

ACNC Public Trust and Confidence in Australian Charities 2017

Market Research Report October 2017

Prepared for:
Australian Charities and Not-for profits Commission (ACNC)

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1. Executive summary

1.1 Background

Since 2012 the Australian Charities and Not-for-profits Commission (ACNC) has acted as an independent regulator for the charity sector. Its role in the sector is threefold: to maintain, protect, and enhance trust and confidence; to support and sustain the sector; and to promote the reduction of unnecessary red-tape.

This research was conducted to continue the tracking of confidence and trust in the Australian charity sector, conducted previously in 2013 and 2015. More specifically the research aims to understand the changes in the general public's attitudes and beliefs regarding trust and confidence over time.

Kantar Public used both quantitative and qualitative research to explore the relationship Australians have with the charity sector, the ACNC, the ACNC Charity Register and overall perceptions of trust and confidence.

- **Stage 1: Quantitative research** – This consisted of an online survey of 1,611 Australian adults. The questionnaire was consistent with previous years, with some minor changes made to improve comprehension for the respondent. In addition, weighting has been applied to 2017 data to improve the representativeness of the sample.
- **Stage 2: Qualitative research** – To complement the quantitative research, six focus groups were conducted across Australia in Perth, Brisbane, Melbourne, Ballarat, Sydney and Newcastle. This provided insight into the implicit drivers of trust, along with the reasons for charitable involvement and awareness of the ACNC and the Register.

1.2 Awareness of the ACNC and perceived importance

- **Two in five (41%) Australians are aware of a regulatory body**
41% think there is a regulatory body for the charity sector, in line with 2015, while unprompted awareness of the ACNC marginally increased. The qualitative research revealed there was an underlying assumption that a specialised body already existed without knowing who it was. This was based on the belief that any sector accountable for a large sum of money **should** be regulated.
- **There is room for improvement on educating the general public about the functions the ACNC performs**
The number of Australians who claim to be uninformed about the role and functions of the ACNC has increased from 2015 (net uninformed (a score of 0-4) was 76% in 2017 compared with 72% in 2015). Those aware of the ACNC state they are significantly more informed about the functions the ACNC perform (64%).

- **The ACNC is perceived to be responsible for registering charities, handling complaints and granting charity status**
Once made aware of the existence of the ACNC, most Australians associated the Commission as being primarily a body for regulation rather than promoting and training charities. This idea of policing and compliance was echoed in the qualitative stage.
- **It is considered important to have a regulator**
Three quarters of Australians think it is **very** important to have a charity regulator (74%); this perceived importance has increased since 2015 (70%).
- **Awareness of the ACNC Register has increased**
One-fifth of Australians are now aware of the Register (21%) compared with 2015 (18%), however use of the Register remains unchanged at 7%. The Register was primarily used to understand registration status and for charity validation.
- **It is considered important to have a Register**
Seven in ten (71%) Australians agree it is **very** important to have a Register.
- **High trust correlates with high awareness and importance**
Australians considered as having high trust and confidence in the charity sector show greater awareness of a regulatory body (53%) compared to the total population (46%) and higher perceived importance of the ACNC (81%) compared to the total population (74%).

1.3 Involvement in the charity sector and information engagement

- **Australians on the whole are charitable**
Nine in ten Australians claim to have had some involvement with a charity in the past year (91%), including donating time, money or goods.
- **Support is driven by importance of the cause, trust, and reputation**
The primary driver of support is the importance of the cause – two thirds (65%) donate for this reason. In addition, the qualitative research revealed there is a strong ‘feel good’ factor associated with charitable support.
- **Most Australians take some action when donating money**
Over four in five Australians (83%) will engage in some form of action or research when donating money. This might involve claiming a tax refund (56%) or researching if they are donating to a valid charity (34%).
- **It is important to disclose how donations are used**
Australians think it is highly important for a charity to disclose information regarding donation use (76%), proportions spent on the cause (72%) and outcomes achieved (69%).

1.4 Trust and Confidence in charities

- **There has been a steady decline in trust and confidence in Australian charities**
Since 2013, levels of trust and confidence in charities have decreased 13 percentage points. The level of trust in charities was 37% in 2013, 30% in 2015 and, 24% in 2017. Those who outright **distrust** charities (14%) has increased significantly from the 2015 research (10%).
- **Older Australians have a higher level of trust**
Older Australians (those aged 55+ years old) are more likely than their younger counterparts to have high levels of trust.

- **Australians are less likely to consider most charities trustworthy**
 There has been a significant decrease in those who believe most charities are trustworthy (20%) compared to the previous rounds of research (29% in 2013, 29% in 2015). Although those who believe the charity sector is regulated are more likely to consider most charities are trustworthy (56%).
- **Trust in other institutions has increased**
 Contrasting the declining levels of trust in charities, in general trust has increased in doctors, the police, the High Court and the Australian Taxation Office (ATO).
- **Worthiness of the charity cause is the most influential driver of trust**
 The most important explicit factor influencing trust in charities is the perceived worthiness of the cause (53%), followed by the proportion of funds going to those in need (51%). As mentioned, Australians think it is important for charities to provide information regarding donation use. It is evident that **transparency** around donation use is fundamental for establishing trust.
- **Familiarity plays a significant role in trusting a charity**
 Over one third (36%) **strongly** agree they trust charities they are familiar with – half (49%) do not feel confident donating to a charity they do not know, regardless of the cause. The second finding here highlights there are additional implicit drivers of trust in charities.
- **Half the population considers that charities provide an important service**
 Half (51%) of Australians **strongly** agree that charities provide an important service to the community. In particular, older Australians are the most likely to strongly agree (59%).
- **Australians are more likely to trust charities that provide services locally**
 Over a third (36%) of Australians agree they trust charities that provide services in Australia while only 15% agree they trust charities that provide services overseas. The qualitative research suggested trust in charities is stronger when the cause is in the same city, town or suburb – this is more likely to be the case in regional areas.
- **Some fundraising tactics employed by charities are unpopular with Australians**
 Australians disapprove of charities that pay sales people to raise funds and those that spend what they consider as too much on administration - this can result in distrust.
- **Transparency is essential**
 The need for transparency around how charities use resources, including monetary donations, is paramount. Almost three in five (57%) **strongly** agree they trust charities that are transparent about how they use their resources. This transparency has been called for from several areas of society, in particular from the media, the general public, the ACNC and researchers of the not-for-profit sector.
- **16% of Australians have heard or seen something about charity wrong-doing**
 The qualitative research suggests that this may impact perceptions of all charities.
- **Learning about the ACNC increases trust**
 Positively, when people are informed there is a specific charity regulator in place their general level of trust marginally increases to 27% compared to when they were unaware of a specific charity regulator (24%).

1.5 Conclusions

The majority of Australians have engaged with the charity sector in the past year. Charitable support was based on the knowledge there would be a clear and measurable outcome and an understanding that a high proportion of funds donated would contribute towards the cause. This is particularly important, as Australians recognise the positive contribution and influence charities have on society.

Australians donate to charities primarily for the perceived importance of the cause, the 'feel good' factor and a sense of duty to provide for those less fortunate. As such, it can be devastating for an individual to learn their commitment of time and money has gone towards an untrustworthy organisation.

There are underlying expectations as to how a charity should act and behave. Australians trust charities to ensure they are ethical and honest in their fundraising activities. It is perceived as equally important that charities are well-managed, efficient and deliver on their stated objectives.

Over time, there has been a significant decline in trust in the charity sector; driven by a reduction in the number of people who claim to have a high level of trust as they move towards a more neutral position. This is best seen with the reduction in the number of people who believe most charities are trustworthy rather than being outright distrustful.

A key objective of the ACNC is to maintain, protect and enhance trust in the charity sector. Transparency was found to be an essential factor for developing and maintaining trust, echoed in both the quantitative and qualitative research. To this end, Australians think it is important for a charity to provide information regarding donation use, proportion of funds spent towards the cause and overall impact. It is understood that charities are currently not 'very good' at providing this information.

Currently, over half of the population engage in research when donating money to a charity. Research touchpoints are key opportunities for charities to communicate with the general public and in turn drive trust. A research touchpoint is any moment where a charity has contact with an individual, for example online (e.g. their website, ACNC Register page, etc.), in person or over the phone.

While the majority of Australians are unaware of the ACNC, it is widely considered important that a regulator exists. This importance was largely based on the financial value of the sector and the values that underpin philanthropic behaviour. Australians perceive the primary functions of the ACNC as registering and granting charity status as well as handling complaints. Furthermore, the Register was not well recalled, however given the wide thirst for information, many expressed the view that it would be useful in checking charity registration status and validity.

About one in six Australians are aware of recent charity wrong-doing, further highlighting the need for a regulator to police the sector and encourage best practice amongst charities.

After being made aware of the ACNC, Australians are somewhat more likely to have greater trust and confidence in charities overall. This uplift indicates the potential importance of the ACNC as a driver of trust and as such provides evidence suggesting that if the ACNC can raise awareness of its functions and activities among the general public they could potentially improve trust in the sector.

2. Background and Objectives

2.1 Research background

The Australian Charities and Not-for-profits Commission (ACNC) engaged Kantar Public to conduct research into understanding the general public's level of trust and confidence in the Australian charities sector. The research sought to explore the impact the ACNC has had in influencing trust and confidence in charities.

Both qualitative and quantitative research was undertaken to explore the overall awareness and community expectations of a charity regulator and to examine the current levels of public trust and confidence in charities. Results were compared against the previous research conducted in 2013 and 2015.

2.2 The role of the ACNC

The ACNC is the independent regulator for charities in Australia. It was established on 3rd December 2012 and administers the ACNC Act with the aims of:

- Maintaining, protecting and enhancing public trust and confidence in the Australian not-for-profit sector.
- Supporting and sustaining a robust, vibrant, independent and innovative Australian not-for-profit sector.
- Promoting the reduction of unnecessary regulatory obligations on the Australia not-for-profit sector.

2.3 Previous Research

The 2017 quantitative research remained largely consistent with the previous research commissioned by the ACNC in 2013 and 2015. This was to ensure results could be compared across years and indicative trends over time could be examined.

The qualitative component was changed slightly compared to previous years, with a decreased focus on the impact of social media, religiosity and association and interaction with community groups. Instead, in the light of recent trends globally (Edelman, 2017)¹ and with decrease in trust and confidence in charities seen between the 2015 and 2017 research² the qualitative research was used for a more in-depth exploration of the implicit drivers of trust and confidence in charities. Additionally, the qualitative research explored themes such as information seeking and understanding of the regulator's role.

¹ <http://www.edelman.com/trust2017/>

² http://acnc.gov.au/ACNC/Pblctns/Rpts/2015_PTC/ACNC/Publications/Reports/Public_Trust_2015.aspx

2.4 Business requirements

The findings outlined in this report will permit the ACNC to take an evidence-based strategic approach to communications, education and compliance and will act as an important data source for the review of the ACNC Act in late 2017.

2.5 Research objectives

The business and research objectives are outlined below:

Aim: to inform the ACNC's strategic approach to communications, education and compliance and to measure progress towards achievement of the trust and confidence statutory object.

What are the current levels of trust and confidence in charities in Australia?	What influences trust and confidence in charities in Australia?	What is the ACNC's role in influencing trust and confidence?	What is the level of interest in, and role of, the ACNC Register?
<ul style="list-style-type: none"> ▪ How important is the charity sector to the Australian public? ▪ How does the community currently interact with charities? ▪ How satisfied is the public with the level of information currently available about charities, and how do they access this information? ▪ How do levels of trust and confidence differ across the community? ▪ Have there been any changes from research conducted in 2013 and 2015 and are there trends emerging? 	<ul style="list-style-type: none"> ▪ How does transparency of charities influence a donor's trust level and affect giving behaviour ▪ How does the way information is presented impact the level of trust and confidence in charities? ▪ What impact would an evidence-based approach to assessing aspects of a charity's performance have? ▪ What impact do external sources of information have on public perception? ▪ Have the findings from the Royal Commission into Institutional Responses to Child Sexual Abuse had any influence on trust and confidence? 	<ul style="list-style-type: none"> ▪ How supportive is the public of a charity regulator? ▪ What level of awareness does the public have of the ACNC? ▪ How does the establishment of the ACNC, its roles and actions, affect public trust and confidence? ▪ How does the public prefer to interact with the ACNC? ▪ How can the ACNC best communicate with the public in order to increase trust and confidence in the regulator and the charity sector? ▪ How do actions the ACNC can take to enforce compliance influence public opinion? 	<ul style="list-style-type: none"> ▪ How would the public currently raise concerns about a charity, and how would they like to do this in the future? ▪ How interested is the public in a free, searchable public Register of charities? ▪ What impact does the searchable public Register have on trust?

3. Research methodology

In 2017, the quantitative tracking research utilised the same methodology approach that was used in previous years to ensure direct comparability of findings. The sampling approach was, however, altered slightly to ensure a more representative sample was achieved. The quantitative research was used to examine awareness and involvement in charities, understand the current levels and factors that influence trust (e.g. regulation of the sector) as well as explore awareness and usage of the ACNC Register. The qualitative phase provided deeper insight into the results from the qualitative phase and sought to discover the implicit drivers of trust and confidence in charities.

