



COMMUNITY EMPLOYERS WA

15 February 2013

Manager  
Philanthropy and Exemptions Unit  
Indirect, Philanthropy and Resource Tax Division  
The Treasury  
Langton Crescent  
PARKES ACT 2600

Dear Sir / Madam,

**RE: Regulatory Impact Assessment of Potential Duplication of Governance and Reporting Standards for Charities Consultation Paper**

The purpose of this submission is to provide Community Employers WA's (CEWA) comments on the Regulatory Impact Assessment of Potential Duplication of Governance and Reporting Standards for Charities Consultation paper.

CEWA is a registered Employer Organisation with the Industrial Relations Commission of Western Australia, and represents non-government, not-for-profit employers in the community services sector of Western Australia. CEWA now has 118 members comprising many of the largest and smaller Community Sector employers in WA, and continues to grow in numbers and influence.

CEWA is pleased that the sector has been consulted in relation to the Regulatory Impact Assessment of Potential Duplication of Governance and Reporting Standards for Charities. We are however **extremely concerned at the unacceptable timeframes given to respond to the paper**. To allow 3 weeks to seek input and a meaningful response from the community sector, particularly when there are so many other consultation papers, forums, seminars and the like being held at both a Federal and a State level, does not evidence a true desire to engage or consult with the Sector. These are critical issues and time is needed to digest the implications and respond in a holistic way. In future **we would strongly recommend a 3 month consultation period be set** and that where possible, this not be done in December / January.

## General comments:

The CEWA Board is **totally opposed** to the increased level of regulation and administrative burden which regulators are continuing to look to impose on the Community Sector. It is difficult to comprehend the logic behind the approach being taken of implementing additional reporting and compliance requirements before there is any clear evidence of a reduction in the administrative workload on the sector.

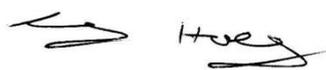
This paper clearly states that it does not quantify any potential **additional** regulatory burden that may be imposed by the new arrangements and does not quantify the costs that may be incurred as a result of imposing governance and financial reporting requirements.

Clearly there will be additional costs and workload and there is no provision on how these will be addressed, nor on whether the sector will be compensated for this burden. The table on page 53 of the paper highlights the extensive additional burden through the 'traffic lights', most of which demonstrate new or additional requirements for charities. Put simply, the process for the implementation of these regulatory matters is wrong.

For a sector which is already stretched in so many ways, to be expected to now become familiar with the new reporting requirements whilst continuing to report under many of the existing requirements, is not an efficient or effective way to implement change. **The sector is looking to ease the administration burden from the outset, to reduce reporting before or at worst simultaneously with the introduction of new requirements. This should be about simplification, not duplication or addition.**

We have not undertaken a detailed analysis of the myriad of options and questions posed in the paper, however would re-iterate that CEWA does not favour any increase in reporting regulations where there will be duplication or additional costs in reporting. There needs to be a concerted focus and commitment by all parties on reducing the administrative burden and reporting requirements from the outset.

Yours sincerely,



Chris Hall  
Co-Chair



Tony Pietropiccolo AM  
Co-Chair

Cc: Minister Julie Collins – Minister for Community Services

Cc: Shadow Minister Kevin Andrews – Shadow Minister for Families, Housing & Community Services