

Welcome to this Special Bulletin from ACOSS on sector developments. There is so much underway in terms of reforms that will impact on the community sector, we have dedicated an entire Bulletin to updating our members on what's happening and what ACOSS is doing about it.

In this Bulletin we provide updates on the equal pay case and various reforms that will impact on the sector.

We also announce three events next week that will provide further information and consultation opportunities on these reforms with our members. In particular:

[NRNO briefing on Treasury tax concessions reform proposals – 14 June, Canberra](#)

[Charity law and ATO draft ruling member consultation - 15 June, Sydney](#)

[Charity law and ATO draft ruling member consultation – 16 June, Melbourne](#)

Pay Equity

Congratulations to all those who turned out for equal pay rallies across the country yesterday. We are particularly delighted at the SA Government's announcement yesterday that they will be funding their share of the decision in tomorrow's SA State Budget. Now it's time for the Commonwealth and other state and territory governments to commit to fully funding equal pay for community sector workers.





ACOSS attended the first meeting of the Community Sector Wages Group this week. The Group's purpose is to determine the implications of the pay equity test case and develop strategies for responding to those implications. It comprises representatives from most governments, ACOSS, community service providers and unions. The Communique from the first meeting is [available online](#). ACOSS' first priority is to see the Commonwealth and all other governments commit to fully funding the outcome of the case, both through direct funding provided to services and through support for the sector as a whole.

On 16 May, Fair Work Australia issued an initial decision in the equal remuneration case for social and community sector and disability workers. The decision found that workers in our sector do receive unequal remuneration compared to equal or comparable work undertaken in state or local government; and that the pay disparity is largely due to the predominantly female workforce in the community sector. ACOSS issued a [release](#) and an [analysis of the decision](#). FWA called for further evidence and added a new round of hearing dates, which means that the case will continue at least until 10 August when the Commissioners will retire again for further deliberations.

Meanwhile, we still have **no firm commitment to fund pay equity from the Commonwealth Government**. This is of great concern, not least because the Commonwealth Government is such a significant funder of community services through Commonwealth contracts and other funding relationships and through the allocation of funds to the states who then also administer funding to the sector. ACOSS has also been calling for a commitment on **industry support** for those organisations receiving little or no government funding, but who are part of the great value of the community sector and will be affected by the case just the same.

Next steps

- **Joint submission to FWA:** ACOSS will be preparing a joint submission with the COSS network for the final round of evidence. We will be issuing the submission to ACOSS members in advance to enable your feedback and endorsement.



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- **Stepping up the campaign for funding**

- We must maintain the pressure for commitments to fully fund equal pay in the community sector.
- In particular, we will be seeking a **firm commitment for full funding** from the Commonwealth Government.

Stay tuned for further updates on the campaign for funding in coming weeks as we **insist on commitments to full funding by all Australian governments**.

Modern Award

The program of modern award support for community sector employers is winding to a close. This program was presented by ACOSS and Jobs Australia and was funded by the Fair Work Ombudsman. Workshops were conducted in all capital cities and many regional centres. The workshops were so popular many people missed out. We will shortly be publishing all materials online, to ensure that the program continues to provide support to the sector in this much-needed area.

Introducing our own national regulator: the Australian Not-for-profit Commission

ACOSS was delighted that the Government committed to a national regulator for the not-for-profit sector in the Federal Budget, with the establishment of the Australian Charities and Not-for-profit Commission (ACNC), funded at \$53.6 million over four years. The Commission will be tasked with legal determinations such as recognition as a charity or public benevolent institution and with the development of a reporting framework on the basis of 'report once, use often'. ACOSS will be advocating the establishment of national fundraising and accounting standards as key steps in this regard. The Commission will also be responsible for modernising the definition of charity (discussed further below).

ACOSS has advocated strongly for such a body as a key step towards addressing the current regulatory structures which mean community organisations are **heavily** regulated but not **well** regulated. In particular, the introduction of 'report-once, use-often' processes relating to financial and governance information have the potential to reduce significantly the multiple and duplicated reporting that currently occurs across states, territories and federally.

Cassandra Goldie, CEO, ACOSS continues to serve on the Government's NFP Reform Council Working Group, and is on the Council's Working Group on the National Regulator as a key consultative mechanism to continue to inform the work of the Reform Council and the ACNC Advisory Board.

Robert Fitzgerald AM announced as Chair, ACNC Advisory Board

Former ACOSS President and Productivity Commissioner Robert Fitzgerald AM has been announced as the chair of the new advisory board assisting the Australian Charities and Not-for-Profits Commission (ACNC). We are delighted Robert will be able to continue his committed to the sector and these reforms through this role. Congratulations Robert!