3.1 Quantitative research

3.1.1 Questionnaire

An online survey was conducted again in 2017 and was largely consistent with 2013 and 2015 questionnaires. Several questions were worded slightly differently to ease the burden on the respondent or improve comprehension along with the addition of one new question. These changes are detailed below:

- Q4 the question wording was updated
- Q22 (Membership to a community group), Q23 (Social media usage) and Q24 (Level of religiousness) were moved to the demographics section at the end of the survey to maintain flow between initial sections of charity interactions and trust in charities.
- Q7a and Q7b were combined to create an exhaustive list of institutions and organisations
- Q8 wording was updated to improve comprehension and response quality
- Q9 wording was updated to improve comprehension and response quality
- Q11 was split into 2 questions – importance and overall ‘score’ to reduce the burden on respondents
- Q14 and Q15 were combined to reduce the burden on respondents
- Q18b wording/instructional text updated to reduce respondent confusion
- Q19b wording was updated to improve comprehension; and
- Q21b was added to explore the proportion of respondents who had heard or seen any charity wrong-doing.

The questionnaire included the following key sections, (full questionnaire included in Appendix 2):

1. Screeners/demographics
2. Awareness and involvement in charities
3. Trust in charities
4. Regulation of charities – introduction of ACNC to respondents
5. Engagement with the public Register for charities

3.1.2 Sample

The online survey achieved a representative sample of n=1,611 Australians aged 18 years or older from both metropolitan and regional areas. Similar to previous years those who are highly involved in the running of charities have **not** been excluded from taking part.

The sampling was conducted with Lightspeed Research respondents with soft quotas based on gender, age, and location.

The survey was inclusive of those in regional areas (n=634), those from culturally and linguistically diverse backgrounds (n=387) and various levels of religiosity and beliefs.

3.1.3 Data collection

The details of the online survey are as follows:

- Average interview length: 16 minutes
- Fieldwork dates: 10th-18th August 2017
- Data has been weighted to be representative of the target population according to ABS Census statistics (See 3.1.4 – Weighting information for more details)
- Data in this report includes comparison between data collected in April 2013 and May 2015 which remains unweighted.

3.1.4 Weighting information

Completed survey data was subsequently analysed to ascertain the extent to which it was representative of the in-scope population, from which weighting was applied. This drew on ABS population counts and was applied to data for age, gender and location, correcting for some divergence in the sample data and population data for these attributes. The weighting essentially meant that final data was representative of the Australia population aged 18+ by gender, location and age.

The following proportions were used to weight the data post data collection and were also used as a basis for the soft quotas during the fieldwork period. Please see over the page.

While, the previous rounds of research proceeded with unweighted data, there was under and over representation of key demographics, namely age and gender.

Retrospectively applying weighting to previous year's data had minimum impact on the mean scores of key metrics (e.g. Q7a trust and confidence in charities in 2015 – mean score shifts only 0.1 (6.4 to 6.5) and thus the decision to weight the 2017 data will not impact comparability between

previous rounds of research and will allow for indicative trends over time to be examined. It is to be noted that the 2013 and 2015 data remains unweighted.

Table 1: Quotas for weighting profiles for Australians aged 18+

Gender		Age		State	
Male	49%	18-24	12%	NSW	32%
Female	51%	25-34	19%	VIC	25%
		35-44	18%	QLD	20%
		45-54	17%	WA	11%
		55-64	15%	SA	7%
		65-74	11%	TAS	2%
		75+	8%	NT	1%
				ACT	2%

A full demographic profile is presented in Appendix 1.

3.1.5 Statistical testing

Where applicable, significance testing has been carried out at the 95% confidence level. This means that there is a less than 5% probability that a difference occurred by chance. Significance testing has been undertaken between 2017 and 2013 findings as well as between 2017 and 2015 in order to show any changes over time compared to the 2013 benchmark. Significance testing has been undertaken on the net totals and aggregates along with the mean scores generated by the scale questions. Where sample sizes allow (minimum n=30) significance testing was undertaken between subgroups.

The following symbols have been used to highlight significant differences:

↓↑ Statistically significant at 95% confidence interval from previous years.

3.2 Qualitative research

Following the quantitative fieldwork, **six** focus groups were conducted with Australians aged 18+ between 18 and 21 September 2017 across a range of metropolitan and regional locations.

The groups were facilitated by senior Kantar Public researchers. Discussions lasted approximately 90 minutes and were facilitated with the use of a discussion guide approved by the ACNC.

3.2.1 Focus group details

- Locations: Ballarat, Brisbane, Melbourne, Newcastle, Perth and Sydney;
- Each group contained up to eight respondents;
- Length of group: 90 minutes; and
- Incentive offered: \$80 EFTPOS card.

3.2.2 Timings & locations

Group	Location	Specifications
1	Brisbane	Low trust, no involvement, 18-39 years
2	Melbourne	Low trust, low involvement, 40+ years
3	Newcastle	High trust, low involvement, 18-39 years
4	Sydney	Low trust, high involvement, 18-39 years
5	Perth	High trust, no involvement, 40+ years
6	Ballarat	High trust, high involvement, 40+ years

3.2.3 Recruitment specifications

The respondents were recruited based on their age and level of trust and involvement with charities:

- Age: 18-39 or 40+ years
- Level of Trust: This was based off the quantitative question “How much trust and confidence do you have in Australian charities overall? Please use a scale of 0-10, where 0 means you don’t trust them at all and 10 means you trust them completely”. ‘Low’ was determined to be those giving a score of 0-4 while those who scored 5-10 were classified as ‘high’ trust.
- Level of involvement: This was based off the quantitative definition of involvement – determining what level of interactions respondents had had with charities in the last year. This was split into: none, low or high.

Within each group there was a mix of gender and those of culturally or linguistically diverse backgrounds were also given the chance to participate.

The following exclusions applied:

- Those who work in research, advertising and marketing or have a paid position for a charity
- Those who have attended a research discussion in the last 6 months.

3.2.4 Discussion Guide

For the qualitative component of the research a ‘systems map’ was applied to the fieldwork and analysis of findings. The emotions (trust and confidence) that the ACNC are trying to influence are complex and in some populations well-entrenched. It was therefore considered crucial to understand and make use of the latest international thinking in behavioural theory and behavioural economics to define implicit motivations and drivers of trust. Understanding such motivations will help the ACNC improve communications, education and compliance in order to augment levels of trust and confidence in the sector. To this end, the Kantar Public ‘systems’ thinking approach was

integrated into the design of the discussion guide and applied to the existing survey questionnaire and analysis.

The discussion guide was designed by Kantar Public and reviewed by ACNC, and is included as Appendix 3.

Please note: All research was conducted in accordance with ISO20252 standards.

3.3 Comparison to other national charity regulators

Part of the background research undertaken by Kantar Public was to examine and compare other national charity regulators to the ACNC. This background research was carried out to identify any trends or findings that are consistent between the various regulators. In particular, the Charity Commission for Northern Ireland³ and Office of the Scottish Charity Regulator (OSCR)⁴ were examined due to the age of the regulators compared to that of the ACNC (established in 2009 and 2003 respectively). In particular these regulators, including the ACNC, were all formed after the year 2000 and it was hypothesised they might have similar experiences in changing levels of trust and confidence in their charity sector. In addition, there could be shared learnings around the potential drivers of trust in charities among the general population. These have been compared and contrasted with our results and the findings have been referenced throughout the report.

3.4 Analysis and reporting

Following the fieldwork, survey data was analysed to identify any changes between the 2017 and 2015 and 2013 findings to understand the main themes, trends and issues emerging. This report identifies and quantifies the change in attitudes around trust and confidence in the Australian charities sector. The results show the perspective, opinion and sentiment of representatives of the target audience. They are not designed to reflect all views or organisational beliefs about the topic.

In interpreting data throughout the report readers should note the following items:

- Some percentages do not add up to 100%. This may be due to rounding (percentages are represented to the nearest integer), the exclusion of answers such as “don’t know” or “not applicable” or multiple response questions.
- Some stacked bar charts do not display the data label when the percentage is 1% or less to minimise clutter on the chart and aid readability.
- Survey respondents were asked a range of attitudinal and belief statements with which they were asked to agree or disagree. Statements which are phrased in a similar manner or share a similar theme have been grouped accordingly.
- The base size below each figure describes the respondents who were eligible to answer the question and indicates the actual number (n) who responded to the question. Where the base is a subset of the total response, due to unique questionnaire ‘pathways’, the meaning of the base is explained (e.g. ‘all respondents who had contact with a charity in the past year’).
- In order to facilitate analysis and comparison of findings across subgroups, all charts and tables have been presented using percentages (as opposed to number of mentions).

³ The Charity Commission for Northern Ireland (<https://www.charitycommissionni.org.uk/>)

⁴ Office of the Scottish Charity Regulator (<https://www.oscr.org.uk/>)

3.4.1 Sub-group analysis and findings:

When undertaking the analysis, a range of sub-groups were considered to identify results where significant differences in perceptions, attitudes and behaviours were apparent. Specific sub-groups examined included:

- Age: This has been collapsed into 18-24, 25-34 years, 35-54 years and those aged 55 plus.
- Gender: While a non-binary option was provided, there were minimum responses (n=4) and as such the report only refers to those who identify as male and female throughout.
- State: Each state and territory was included (NSW, VIC, QLD, WA, SA, TAS, NT and ACT)
- Location: Metro, regional
- Involvement in charities: as per the two previous rounds of research, respondents were classified as high, low or no involvement. This was based on the responses to Q1 (type of contact with charity), Q2 (frequency of volunteering) and Q3 (donation behaviour). Those classified as high involvement met one or more of the following criteria:
 - Paid employee of a charity
 - Trustee of a charity
 - Member of a charity's executive, governing body or management committee
 - Provided professional services to a charity
 - Received money, support and/or help from a charity
 - Volunteered for a charity monthly or more often
 - Made regular monthly donations to a charity
 - Sponsored a child or animal via a charity
 - Those classified as 'low' involvement did not meet any of the above criteria and those who did not have any contact with charities or participate in any activities were categorised as 'no' involvement.
- Level of trust in charities: Collapsed to Low (0-4), Moderate (5-7), High (8-10)
- Social media usage: This was collapsed to "nearly every day or more", "at least once a week", "occasionally" and "rarely or never".
- Household income: Collapsed into less than \$40,000, \$40,000-\$99,999 and \$100,000 or over
- Culturally and Linguistically Diverse Background
- Religiosity
- Charities are regulated: Collapsed to Disagree (0-4), Somewhat Agree (5-7), Agree (8-10)
- Awareness of the ACNC
- Importance of the ACNC: Collapsed to Not at all important (0-4), Somewhat Important (5-7), Very Important (8-10)
- Awareness of negative activities or media coverage

4. ACNC Awareness and Importance

Approximately half of Australians are aware of a regulatory body in the charity sector, though only one fifth recognise the ACNC specifically. It is considered very important to have a body responsible for regulating, registering and policing charities. Indeed, the qualitative research revealed there was an underlying assumption that a specialised body existed. This was based on the belief that any sector accountable for a large sum of money **should** be regulated.

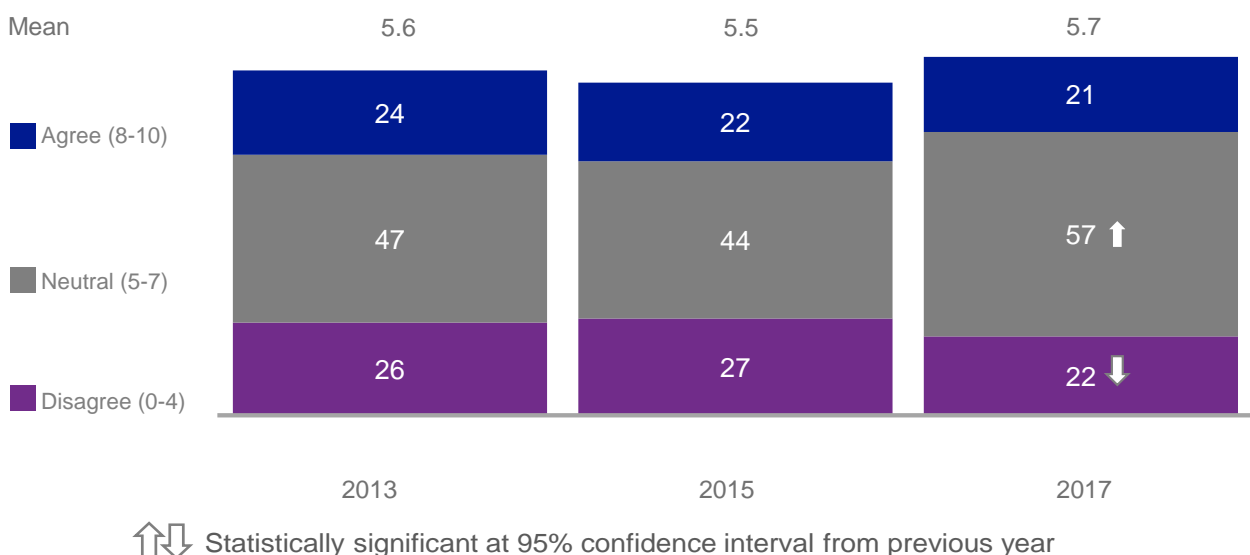
As a general trend, Australians with high trust and confidence in the charity sector have both an augmented awareness of the ACNC and perception of importance of the ACNC.

4.1 Awareness of the ACNC

In line with 2015, 1 in 5 Australians (21%) agree that “charities are regulated and controlled to ensure they are working for the public benefit”. It is positive to see that disagreement has decreased, with respondents more neutral in their opinion.

Interestingly, those aware of the ACNC and those with high trust in the charity sector express higher levels of agreement (29% and 52% respectively). Respondents with low trust in charities are more likely to disagree (59%; compared with Total 22%).

Figure 1: Charities are regulated and controlled (%) – agreement



Source: Q9. Below are statements that people have made about Australian charities. Please indicate the extent you agree or disagree?
 Base: 2013 n=1624; 2015 n=1761; 2017 n=1611
 NOTE: 'Don't know' excluded from charting

Awareness of a regulatory body for the charity sector is consistent from 2015 at 41%. Awareness was greater among those aged 55 or above at 50%, while those aged 25-34 were less aware (27%).

