



## CATHOLIC EDUCATION COMMISSION NEW SOUTH WALES

ABN 33 266 477 369  
PO Box A169, Sydney South NSW 1235  
Level 9, 133 Liverpool Street, Sydney NSW 2000  
Telephone: (02) 9287 1555 Fax: (02) 9264 6308

Email: [commission@cecsw.catholic.edu.au](mailto:commission@cecsw.catholic.edu.au) Website: <http://www.cecsw.catholic.edu.au>

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15 February 2013

The Manager  
Philanthropy and Exemptions Unit  
Indirect, Philanthropy and Resources Tax Division  
The Treasury  
Langton Crescent  
PARKES ACT 2600  
[NFPReform@treasury.gov.au](mailto:NFPReform@treasury.gov.au)

Dear Sir/Madam

### **Development of Governance Standards Consultation Paper**

The Catholic Education Commission NSW (CEC NSW) was established in 1974 by the Bishops of NSW to be the advocate and agent for Catholic Education at the NSW State level. The CEC NSW is responsible to the Bishops for the managing the Education funding contracts of nearly \$2 billion per annum with the Commonwealth and NSW State Governments. The Commission also provides leadership in Catholic education, through service to Dioceses, Religious Institutes and Parents. It functions through consultation with Diocesan Directors, Religious Institutes, and Principal and Parent associations.

We would have preferred a longer consultation period as many educators and educational institutions close down from mid-December to January.

To help us and other entities plan and respond efficiently to any further consultation papers or release of final papers we request Treasury publish a 2013 calendar of any future consultations and releases of final papers.

We generally support the six standards proposed – although we share the concerns voiced by the Australian Catholic Bishops Conference submission.

We note the proposed standards align to the existing standards of the New Zealand (NZ) Charities Commission and the UK Charities Commission, with the exception of “learning and improving” standard in NZ and UK. Treasury’s final discussion paper should provide the reasons for choosing the six proposed standards and the reasons for rejecting standards – including those which exist in other countries.

An additional Governance standard is vital. It should state that:

*The Charities Governance Framework promotes the accountability and transparency of charities and the goal of Government for charities to reporting once use often. There should be protocols that clearly articulate the division of responsibilities among different supervisory, regulatory and enforcement authorities. Supervisory, regulatory and enforcement authorities must issue their rulings in a timely, transparent manner and fully explained.*

This standard is aimed at the Government entities that supervise, regulate, enforce and currently require reporting from charities and is be similar to the first principle of the OECD Corporate Governance Principles.

Treasury should also consider consulting more broadly and deeply with other Government entities involved with charities, as the proposals in the paper are likely to have implications for entities that provide similar services to charities. For example, in education parents have the choice of sending their children to non-Government or Government schools – the principle of competitive neutrality may lead to similar financial reporting requirements and governance arrangements being applied to not only non-government schools but also Government schools.



**Brian Croke**  
**Executive Director**