

07 October 2021

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

Via email: charitiesconsultation@treasury.gov.au

Australian Charities and Not-for-profits Commission Amendment (2021 Measures No. 3) Regulations 2021

The Community Broadcasting Association of Australia (the CBAA) is the peak body for 450+ not-for-profit community radio broadcasters across Australia – roughly 50% of which are charities registered with the ACNC. Community broadcasting is a vital part of the Australian media landscape. The 450+ radio services broadcasting across Australia play an important role in providing a voice for communities that aren't adequately serviced by other broadcasting sectors. These include:

- First Nations people
- Culturally and linguistically diverse communities
- Educational services
- Faith-based communities
- People with a print disability
- Music, arts and cultural services
- Youth and seniors' communities
- The LGBTQIA+ community

The CBAA is a member of the Community Council of Australia and support their submission to this consultation. We are providing a short, individual submission to highlight our support for, and the benefit of, the changes to financial reporting thresholds proposed in the exposure draft.

In support of higher annual revenue thresholds

As approximately 50% of our sector operate as charities, this proposal will benefit at least half of our sector. The median income of our community radio broadcasting member stations is \$75,000; and more than $\frac{3}{4}$ of our sector produce annual revenues less than the proposed small revenue threshold.

The CBAA notes that, if effected, this proposal will provide significant benefit to all charities in our sector. Our small charities will be able to redirect an estimated \$2,500 of extra funds and associated time back to their charitable purpose: providing independent community radio for diverse local communities across Australia. Our medium and large charities will also see significant reductions in administrative burdens.

Broadly, the proposal strikes the right balance in promoting accountability and transparency. We also believe the timing of this proposal is right; amid a time of plummeting donations, constrained access to volunteers, and at a time when our community's desire for localised, independent radio is stronger than ever.

Concerns with increased thresholds, and opportunities

CBAA is concerned that the proposed new thresholds might create additional reporting requirements if they are adopted by the ACNC, but not adopted by State and Territory regulators, government departments, and other regulators – some of whom may still apply the previous ACNC definition of small, medium and large charities.

The CBAA appreciates the ACNC's efforts to reduce the regulatory burden on charities through the ACNC Charity Passport. Ideally charities should be able to report once to the ACNC, with the ACNC sharing charity information with other government agencies through the Charity Passport.

Our sector, as organisations that hold broadcasting licences, is also regulated by the Australian Communications and Media Authority (ACMA). Every five years, permanently licensed community broadcasters must submit a licence renewal form to the ACMA. Typically, the ACMA requests information that, for licensees that are registered charities, would be available via the ACNC Charity Passport (such as annual financial statements and constitutions). In its review of this process, we have requested that the ACMA be able to access relevant licensee information via the ACNC Charity Passport. This is an opportunity to further reduce the regulatory burden for our sector's registered charities.

The CBAA commends Treasury and the ACNC for the ongoing work to promote harmonised financial reporting thresholds across jurisdictions and reduce regulatory red tape.

Recommendation: The CBAA welcomes proposed changes to financial reporting thresholds for charities and recommends that they be harmonised across all jurisdictions, with relevant information shared via the ACNC Charity Passport, including to the ACMA.

We continue to be available to Treasury and the ACNC for conversations about the benefits of your good work in this area, for our sector.

If you would like to discuss this further, please do not hesitate to contact Frieda Lee, CBAA's Policy Advisor at frieda.lee@cbaa.org.au or via 02 9310 2999.

Best regards,



Jon Bisset
Chief Executive Officer