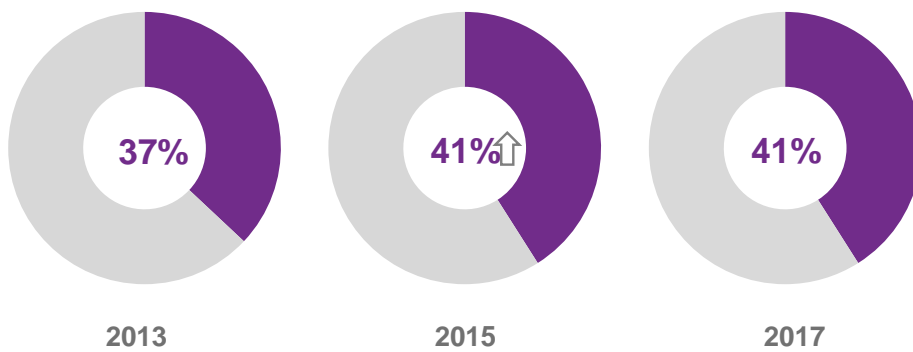
Approximately half of Australians considered highly involved with charities and those with high trust are more aware of a regulatory body (46% and 53% respectively). This potentially highlights that the ACNC is currently communicating very well with those Australians already involved in the sector.

The qualitative research highlighted that there is an expectation that there is a regulatory body in place, though awareness of the exact body responsible was low.

“When there is a large amount of money someone has to regulate some part, you would assume in our government system someone would regulate it”

Perth – High trust, no involvement

Figure 2: Awareness of a regulatory body



↑↓ Statistically significant at 95% confidence interval from previous year

Source: Q13. To the best of your knowledge, is there an organisation or agency that is responsible for regulating Australian charities?
Base: 2013 n=1624; 2015 n=1761; 2017 n=1611

More specifically, a quarter of those aware of an existing regulatory body claimed to know the name of the charity regulator (24%). Within this group who claimed awareness, just under half successfully recalled the ACNC (48%). When rebased to the total population, 1 in 20 (5%) Australians could recall the ACNC unprompted.

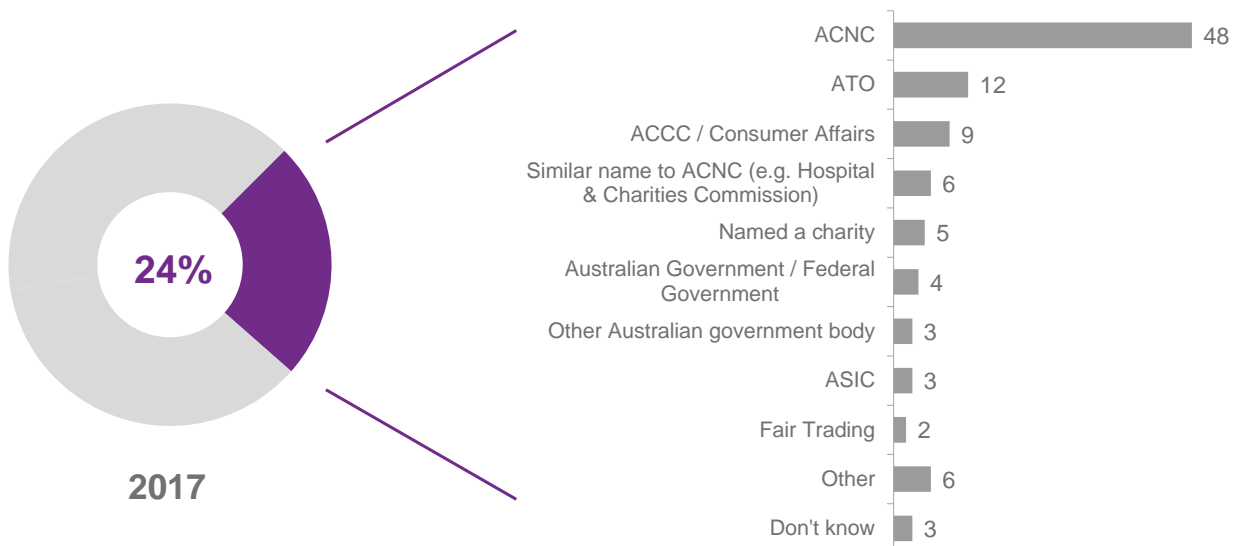
While less aware of a regulator overall, Australians aged 25-34 who are aware show higher recall of a specific regulator name (38% vs the total 24%). Australians living in Victoria also show higher recall at 32%.

It was interesting to see that the ATO, Consumer Affairs/ACCC and ASIC were misattributed to being the organisation or agency responsible for regulating Australian charities. This might be due to the acronyms being very similar:

“There are so many acronyms out there you just lose track with them you can’t keep up with them all”

Perth – High trust, no involvement

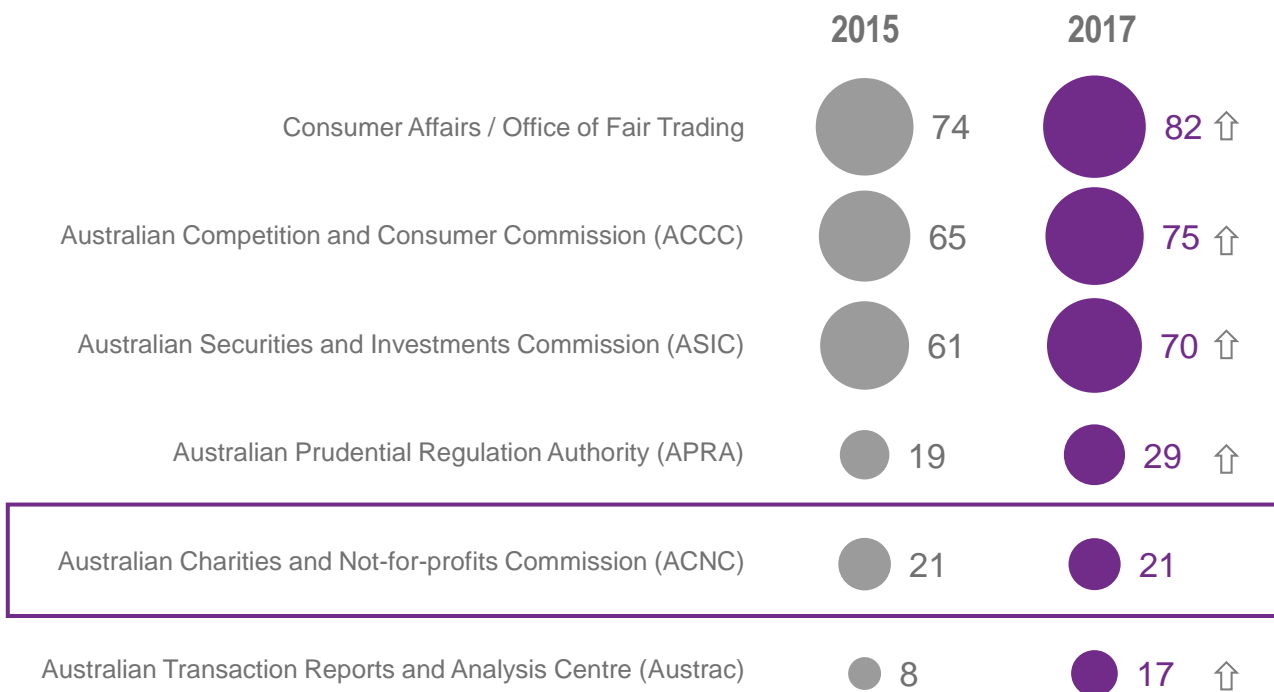
Figure 3: Awareness of regulatory agency and the names of organisation responsible for regulating charities (%)



Q14 Do you know the name of the organisation or agency responsible for regulating Australian charities? If so, please specify name. Base: 2017, those aware of an organisation or agency responsible for regulating Australian charities n=725 AND those who know the specific name n=194

As demonstrated in Figure 4 below, one fifth (21%) of Australians recalled the ACNC when prompted. This result is stable from 2015, contrasting the other regulatory bodies which have significantly increased levels awareness.

Figure 4: Awareness of other regulatory bodies (%)



↑↓ Statistically significant at 95% confidence interval from previous year

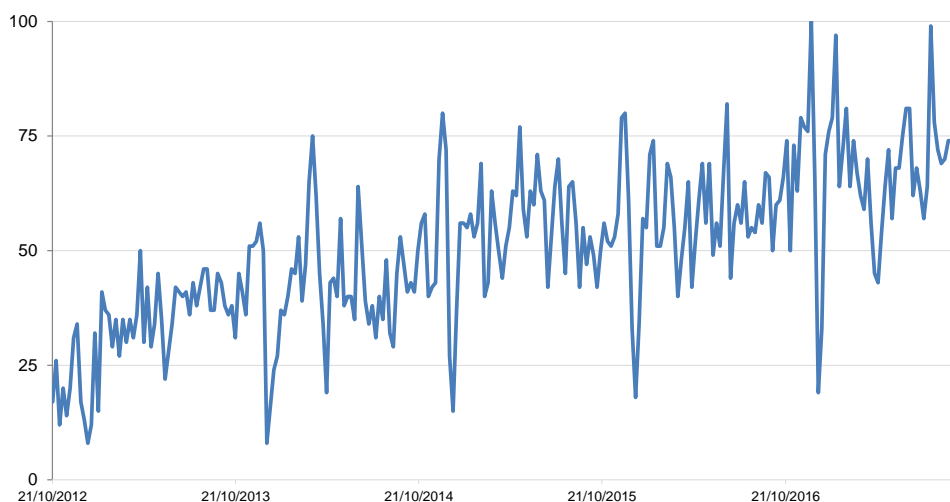
Source: Q25. Which of the following regulatory bodies have you heard of?
 Base: 2015 n=1761; 2017 n=1611

Australians aged 55+ show a higher recognition of all regulatory bodies, while younger age groups do not perform as well. Specific to the ACNC, around a third of respondents aged 55+ are aware (29%) compared with only 12% aged 25-34. It should also be noted that NSW is the least aware of all jurisdictions at 16%.

When comparing this awareness score with other national charity regulators, the ACNC's performance can be considered average for its age. Specifically, the Charity Commission for Northern Ireland and the Office of the Scottish Charity Register (OSCR) are appropriate for comparison as both were established after 2000 (2009 and 2003 respectively). In 2016, the Charity Commission for Northern Ireland achieved 33% recognition⁵ while only 22% of Scots recalled the OSCR.⁶ While overall recognition was low, similar to Australians, Scottish citizens more involved in charities had a higher awareness.

It should be noted that more and more people are searching for the ACNC. Viewing Google trends, a comparative view of the number of searches over time for a particular search term or topic shows that since October 2012 the number of ACNC-related searches has steadily been increasing and peaked in late 2016. The highest related topic was for 'Charitable organisation – Non-profit designation' while other related searches were for the 'ACNC Register' and 'ACNC Act.' Interestingly, ASIC (Australian Securities and Investments Commission) also comes up as a related search topic. From this, it might be inferred that Australians are misattributing ASIC as responsible for charity regulation instead of the ACNC.

Figure 5: Google searches for the ACNC (%)



Source: Google trends – Number of searches for ACNC⁷ (5 year period October 2012 – October 2017)

While prompted awareness of the ACNC remains stable, more Australians claim they are uninformed than in the previous research (76%) compared with 2015 findings (72%). However, it is positive to see that the majority of Australians aware of the ACNC feel more informed than the average (informed: 12% and somewhat informed: 52%).

⁵ <http://www.charitycommissionni.org.uk/news/public-trust-and-confidence-research-launch/>

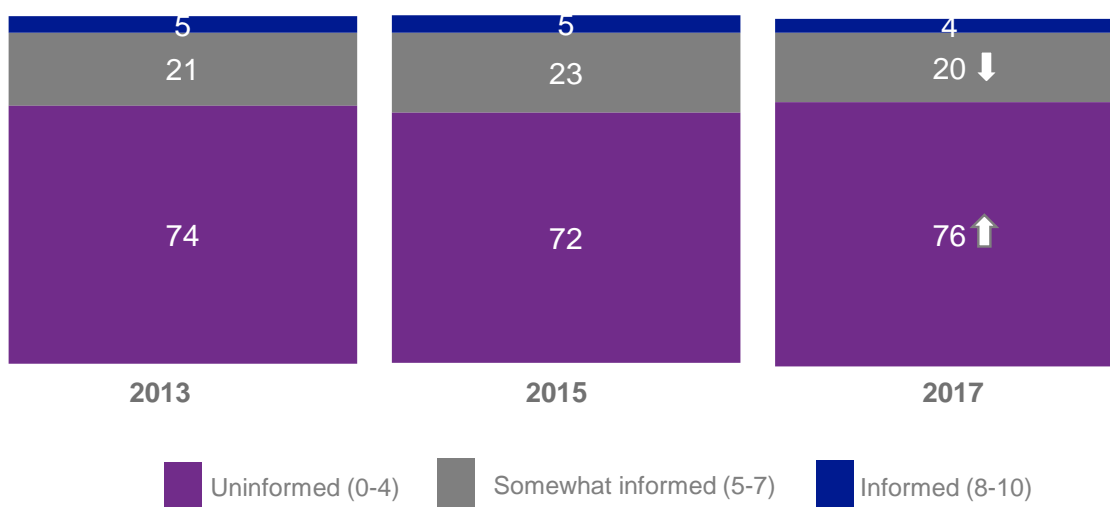
⁶ <http://www.oscr.org.uk/news/surveys-show-strong-support-for-charities-in-scotland>

⁷ <https://trends.google.com/trends/explore?date=today%205-y&geo=AU&q=ACNC>

It is not surprising that those with the least amount of trust in charities claim to be the least informed about the ACNC, **87%** of whom claim to be uninformed. In contrast, higher trust is correlated with feeling more informed - 1 in 10 (10%) Australians with 'high' trust in charities claim they are informed (8-10) compared to the total population (4%). By this token it can be argued the ACNC communicates well once awareness is achieved and may play a key role in establishing trust in the charity sector.

