

6 April 2020

The Hon Josh Frydenberg MP
Treasurer
via email: josh.frydenberg.MP@aph.gov.au

Dear Treasurer

Your announcement yesterday regarding a concessional test for charities in relation to the JobKeeper Payment is commended and welcomed.

However, I ask you to reconsider your assessment that charities are more substantially affected by the impact of the coronavirus as compared to other not-for-profits.

I bring to your attention the vital work the association sector has been carrying out since the inception of this pandemic and the contribution the sector has collectively made to Australia.

The association sector contains over 10,000 businesses and 100,000 employees. It attracts over \$15 billion in revenues and pays nearly \$6 billion in wages annually.

Not-for-Profit, member-based associations are in the main, not eligible for charitable status, however they represent and support almost every industry and every profession working for Australians every day.

Associations are currently working tirelessly to collect, curate and disseminate information, inform government of specific sector needs to assist in the formation of policy and providing support and assistance for the professions and industries they represent. Many of them have spent additional resources (without receiving additional revenue) to be able to provide this. In fact, most have had revenue sources taken away through the cancellation of events, and many are yet to see the impacts due to the cyclical nature of revenue collection.

The current threshold of an immediate 30% income reduction for this sector presents a myriad of issues because association membership is annual, many rely on a single annual conference for survival and the timing elements of JobKeeper Payment eligibility are complex for a business with an annual revenue base as the impact might not be known for many months.

AuSAE respects and appreciates the government is trying to work within current systems and frameworks, however we have previously made representation to government that the instrument of the ACNC is not sufficient in relation to all not-for-profits entities.

I ask the Treasurer to consider the following:

- 1) Extend the concessional test of 15% revenue reduction to all not-for profits (not just those with Charity status) OR
- 2) Provide the ATO with a specific instrument for not-for-profit organisations in order to assess aggregated annual income reduction to enable these organisations to access the JobKeeper Payments immediately and retain jobs.

I would welcome further discussion on this matter and can be contacted on 0458 000 155 or via email toni@ausae.org.au

Yours faithfully



Toni Brearley
Chief Executive Officer
Australasian Society of Association Executives

Cc. The Hon Michael Sukkar, Assistant Treasurer
Senator the Hon Zed Seselja, Assistant Minister for Finance, Charities and Electoral Matters