeed we are routinely asked to provide this form of support by Government. We also note that advocacy is a core part of health promotion, recognised in the 1986 Ottawa Charter for Health Promotion.

If adopted, these provisions would have a significant impact on charity reporting requirements and significantly increase the ACNC's oversight powers without justification or rationale. We believe that the existing compliance mechanisms for this sector are adequate and appropriate in ensuring that organisations use there resources effectively, without directing unduly significant time, attention and

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money on burdensome bureaucratic processes. The proposal is an example of regulatory overreach and would create increased bureauocracy and red tape, impacting charities' abilities to meet our strategic and charitable goals.

Thank you for the opportunity to comment as part of this review and please do not hesitate to contact me to discuss further.

Yours sincerely

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Nicolas Parkhill Chief Executive Officer