When examining different subgroups, women feel they are less informed than males (uninformed: 81% vs 72% respectively). Moreover, those who are religious are more likely to be informed (29%) compared with those who are not religious (19%).

Figure 6: Informed about the ACNC (%)



↑↓ Statistically significant at 95% confidence interval from previous year

Source: Q16. How much do you know about the Australian Charities and Not-for-profits Commission (ACNC)?
 Base: 2013 n=1624; 2015 n=1761; 2017 n=1611

As demonstrated in Figure 7, consistent across all years of research is the perception the ACNC serves to:

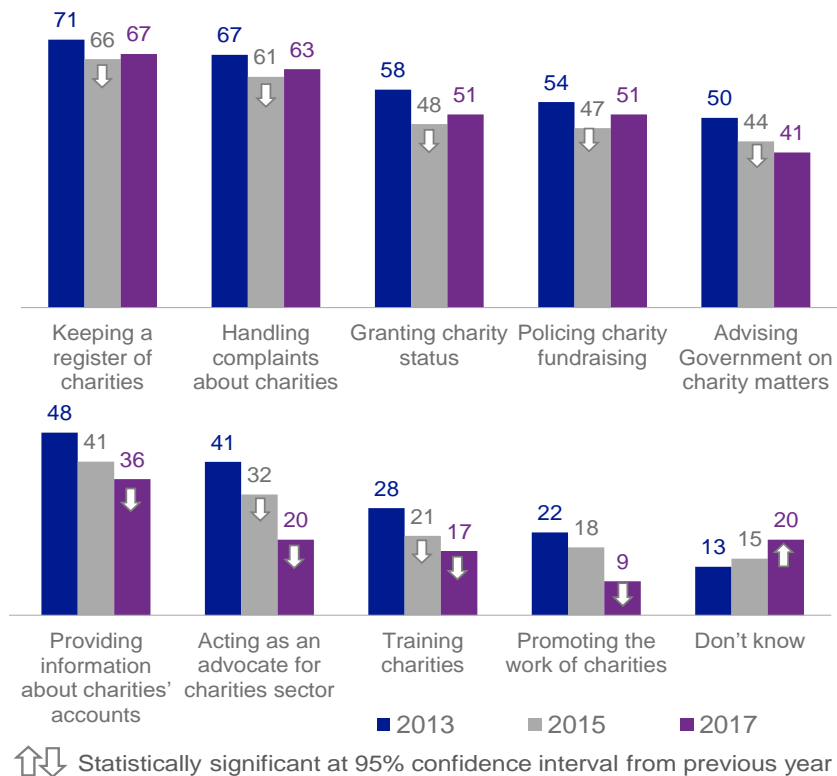
- Keep a register of charities;
- Handle complaints about charities; and
- Grant charity status.

Having said this, it is interesting to see results were strongest across all perceived functions in 2013 and have softened in 2017. Perhaps this is a reflection of the ACNC being only a year old at the time, with Australians more hopeful or unclear in what the body could deliver. In 2017, it might be that the population is more aware of the capabilities of the ACNC and can be more discerning in their perception of its function.

In 2017 there is a significant increase in the proportion who believe the ACNC is responsible for policing fundraising (51% compared with 47% in 2015). This is potentially in response to recent negative media coverage regarding fundraising tactics, the amount of money spent on fundraising and the proportion of each dollar contributed to the end cause; examples of which have been reported on both at home and overseas. For example, the Courier Mail has detailed how

Queensland's biggest charities are spending half their donations on fundraising costs⁸, while Mumbrella suggests street fund raisers (known as charity muggers or 'chuggers' for short) can be damaging to a charity's brand rather than helpful.⁹

Figure 7: Perceived function of ACNC (%)



Source: Q18a. Which of the following functions do you believe the Australian Charities and Not-for-profits Commission (ACNC) is responsible for?
 Base: 2013 n=880; 2015 n=1048; 2017 n=1611

With this in mind, charities need to be cautious they are not too aggressive in how they go about fundraising in order to avoid the risk of regulatory investigation and consumer backlash. Evidence of this has occurred in the UK, where military charities were investigated following media reports of: “Aggressive fundraising techniques and charities receiving a low percentage of income from the fundraising activity. There were also concerns about safeguarding procedures.”¹⁰

Interestingly, frustration regarding ‘aggressive fundraising’ was echoed in the qualitative research. In particular there was clear disapproval of ‘street intercept’ fundraising tactics as well as repetitive emails and letters asking for donations. This provides further evidence to suggest Australians are looking for improvement in how they are approached by charity fundraisers.

⁸Tutty, J. (2017, June 10). Charities spend up to 83 percent of donations chasing more fundraising dollars. The Courier Mail. Retrieved from <http://www.couriermail.com.au>

⁹Burrowes, T. (2014, February 4). Do charities realise the damage street fund raisers do to their brands? Mumbrella. Retrieved from <https://mumbrella.com.au/>

¹⁰Weakley, K. (2017, October 13). Commission issues regulatory alert to 187 military charities. Retrieved from: <https://www.civilsociety.co.uk/news/charity-commission-issues-regulatory-alert-to-military-charities.html#sthash.OlbF2Tav.dpuf>

“You get accosted by about 4 different charity people, so you end up walking right round to avoid them... I’m not about to sign my life away to a stranger on the street”

Sydney – Low trust, high involvement

When examining different subgroups, Australians aged 55+ perceive the ACNC to be more about keeping a register (74%), handling complaints (68%) and policing (56%). Indeed, it is becoming clear this demographic is most passionate about a regulatory body, supported by increased awareness and perception of importance.

Those exposed to negative publicity about the charity sector and those who trust charities have a higher perception of ACNC function (i.e. 73% exposed to negative publicity and 72% with high trust in charities think the ACNC acts to handle complaints about charities, compared with the total 63%). This is a clear indication they see a benefit in regulation.

The qualitative research revealed a low level of awareness of the ACNC. Those who were aware were often involved in charity work or committees (e.g. they found out about the ACNC through the school lottery or they have sold raffle tickets in the past¹¹).

The perceived function of the ACNC discovered in this stage is in line with quantitative findings. More specifically the ACNC is seen to be responsible for:

- Judging if a charity is for profit or non-for-profit (i.e. ‘granting charity status’)
- Helping with registering charities and supporting them to understand their requirements (i.e. keeping a register of charities)
- Ensuring the public is more informed about the work of charities (i.e. providing information about charities’ accounts)
- There was a misconception about monitoring charities fundraising activities (i.e. policing charity fundraising)

Despite agreeing the Register and the ACNC are useful, there was some confusion surrounding how one might use this knowledge to check if a charity was registered. It often had to be made clear in the discussion group that all the information was available online at the website.

“What do I say to them? Do you have a registered charity number?”

Melbourne – Low trust, Low involvement

There was a general assumption that a regulatory body existed already considering the vast number of charities and amount of money raised. It is evident there is a high perceived need for a watch-dog.

“Don’t need to wait for the charity to do the wrong thing; a watch dog for every organisation or industry needs to be there anyways. It is more of a deterrent”

Sydney – Low trust, High involvement

4.2 Importance of the ACNC

Despite the majority of Australians being unaware of the main regulatory body, it is thought to be very important. This perceived importance has significantly increased from 2015 but is significantly down from 2013.

¹¹ Please note this example was taken from the qualitative research. It should be noted that charities don’t need to be registered with the ACNC to fundraise

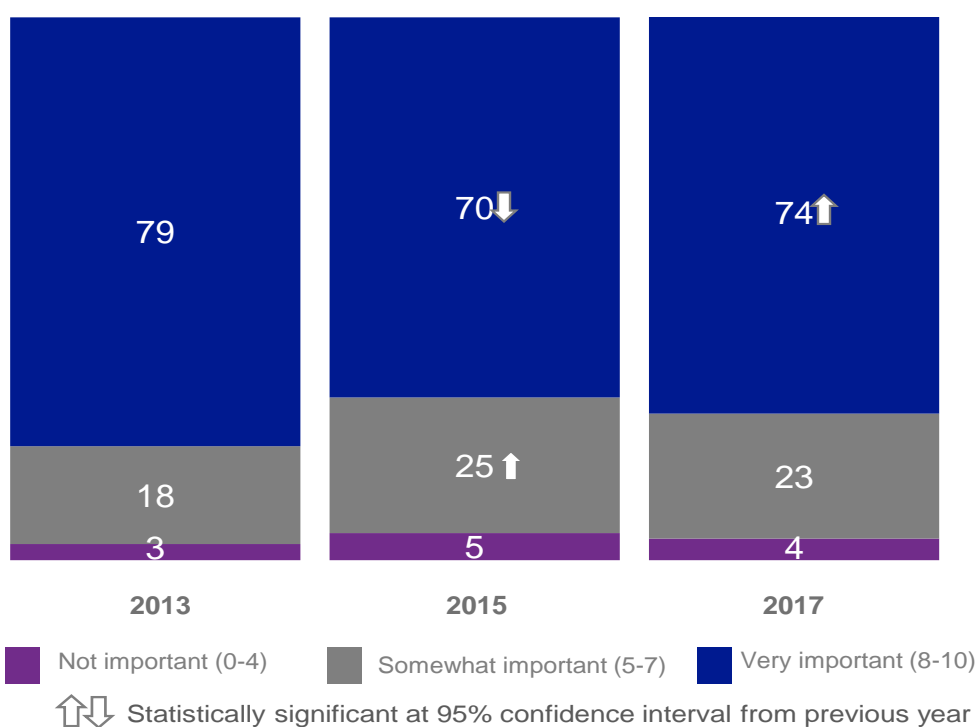
Older Australians (those aged 55+ years old), women and those with high household incomes (\$100,000 plus) perceive it as significantly more important. This is similar for those who have been exposed to negative charity publicity (84% importance). Those living in Victoria were the least likely to think it is important for a regulator to perform these functions (67% compared with the total population 74%).

Those with high trust and confidence in charities also have an amplified perception of the importance (81%) of having a regulator in place. This was reflected in the qualitative research, in particular regarding the role of policing.

“It’s really important that charities are given reasonable scrutiny around how they spend their money and in especially if they’re using volunteers for fundraising.”

Ballarat – high trust and high involvement

Figure 8: Perceived importance of a charity regulator (%)



Source: Q17. How important do you think it is to have a regulator that performs these functions?
 Base: 2013 n=1624; 2015 n=1761; 2017 n=1611

As highlighted in Figure 9, policing, keeping a register and handling complaints are perceived as the top three most important functions for the ACNC to maintain, protect and enhance trust and confidence.

Policing how charities fundraise is perceived as one of the most important functions for a charity regulator. Indeed, this perception of policing might help the ACNC to maintain and build public trust. Similar to the Queensland example, the Irish Examiner (a newspaper) quoted from the Irish charity regulator that over a third of Irish people think:

“...charity fundraisers on the street are ‘aggressive’ and ‘annoying’.”¹²

¹² <http://www.irishexaminer.com/breakingnews/ireland/survey-reveals-level-of-dissatisfaction-at-aggressive-charity-fundraisers-on-streets-807801.html>

These findings were supported by the qualitative research where some mentioned they would be “hounded” as they went to lunch by four or five different charity “chuggers”. They felt annoyed, harassed and also guilty for having to continually say no. However, it was also acknowledged that in order to raise enough money to effect changes, charities often need to pursue all available options, including emails, letters and street collecting.

“I head to lunch or to work and there are always four or five of them asking for donations. You think about crossing the street otherwise you feel guilty saying no to all of them. They are also very in your face. They won’t take no for an answer”

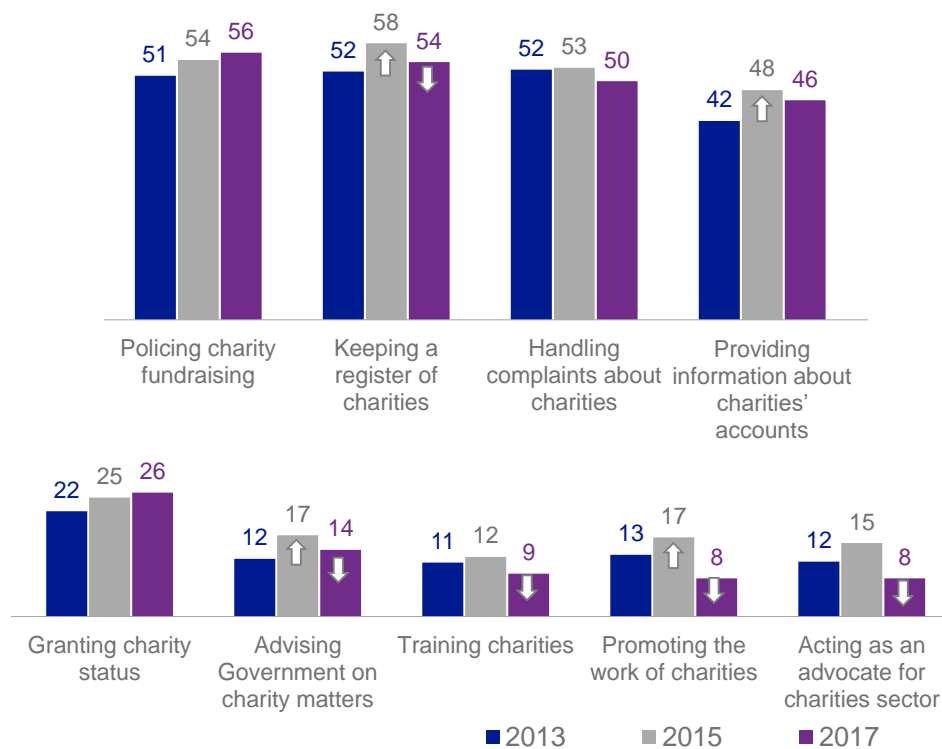
Sydney – low trust and high involvement

Following on from this, seven in ten (69%) of those aware of negative charity publicity consider policing to be an important function; this was similar for handling complaints about charities (57%). It is important to note, however, the ACNC does not actually have the power to police fundraising. It is instead the responsibility of the states and territories.