Modernising the definition of charity

ACOSS also welcomed the Government's commitment to modernising the definition of charity in the Federal Budget. ACOSS has long-advocated that the out-dated definition of charity provides a grave lack of certainty and potential vulnerability to community service organisations. In particular, we have

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[called for a modern definition](#) that includes the important role of advocacy in charitable purpose, to be enshrined in legislation as [recommended by the Charities Definition Inquiry of 2001](#), which is exactly what the Government has now committed to. Assistant Treasurer Bill Shorten acknowledged the importance of ACOSS' work in this area in his speech at the National Press Club last month.

Updating ATO administration of charitable status

In another important reform that will impact upon the sector, the Australian Taxation Office has released its [draft revised ruling](#) on charities and taxation following the cases of *Word investments* and *Aid/Watch*. The ruling updates ATO practice in relation to the determination of charitable purpose, including with respect to advocacy activities. This is another area where ACOSS has worked towards enhancing the capacity of the sector to engage in advocacy about the structures of poverty that entrench social disadvantage.

Next steps

- **Making Headway: 15 & 16 June** ACOSS announces two free events to brief our members on these recent developments and to consult with you about the direction of future policy and advocacy on these issues. This workshop will facilitate consultation on the revised ATO ruling, and include information briefings on the establishment of the Australian Not-for-profit Commission and the modernisation of the definition of charity.
 - June 15, Sydney - Presented by ACOSS, ChangeMakers Australia and the Council of Social Service of NSW. For more information click here. To register, contact NCSS: info@ncoss.org.au or 02 9211 2599.
 - June 16, Melbourne – Presented by ACOSS, ChangeMakers Australia and the Victorian Council of Social service. [Click here](#) for more information and to register.
- **Maintaining advocacy and developing policy to inform the reform process**

ACOSS will be maintaining our advocacy to inform the priorities of the ACNC, including through the development of national standards on accounting, reporting and fundraising.

Reforming the administration of tax concessions to not-for-profit organisations

Finally, the Assistant Treasurer has announced proposals to reform the administration of tax concessions to not-for-profit organisations and has released a consultation paper to engage the sector in discussion about these reforms. ACOSS will be contributing to this process through the [National Roundtable of Nonprofit Organisations](#). The [Treasury consultation paper](#) sets out key issues for consultation and submissions are due by 8 July 2011. To contribute to this consultation, email us at sectordevelopment@acoss.org.au.

Next steps

The National Roundtable of Nonprofit Organisations invites you to a seminar to explore what this will mean in practice, the associated risks and benefits, and information you'll need to understand and respond to the Treasury consultation paper.



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The seminar will be led by Professor Myles McGregor-Lowndes, Director of QUT's Centre of Philanthropy and Nonprofit Studies, with contributions from the nation's leading charity law practitioners and experts.

If your NFP runs commercial business activities to fund your altruistic purpose, or you deliver public-good services on a commercial basis, this seminar will be essential learning. Feel free to forward this invitation to your members, clients or colleagues who might benefit from attending.

What: NRNO Seminar on Changes to Taxation of NFP Businesses

When: Tuesday 14 June, 10am to 3pm

Where: National Disability Services, ACROD House, 33 Thesiger Court, Deakin ACT

RSVP: by close of business on Thursday 9 June to Amanda.Boland-Curran@visionaustralia.org or 0434 595 590.

Sector Reform Council

Through all of these processes, ACOSS is maintaining its engagement with directions in Government policy via CEO Cassandra Goldie's representation on the Sector Reform Council. Information from the Council including communiqués of previous meetings is available [online](#).

COAG Reform Agenda – Deregulation and the not-for-profit sector

ACOSS was only three community representatives invited to attend a consultation held by Finance Minister Penny Wong and Minister Assisting on Deregulation and Public Sector Superannuation Nick Sherry, to discuss the future agenda of the Business Regulation and Competition Working Group. ACOSS has followed the progress of this Group since our work [on the Standard Chart of Accounts](#) and our [consultation](#) with members towards this reform. We outlined our priorities for reforms that will affect the not-for-profit sector including:

- Continuing the agenda to reduce red tape in the sector, including through the overly burdensome yet ineffective layers of reporting for not-for-profit organisations;
- Building on the standard chart of accounts with the development of national accounting standards and reporting standards; and
- Developing a nationally consistent approach to fundraising.

ACOSS' submission on the BRCWG's priorities is [available online](#).

Contact us:

Don't forget to keep an eye on the ACOSS website, where additional resources and information are routinely updated to keep you well-informed.

For more information on any of these issues or to provide your input to ACOSS policy development and advocacy, contact Tessa.Boyd-Caine@acoss.org.au or email sectordevelopment@acoss.org.au.

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