

26 August 2008

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Senate Economics Committee  
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## Submission to the Inquiry into the Disclosure regimes for charities and not-for-profit organisations

In this submission I wish to address primarily heads (b) and (c), the more general aspects of the Inquiry's terms of reference.

Our Community has been serving the community not-for-profit sector since 2001, and over that time we've got a fairly good handle on the sector's strengths, and weaknesses, and concerns (summing it up, we're strong in commitment, weak in management expertise, and worried about where to from here).

Along the way we found that workers in the sector badly needed an opportunity to get together and reinforce each others' commitment, and we set up the first Communities in Control Conference. That one was so popular we've held one every year since.

The debates at the first conference – the local and international [speakers](#), the panel discussions, the questions from the floor, and the intense exchanges over coffee at break – led me to put together the [Communities in Control Manifesto](#).

This Manifesto encapsulates the agenda that emerged from the Communities in Control conference. The Manifesto attempts to identify the key drivers of change for the sector and to mobilise Australia behind valuing not-for-profit groups

as the life-force of local communities.

At that time I saw the issues falling into three main areas. The sector lacked intellectual support – its research base was inadequate and its assessment practices inappropriate. Community groups also faced the necessity for some fairly basic structural changes of their own, changes that would encourage broader-based participation, make governance more effective and more transparent, and build management capacity. And the other sectors of our society – government, business, and technology – needed to find ways to work with us that didn't compromise our ideals.

And over all of that the sector, as a sector, needed leadership.

The Communities in Control Manifesto worked through these challenges in detail, suggesting remedies.

#### **Challenge 1. Research**

Australia needs a well-funded socio-epidemiological capacity to generate good-quality large-cohort data at the local level (and this research must involve research subjects in decisions about its use).

#### **Challenge 2. Assessment and Evaluation**

Community groups should be assessed on their own and their aggregated contribution to participants, consumers, the sector, and society rather than on narrow input-output criteria.

#### **Challenge 3. Participation**

Community groups should be supported to reach out to new populations to expand, revive and refresh and diversify their membership.

#### **Challenge 4. Governance and Learning**

Community Group Boards need to regularly overhaul themselves to balance safety with dynamism. To maintain their relevance and legitimacy and learning, Boards should reflect the diversity of their communities, consumers, and society.

#### **Challenge 5. Infrastructure and organisational capacity building**

More concrete support is needed for community groups to make the most effective use of limited staff numbers and physical

resources and to build their infrastructure capacity - skills, management, systems, equipment, training and shared resources.

#### **Challenge 6. Funding**

Tax law, Australian giving culture, and government priorities and systems must change to encourage us as individuals, as a government, and as a society to fund community groups adequately.

#### **Challenge 7. Technology**

Community groups need to be supported to adopt new technologies in administration, advocacy, networking, learning strategy transfer and social support.

#### **Challenge 8. Cooperation & collaboration**

Greater sharing of policies, procedures and strategies between community groups should be facilitated. Larger organisations should respect, value and support small groups in delivering programs within a locally designed and locally relevant framework.

#### **Challenge 9. Business-community partnerships**

Partnerships between businesses and community groups should be facilitated to provide improved access to finances, knowledge and skills and a commitment to work together towards a commitment to social responsibility and a healthy and viable society.

#### **Challenge 10. Leadership and advocacy**

Leaders should be supported and celebrated to advocate for social change, take risks, defend unpopular positions, and pioneer new approaches. More people from a wider range of backgrounds must be included in courses and mentored for leadership roles.

It's fair to say that these proposals didn't arouse any enthusiasm from the then government. The necessary change of approach was not forthcoming and the issues remain on the table.

Some improvements are evident. The academic resource base of the sector has expanded, and is making real attempts to link into sector practice. There are more resources available for governance and management, many of them coming from the work of Our Community - in particular, the [Code of Governance](#) adopted at the 2008 Communities

in Control Conference may help to crystallize many of the principles and practices that are gradually being adopted across the sector.

This is a sector, however, where genuine progress comes only when all stakeholders are able to work together without animus or suspicion, and it is only now that government has been prepared to acknowledge the existence of any systemic issues. In expressing its willingness to consider the issues raised by the late lamented Definition of Charity Enquiry the government has taken the first necessary step to re-establishing us all on a firmer footing.

We now have the first opportunity for a generation – the first chance, perhaps, since Australia has been a nation – to consider the goals and needs and structures of the community sector from the ground up, across the full range of our society. I hope that the Senate – and the government – seize the chance and make the changes that the sector needs and wants.

I have no objections to this submission being made public.

Yours sincerely

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