Complementary to the perceived importance of the ACNC, older Australians (55+) think it more important to keep a register and handle complaints (61% and 57% respectively), while younger generations were not as passionate. This could be a reflection of increased interaction with charities over a longer period of time or perhaps an increased likelihood of exposure to negative publicity over time.

This highlights that Australians perceive the main benefit and function of the ACNC as playing more of a compliance role.

Figure 9: Most important functions to maintain, protect and enhance public trust & confidence in the NFP sector (3 chosen per respondent) (%)



↑↓ Statistically significant at 95% confidence interval from previous year

Source: Q18b. Please select the three functions that you think are most important in order to maintain, protect and enhance public trust and confidence in the Australian Not-for-profit sector?
 Base: 2013 n=880; 2015 n=1048; 2017 n=1611

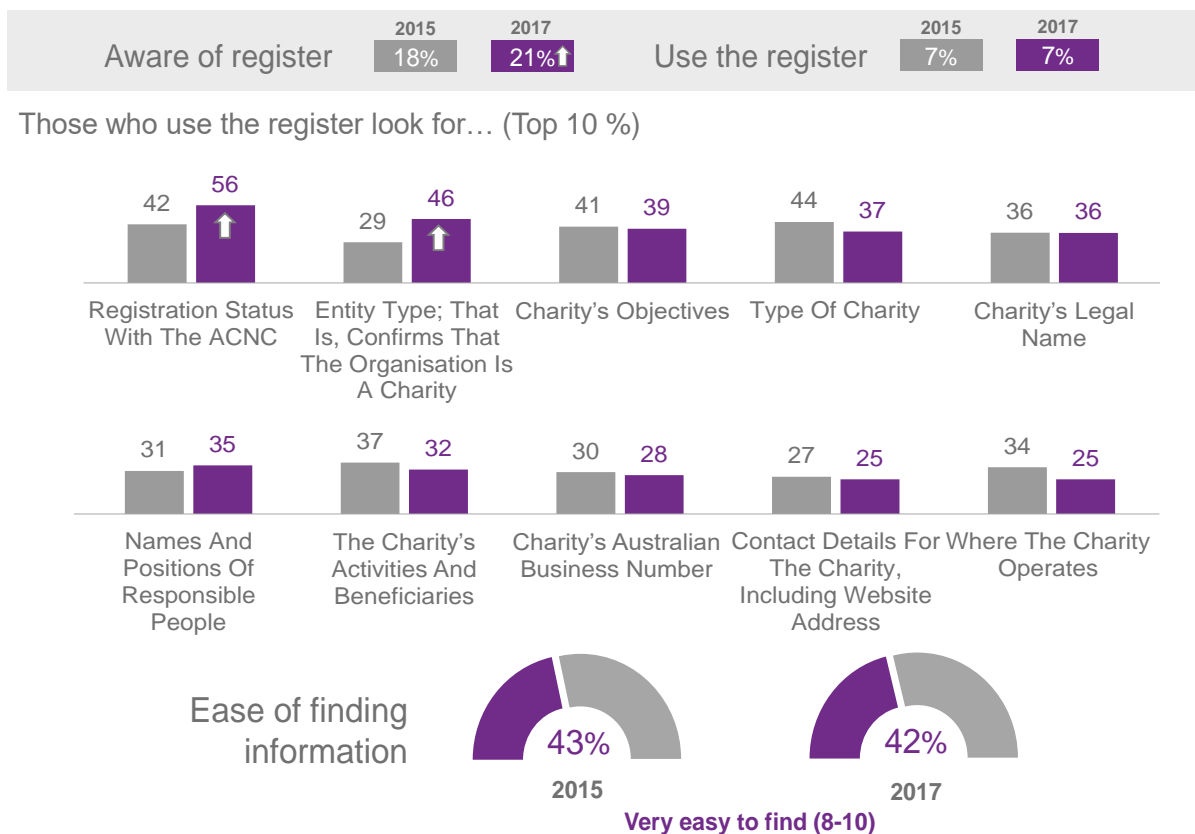
4.3 Awareness of the ACNC Register

Awareness of the ACNC Register has significantly increased from 2015 (21% compared with 18% in 2015). Those highly involved in charities were significantly more likely to use the Register (29%; compared with the total 21%) along with those involved in community groups (31%). Furthermore, three in five (60%) of those aware of the ACNC were also aware of the Register. Awareness was likewise higher amongst those who had been exposed to negative media and publicity (33% compared with the total 21%). This was seen in the Register usability research conducted by Kantar Public earlier in the year where the general public indicated they would use the Register to check their favourite charities, or if they had heard of any negative publicity in the sector.

Actual usage has remained unchanged at less than one in ten (7%). Similar to those who were aware of the Register, those highly involved with charities and community groups were significantly more likely to use it (13% and 12% respectively). Those who had seen negative media and publicity were also significantly more likely to use the Register (13% compared with the total 7%).

The top two searches are themed around confirmation of charity legitimacy. This reflects the average Australian's perception of the ACNC as a body responsible for registering, policing and granting charity status as well as the lower levels of trust in charities seen in general (as discussed in the executive summary).

Figure 10: ACNC Register (%)



↑↓ Statistically significant at 95% confidence interval from previous year

Q19a. Before today were you aware that there is a Register of charities, where you can search for information about charities?

Q19b. Have you ever gone to this Register to look for information about a charity?

Q19c. What information did you look for in the Register? *Base is those who **used** the ACNC register

Q19d. How easy was it for you to find the information you wanted?

Base-Total 2015 n=1,761 and 2017 n=1,611

Base-Users of register: 2015 n=116 and 2017 n=120

Among those who had used the Register, just under half (48%) found it very easy to find the information. Women were significantly more likely to believe it was very easy to find the information they wanted (56% compared with men 32%) while men were significantly more likely to find it extremely difficult (15% compared with women 3%).

As shown in Figure 11, Australians are most likely to use the Register to look up a charity’s activities and its objectives as well as to confirm the charity is a valid organisation. Interestingly, there is an increase in the likelihood to search for information about ACNC enforcement activities (41% highly likely in 2017 from 33% in 2015) as well as overall registration with the ACNC (40% highly likely).

“...a news report saying how many charities have been analysed and found a number are non-compliant”

Perth - High trust, no involvement

Furthermore, in line with the quantitative findings, the qualitative research demonstrated the Register might be used to discover:

- Aims, goals and mission statements
- Charity accreditations, ratings, verification and to discover other similar charities
- Financials - in terms of how much is raised per year, salaries of senior leadership and board members and percentage of funds given to the cause
- Locations covered
- Leadership and responsibility
- Annual reports and statements

Figure 11: Likelihood to search for information (%)

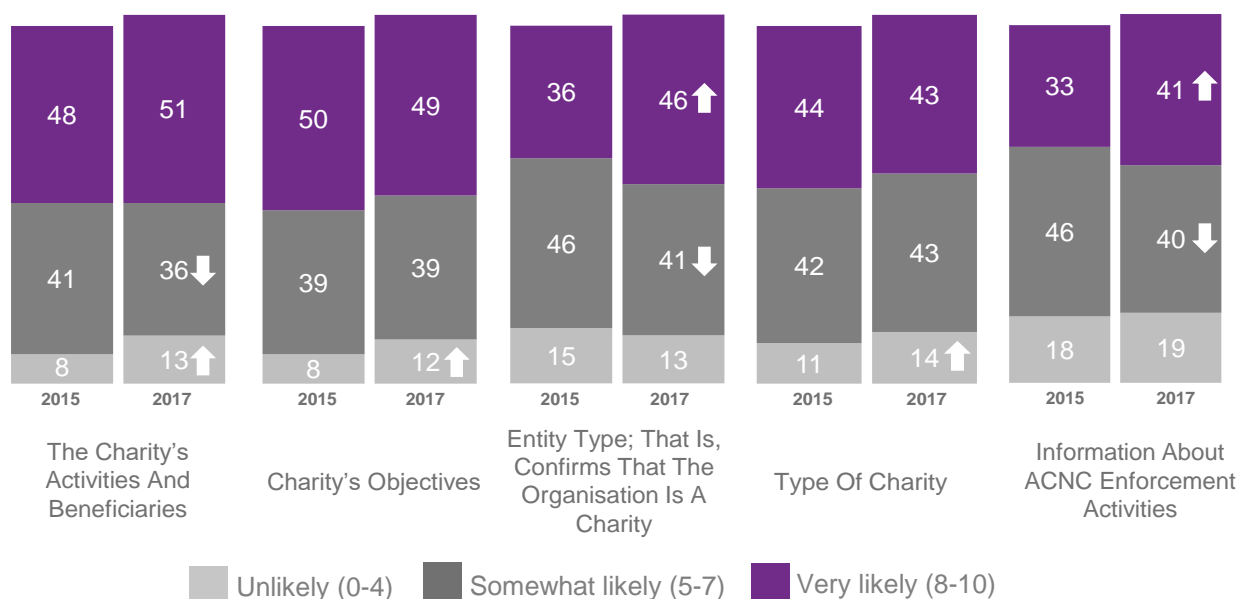
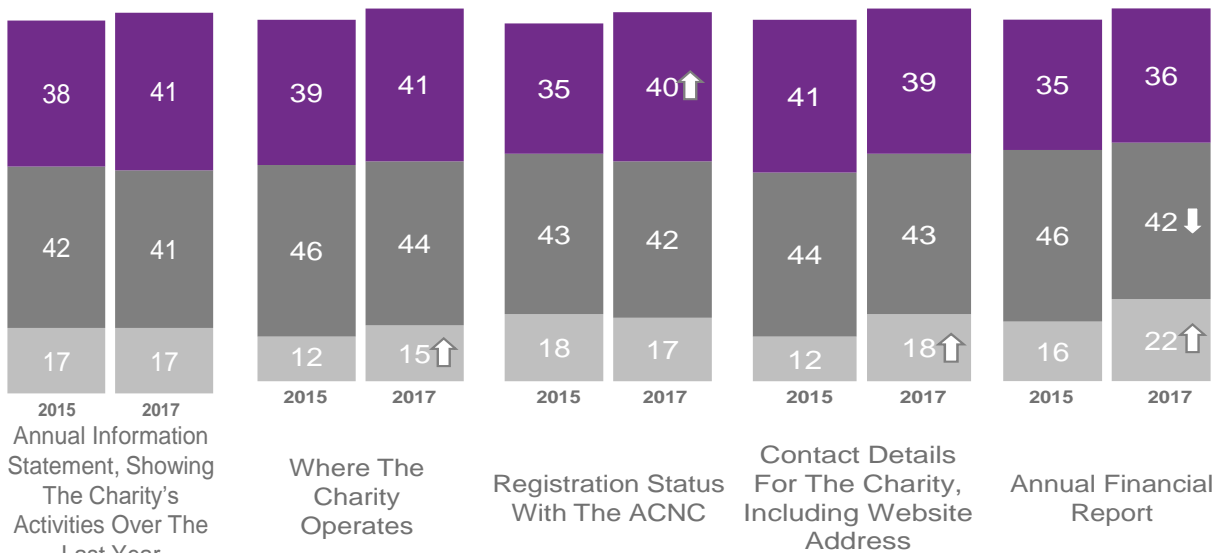


Figure 11 continues onto the next page.



↑↓ Statistically significant at 95% confidence interval from previous year

Source: Q19e. A list of the type of information available on the register is shown below. How likely would you be to look for each of these types of information? Please use a scale of 0-10, where 0 means that you would be very unlikely to look for this information and 10 means that you would be very likely to look for this information.

