



Catholic Social
Services **Australia**

Submission on the proposed changes to governance standard three in the Australian Charities and Not- for-profits Commission Regulation 2013

Not-for-profits and Tax Administration
Branch, Treasury.

12 March 2021

The national network of Catholic social services



About Us



Catholic Social Services Australia (CSSA) is the national body representing more than 15,000 workers and volunteers in more than 650 locations throughout Australia. Our member organisations providing social and community services across our Catholic network, reaching more than one million vulnerable Australians through more than 300 different service offerings each year. CSSA represents the social services mission of the Catholic Church and undertakes advocacy on matters of social justice, inclusion, human rights, inequality and policies that are informed by research and the practical experience of our network.

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Submission:

CSSA express our support for the submission to be made by the Law Council of Australia in response to the consultation on proposed changes to the governance standards for charities. The Law Council submission articulates well the overreach and uncertainty created by the proposal.

CSSA is concerned the proposed regulatory changes impose an unnecessary burden on charities and apply a standard of conduct and severity of consequence that is not applied to other entities.

Given the severity of a loss of charity status, to manage the risk to the organisation, CSSA may be forced to monitor the activity of, and take action against, those who commit or are responsible for those who commit even the most trivial of summary offences.

The range of summary offences referred to is so broad as to include driving violations such as speeding or driving under the influence of alcohol, assault, and 'disorderly behaviour'. Whilst CSSA in no way condones these activities, we believe that the matters are more appropriately dealt with through the courts in a case-by-case, proportionate manner that does not unreasonably impact an organisation that offenders may be associated with.

If enacted the proposal may result in a small organisation such as CSSA being forced to maintain a record of all summary offences committed by not only our immediate staff but people associated with our charity, i.e. all employees and volunteers of our member 46 member organisations. Monitoring the behaviour of those associated with our charity would impose a massive administrative burden given those associated with our charity might extend to approximately 15,000 people.

To reduce the risk to the organisation, CSSA may be forced to either terminate the employment of staff or the membership of an organisation that employs or supervises people found to have committed a summary offence. These actions would severely and negatively impact our viability and capacity to deliver on our purpose as an entity.

Additionally, each of our member organisations maintains its own charitable status. Those organisations will not only have to invest significant resources in monitoring staff and volunteers but manage the loss of any of those employees or volunteers for what might be a matter that does not impact their suitability or performance.

CSSA is also concerned by what appears to be limited review or appeal mechanisms given the serious consequences of an adverse decision for the charity.



Conclusion

Our ultimate concern with the proposal is that standard three may be misused to inhibit legitimate public dialogue by charities or persons associated with charities to the detriment of Australian representative democracy.

CSSA members provide a range of social services to Australians from all walks of life, including our most vulnerable. Our role is to advocate for both our members and the people they serve, and our mission is to challenge, advocate and campaign for a fair and just society that benefits all Australians.

We believe that the proposal as drafted will leave us in the position of having to monitor and 'punish' staff, volunteers, and those of our members, or face the constant threat of our charitable status removed.

The worst-case scenario is that this threat might be made in response to the criticism of a government policy affecting our members or those they serve. This situation is unreasonable, undemocratic, and likely offends against the implied Constitutional freedom of political communication.

We endorse the submission of the Law Council of Australia and ask that you give it due consideration.