Base: 2015 n=1761; 2017 n=1611

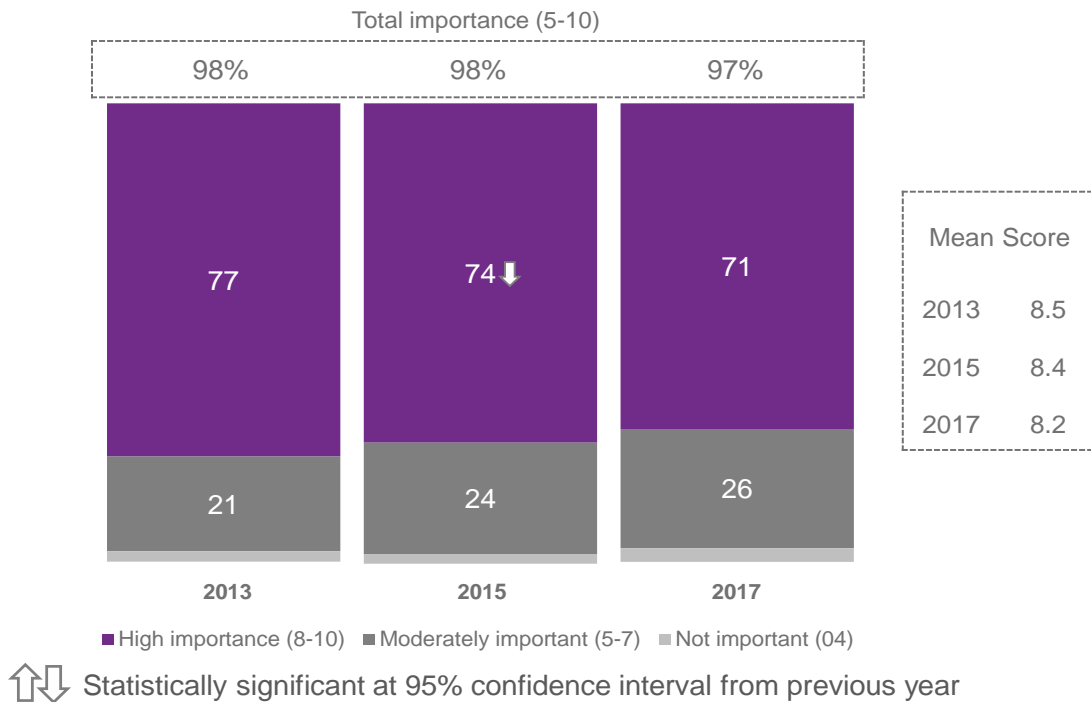
Note: 'Don't know' responses have not been shown

4.4 Importance of the ACNC Register

Overall the majority of Australians think it important to have a Register; this has been stable over time (importance rating of 5-10 on a 10 point scale). Having said this, the number of people who consider it highly important (8-10) has softened. Women and older Australians think it more important (75% and 81% respectively compared with the total 71%) reflective of their increased perceived importance of the ACNC in general.

Respondents who are considered to have high trust, high involvement or who are aware of the ACNC perceive the Register to be more important. Such findings stress the importance of having a Register readily available, particularly to those engaged in the sector.

Figure 12: Importance of having a charity Register – scores 8-10 (%)



Q20. How important do you think it is for a Register of this type to be made available to the community, regardless of whether you think you would personally use it? (Proportion 8-10 out of 10)
 Base: 2013 n=1624; 2015 n=1761; 2017 n=1611

5. Charity involvement and information search

The majority of Australians have had some involvement in the charity sector in the past year. Willingness to be involved is primarily driven by an individual perception of the importance of the cause and the qualitative research revealed the 'feel good' factor of creating positive change is also a key contributor to charity support.

Australians claim to be relatively knowledgeable about a charity before offering support. Those who regularly support charities say they are satisfied with the information provided. In contrast, Australians who do not regularly support charities are more likely to be dissatisfied. This dissatisfaction provides a possible explanation for the unwillingness to engage in the sector. Indeed, frustration regarding the difficulty of finding appropriate information was expressed in the qualitative phase. It is clear there is room for improvement in the provision of easy, relevant and accessible information.

Upon donating money to charities, over half of Australians take some kind of action or research (e.g. claim a tax refund or check charity validity). A possible explanation for the lack of research conducted by the other half might be attributed to the relationship between personal interest and charity support. This was clear in the qualitative research where it was generally accepted that support was based on intuitive individual interests and personal relationships (e.g. supporting an animal shelter as a lover of animals or donating to an aid organisation as you know someone who has been affected by a natural disaster). In this way, perhaps when an individual is already interested in a cause, research is deemed unnecessary.

When conducting research, Australians think it is most important for charities to provide information regarding donation use, proportion of funds contributed to the cause and overall charity impact. There appears to be a trend amongst younger age groups to be more concerned with the outcome rather than day to day administration fees.

5.1 Involvement with charities

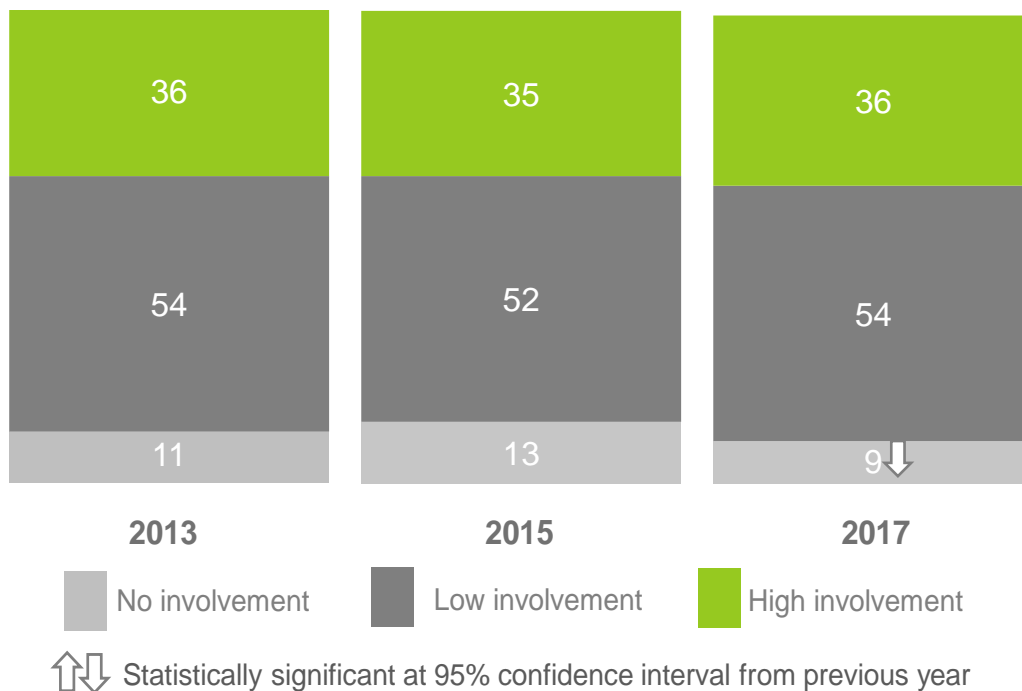
Overall, Australian charitable involvement is high at 91%. This is on par with Northern Ireland and Scotland. In 2016, 90% of people from Northern Ireland had been involved in charitable support in the past six months¹³ and 91% of Scottish people participated in the donation of goods, time or money in the past year¹⁴.

High income earners are more likely to be 'highly' involved (41%) compared with only 29% of low income earners. It might be suggested that financial stability and resources are key drivers of charitable support.

Although physical contact via volunteering is most prominent amongst ages 18-24 and 55+, Australians aged 25-34 are most 'highly' involved (44%) compared with the total population (36%).

As can be expected, those with high trust in the charity sector are more likely to be 'highly' involved (48%). This is also the case for those aware of the ACNC (51%).

Figure 13: Involvement with charities (%)



Source: Q1. Have you had any of the following types of contact with any charities over the last year? (Please select all that apply) **AND** Q3. Have you done any of the following in the last year?
 Base: 2013 n=1624; 2015 n=1761; 2017 n=1611

Overall contact with charities has increased from 2015 (28% compared with 20% in 2015). Specifically, more Australians are volunteering for a charity in 2017 than in previous years (21% compared with 19% in 2013 and 16% in 2015).

¹³ <http://www.charitycommissionni.org.uk/news/public-trust-and-confidence-research-launch/>

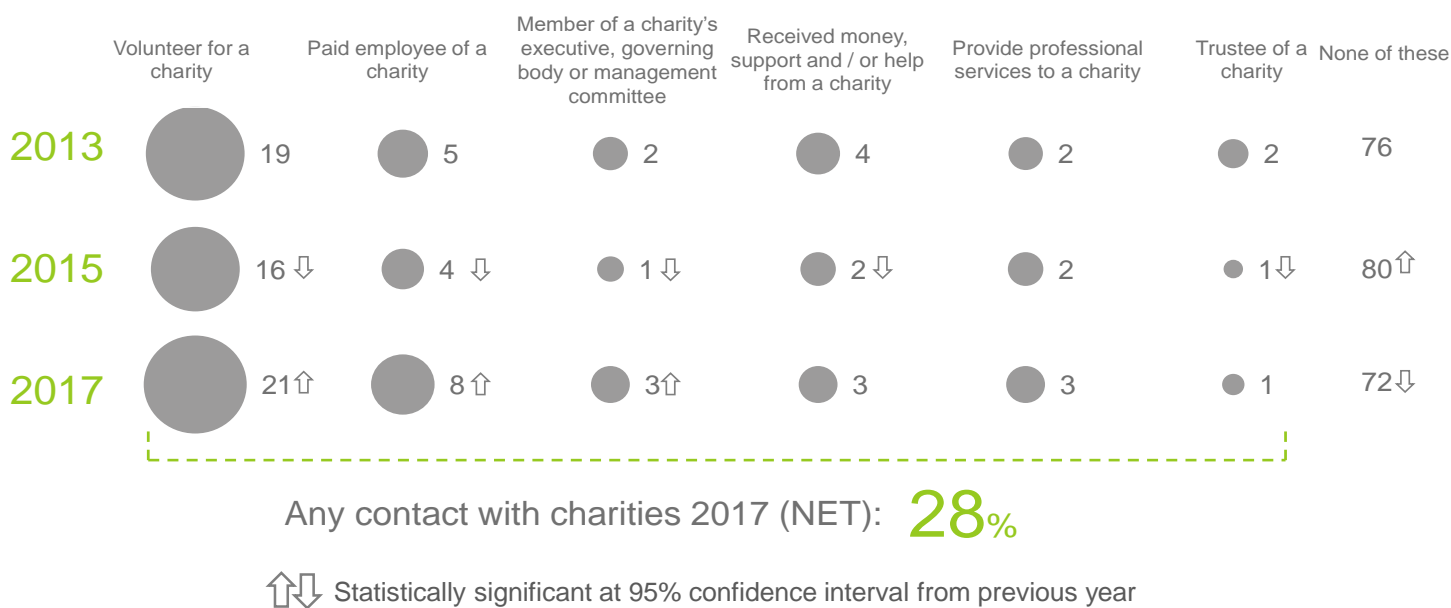
¹⁴ <http://www.oscr.org.uk/news/surveys-show-strong-support-for-charities-in-scotland>

Contact was highest amongst ages 18-24 and 35-54 (41% and 35% respectively) as well as amongst students. High involvement amongst the younger demographic may be due to increased availability or flexibility while completing tertiary education.

Those aware of the ACNC are significantly more likely to have more contact with charities contact compared to the total population (41% compared to 28%), providing further evidence to suggest the ACNC is currently communicating well with **existing charity supporters**.

Unsurprisingly, Australians who have the least amount of trust in charities are less likely to have had contact (19%).

Figure 14: Charity involvement (%)

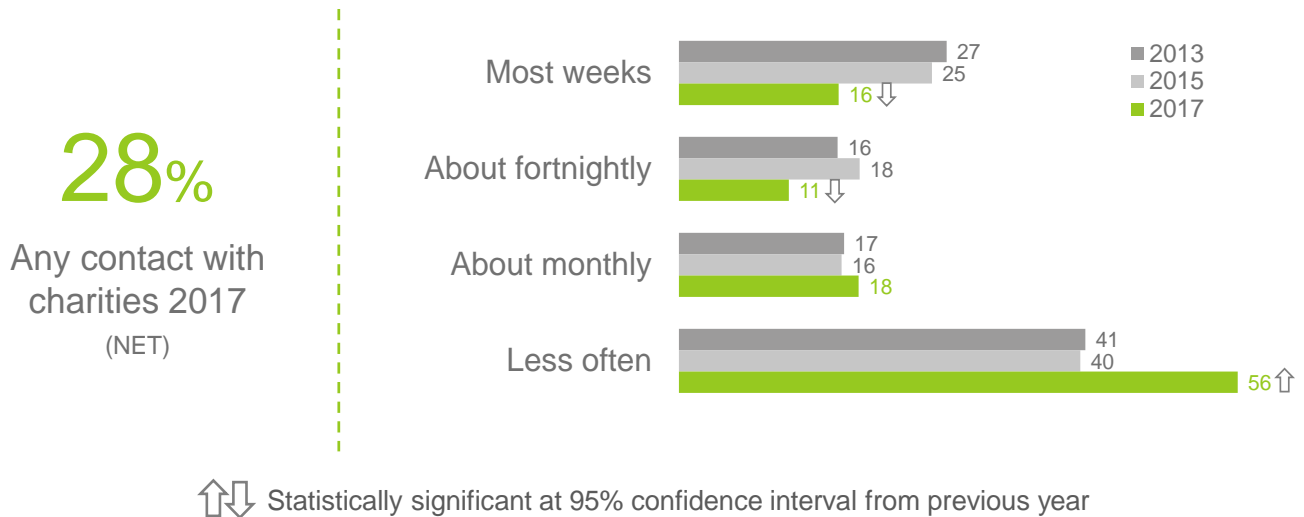


Source: Q1. Have you had any of the following types of contact with any charities over the last year?
 Base: 2013 n=1624; 2015 n=1761; 2017 n=1611

While more individuals are volunteering or are in contact with charities, they are volunteering their time less frequently. Indeed, over half are volunteering less than monthly (56%) while only one in six (16%) provide their time most weeks.

- Older Australians are more likely to make a weekly commitment while ages 18-24 prefer fortnightly volunteering.
- Those involved in community groups are also more likely to make a weekly commitment (26%) compared to the total population (16%).

Figure 15: Frequency of charity contact (%)



Source: Q2. About how often would you say you have volunteered time to a charity over the last year?
 Base: Had any contact with charities: 2013 n=314; 2015 n=276; 2017 n=436

While volunteering frequency has decreased (as shown in Figure 15), Figure 16 demonstrates that Australians have increased physical donations from 2015. This includes the donation of goods (56%) and one off donations (55%). Women in particular are more likely to donate goods (63%) and purchase from a charity shop (42%) compared to the total population (56%) and (35%) respectively.

It appears there is a generational divide in the type of involvement people have with charities. Older Australians (55+ years old) are more likely to donate goods and sell raffle tickets but are less inclined to attend fundraising events or sponsor someone in a charity event. In contrast, Australians between the ages of 18-24 are less likely to donate goods, make a one off donation or buy a raffle tickets. Potentially these more traditional methods of charitable involvement are becoming less relevant to younger Australians, or perhaps they have less to donate due to their life stage. However, all age groups are just as likely to have done one of the above actions.

Interestingly, Nicholas Hookway from the University of Tasmania highlighted a key finding from the Giving Australia 2016 report during an interview for ABC Radio Hobart – less people are making financial donations to charities.¹⁵ The potential causes are examined later in this paper, but this could be related to a possible reduction in trust for charities in general. The research goes on to note that those who are already involved with charities through volunteering are more likely to make a monetary donation – this highlights a tendency for charities to rely on those already involved for donations, as potential donors are put off by current fundraising methods.

Regional Australians claim to purchase goods from a charity more often (e.g. a charity shop, charity catalogue or The Big Issue (42%)). They are also more likely to have bought raffle tickets (53%) compared to the total population (47%) and sold raffle tickets or conducted other fundraising on behalf of a charity (12% compared with 6% in metropolitan areas). This could be related to the higher involvement of regional Australians in at least one community group (one third of regional Australians belong to a community group).

¹⁵ <http://www.abc.net.au/news/2017-09-05/fewer-australians-giving-to-charity-report-reveals/8872930>

Figure 16: Charity involvement in the past year (%)



Source: Q3. Have you done any of the following in the last year?
 Base: 2013 n=1624; 2015 n=1761; 2017 n=1611

5.2 Reasons for supporting charities

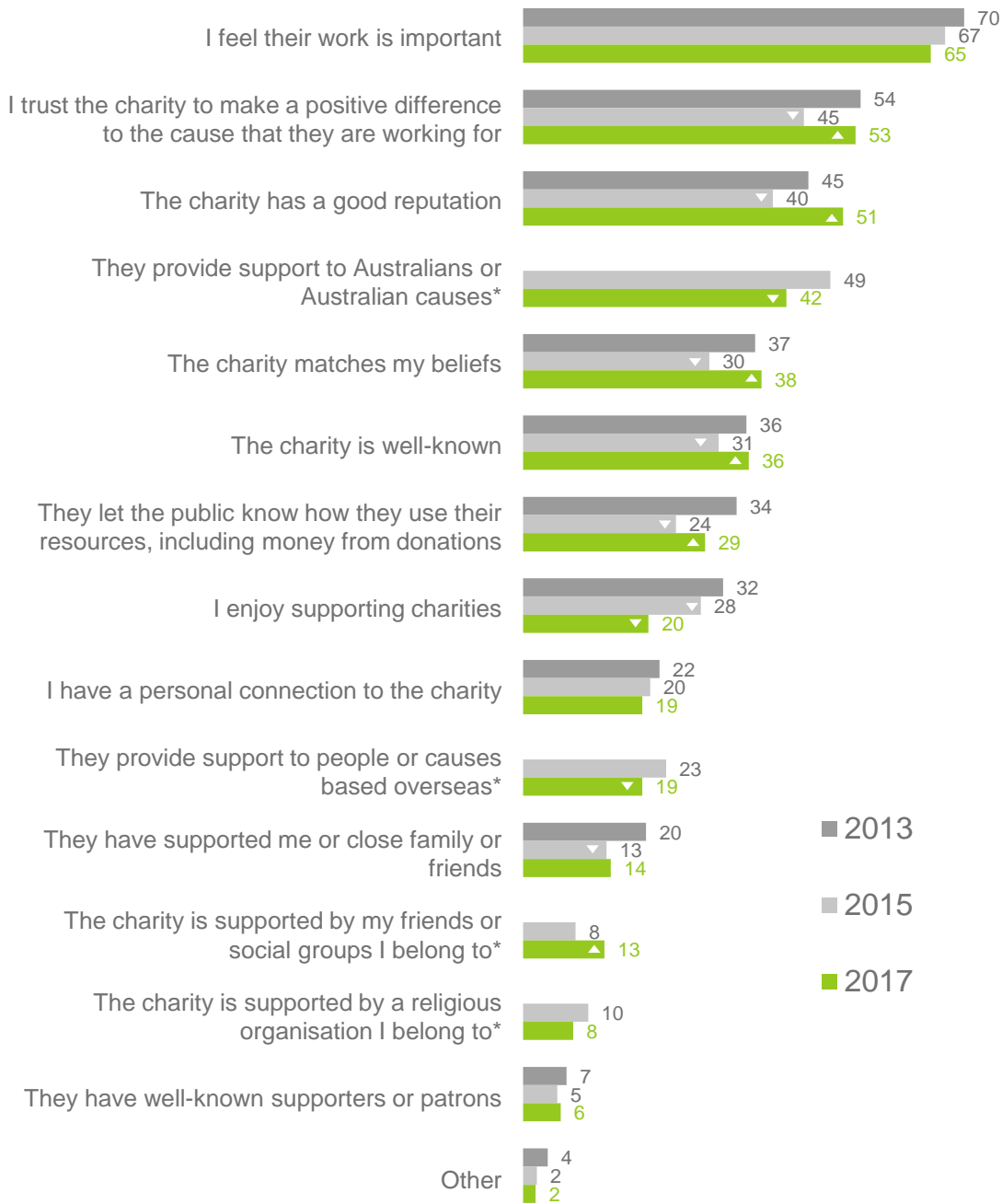
Support for charities is driven by perception of importance, trust, and reputation. These drivers are consistently highest year on year. It is interesting to note that trust and reputation have become significantly stronger reasons for support in 2017 than in 2015 (trust increased by 8% points and reputation 11% points).

This was potentially seen in the qualitative research where people were asked to define the characteristics of a trustworthy charity. They frequently listed the following: familiarity; organised (efficient); warm; embracing (inclusive); and works for a positive cause. Adding to this, half of Australians do not feel comfortable donating to a charity they do not know regardless of the cause. Potentially an early stepping stone to gaining trust is to build awareness of the charity and for the charity to display the elements mentioned above.

Older Australians are more passionate in their opinion than younger Australians. They think it significantly more important that a charity makes a positive difference, has a good reputation, supports Australian causes and is well known.

Australians aged 25-34 are **not** as concerned about the charity being Australian. Potentially with the increasingly digitalised world and continuous twenty-four hour news cycle, younger Australians may have a more global, rather than local, focus. This is explored further in section 5.3.

Figure 17: Charity support influencers (%)



↑↓ Statistically significant at 95% confidence interval from previous year

Source: Q4. Below are some different reasons people have given in the past for supporting different charities. Please select all that have influenced whether you support a charity.

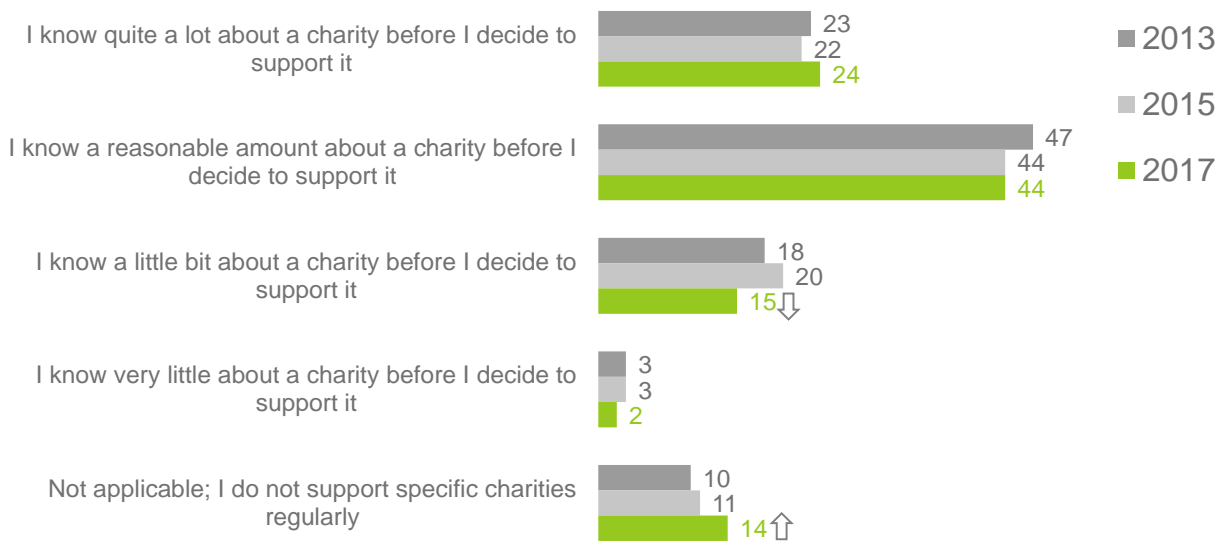
*Statement added in 2015

Base: Are involved (high and low) with charities: 2013 n=1453; 2015 n=1539; 2017 n=1500

Approximately half of Australians claim to be reasonably informed about a charity before offering support. Those aware of negative publicity in the charity sector are more likely to know 'quite a lot' (34%). Potentially, this exposure may create distrust and concern and therefore a stronger need for more information.

Less Australians support a charity regularly than in previous years (14% state that they do not support specific charities regularly compared with 11% in 2015 and 10% in 2013). Perhaps they are trending towards supporting a wider array of charities instead of regularly donating to a small few. Potentially with the number of charities, people may be donating to multiple charities. This could be examined in future rounds of this research.

Figure 18: Knowledge of charities supported regularly (%)



Support charities regularly (NET): **86%**

↑↓ Statistically significant at 95% confidence interval from previous year

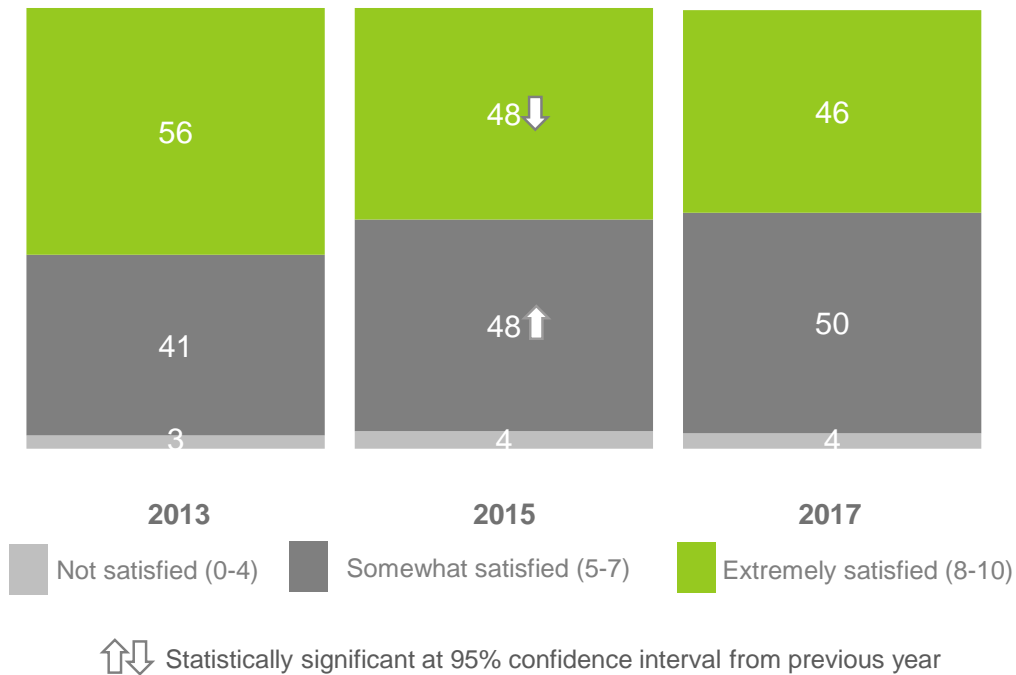
Source: Q5. Thinking about the charities that you support regularly, that is, you donate money or goods regularly, or you regularly volunteer your time, which of the following best applies?

Base: Are involved (high and low) with charities: 2013 n=1453; 2015 n=1539; 2017 n=1500

Australians that regularly support charities are overall satisfied with the amount of information provided, though the number of Australians 'extremely satisfied' has softened since 2013.

Unsurprisingly, 7% of those aware of negative charity publicity who are regularly involved in charities claim to be not satisfied with the amount of information provided, which is significantly higher than the total population (4%). There was a similar level of dissatisfaction among those aged 18-24 (9%). In contrast, 58% of Australians over the age of 55 are highly satisfied.

Figure 19: Satisfaction with information provided by charities (%)



Source: Q6. Thinking about the charities that you support regularly, that is, you donate money or goods regularly, or you regularly volunteer your time, how satisfied are you with the information that those charities provide? Please use a scale of 0-10, where 0 means you are not at all satisfied, and 10 means you are very satisfied.
 Base: Australians who support charities regularly: 2013 n=1311; 2015 n=1371; 2017 n=1312

When exploring motivation in the qualitative stage, the more emotive reasons for charity involvement became clear.

Australians support charities for the 'feel good' factor of making a difference. There is the aim and compassion to try and support the vulnerable or those in need, for example, donating to an emergency arising from an extreme weather event or working on a project developing prosthetic limbs for amputees. Indeed, the idea of taking things for granted (i.e. having functioning limbs was mentioned in the qualitative research) acts as a key involvement trigger. This re-affirms the qualitative finding of 'work importance' as being the primary reason for support.

In addition, there is often a personal connection or reason for contributing. While this is not specifically a personal connection to the charity per se, it is more about friends or family who require assistance. For example, donating to a disaster because a friend or family member has been affected or supporting a charity that has helped your mother or your child's school. The

explicit recognition of this personal attribution was most strongly drawn out in the qualitative research.

“I volunteer every year, my dad is a Vietnam vet, so every year without fail I sell badges with my dad, it’s a nice thing to do with him as well. I have done this since I was 5 years old. The RSPCA, have volunteered for them for the last 20 years as well.”

Ballarat – High trust, high involvement

Specific projects were seen as attractive donation opportunities rather than ongoing subscriptions. This stresses the importance of **visible** donation impact and the ability to choose a cause most **relevant**.

“People like donating to certain projects, e.g. a disaster... concrete, project based”

Sydney – Low trust, high involvement

It appears that regional residents are more likely to seek out local charities where they can see tangible evidence of their donation.

“I always like donating to the local hospice as I think that is going towards helping someone I might know”

Newcastle – High trust, low involvement

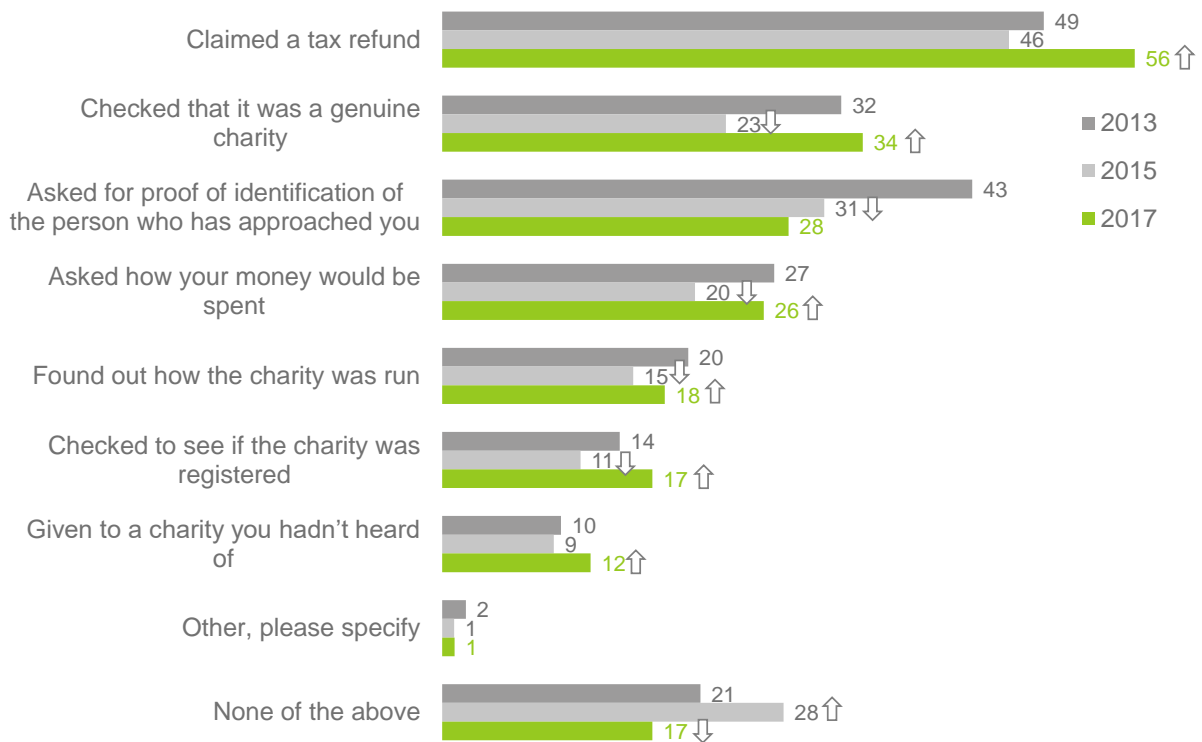
As previously mentioned, and again important to note, a common deterrent of involvement is the idea of charity ‘harassment’. In particular, being approached in the street was seen as invasive, untargeted and ineffective. This evokes a sense of being ‘guilt-tripped’ into donating to a charity of which they might know nothing about. A similar sentiment is evoked upon constantly receiving letters and emails asking for money.

5.3 Information seeking

Over four in five (83%) Australians claim to take some kind of action when donating money to a charity. This is primarily claiming a tax refund (56%) and checking the validity of the charity (34%). In total, 53% of Australians specifically sought information. Interestingly, more Australians checked to see if a charity was registered in 2017 than in 2015 (17% compared with 11% respectively).

Two-thirds of Australians aged 18-24 are most likely to seek information when donating (67%) compared to the total population (53%), particularly in relation to how the charity is run (28%). As mentioned, this age group is also least satisfied with the information made available by charities. This places further emphasis on the need to provide this 'content thirsty' age group with relevant and useful information to encourage donations. Australians aged 25-34 are also more likely to seek information (61%) while those aged 35-54 and 55+ are significantly less likely (both 48% compared to the total population 53%).

Figure 20: Action taken upon donating money to a charity (%)



At least one action taken (NETT): **83%**

Those who have sought information* (NETT): **53%**

↑↓ Statistically significant at 95% confidence interval from previous year

Source: Q10. When you have given money to a charity, have you ever done any of the following?

Base: 2013 n=1624; 2015 n=1761; 2017 n=1611

*Sought information includes NET of: 'asked how your money would be spent', 'found out how the charity was run', 'checked that it was a genuine charity' and 'checked to see if the charity was registered'.

Note: A 'genuine' charity is a charity in general where as a 'registered' charity is related to the ACNC.

Such findings are in line with the Connected Life research conducted by Kantar TNS in 2017. This research reveals Australians aged 16-24 as being more likely than Australians aged 55-64 to:

- Go online constantly throughout the day (63% scored 6-7 out of 7 compared with 48% respectively);
- Claim that the internet plays a key role in researching products or services (54% top 2 box compared with 35%); and
- Agree that the internet is the main source of news and entertainment (51% top 2 box compared with 22%).¹⁶

It is clear there is a generational divide with regards to information search and satisfaction. In direct conflict with younger Australians, older citizens search for less and are more satisfied with the information found. Connected Life found those aged 55-64 have a higher daily engagement with offline activities for leisure than younger Australians. This includes watching 'traditional' TV, listening to a traditional radio or car radio and reading print newspapers or magazines.¹⁷

In this way, it can be suggested traditional channels of communication which have previously been satisfactory and trustworthy, no longer hold relevance with new generations.

Of those who sought information when donating (53%), internet search is the first touchpoint. Older Australians have a stronger inclination to pick up the phone and word of mouth is more prominent in rural areas. Interestingly, a significant proportion did not recall or did not remember how they got the information.

Figure 21: Methods for obtaining information 2017 (%)



Source: Q10b. How did you obtain this information? *Open ended*
 Base: Those who sought information when donating: 2017 n=878

¹⁶ Kantar TNS Connected Life 2017 – Source Q050. How important is the internet to you? Base: n=1131. A seven point scale was used – Top 2 Box (6+7).

¹⁷ Kantar TNS Connected Life 2017 – Source Q1051. Thinking about some of the different activities you can do offline, how frequently do you do each of the following, for leisure purposes? NET: Daily; Base n= 1131

The qualitative research revealed participation with new charities is primarily driven by:

- **Individual interest** e.g. supporting an environmental cause because you are a self-proclaimed 'greenie' or supporting an animal shelter because you love animals
- **Visibility of outcome** e.g. clean up Australia Day or making a donation towards a new ward being built in a hospital
- **Personal relationships** e.g. contributing to a cause where you know someone who has been affected
- **Reputation** e.g. if the charity was top of mind or discussed amongst friends

“You can see it... I had family in the Christchurch earthquakes... I donated money because I knew people who were part of it”

Sydney – Low trust, high involvement

“[Would donate to] something that I could see every day on my way to work... like a school or a football club”

Brisbane – Low trust, no involvement

Three-quarters of Australians feel it is important to have a clear understanding of how charities use donations (76%). They seek to know the proportion of funds contributed to the cause. As a general trend, Australians are increasingly placing more value on the information provided than in 2015 (seen in Figure 20). Specifically how charities spend their funds, impact of the charity’s work, administrative costs, fundraising costs, and the programs and their impact. In general, older Australians and females place a higher level of importance on the information provided by charities.

Interestingly, although 18-24 year olds are more engaged in information search they express a significantly decreased level of perceived importance for most types of information. The areas where they remain average are in relation to donation use and impact. This demonstrates a potential move amongst this age group towards charity validation based on outcome and result rather than specific financial detail.

Figure 22: Importance of information provided (%)

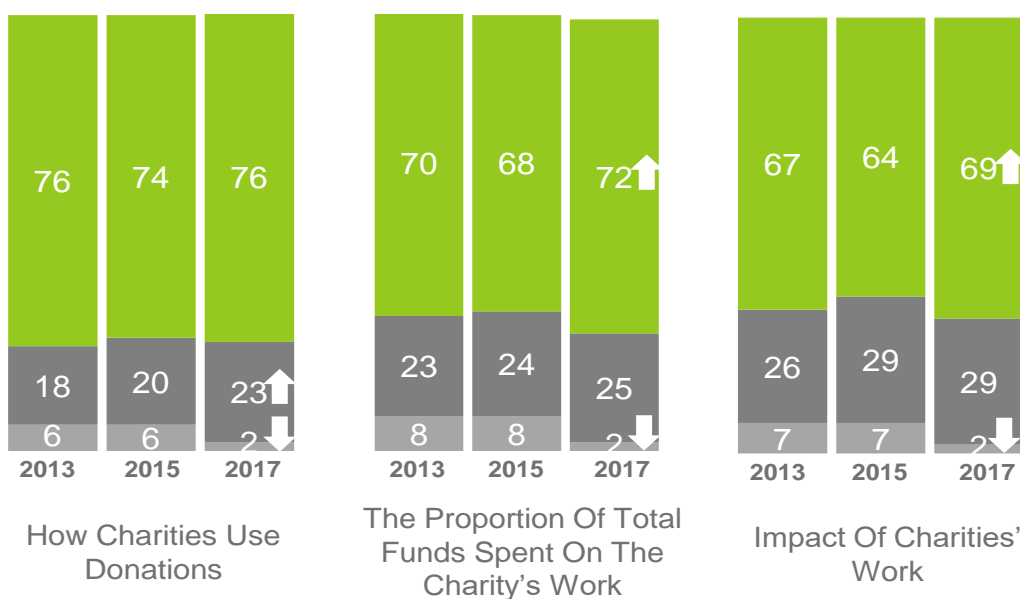
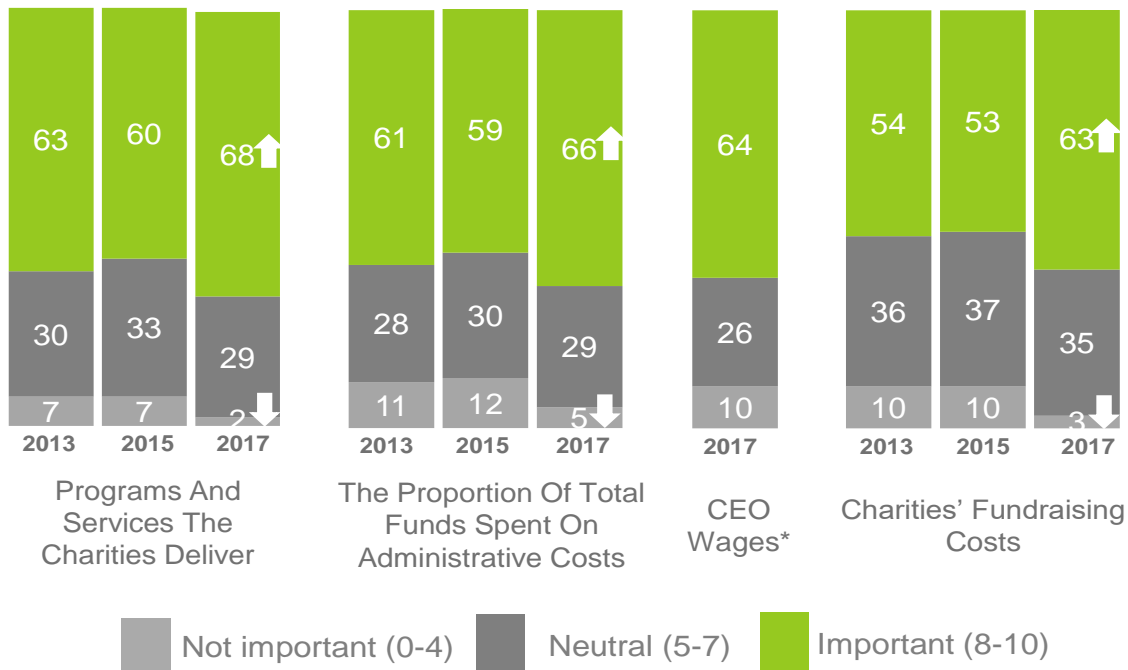


Figure 22 continues onto the next page.



↑↓ Statistically significant at 95% confidence interval from previous year

Source: Q11a. How important do you think it is that Australian charities provide the following types of information? Please use a scale of 0 to 10, where 0 means not at all important and 10 means extremely important.

*Note: New statement added in 2017

Base: 2013 n=1624; 2015 n=1761; 2017 n=1611

While it is very important for a charity to share information regarding administrative costs, the qualitative research suggests some people are aware of the overhead expenses that charities incur. These costs are often necessary for a charity to function and deliver their programs. In particular, costs will be higher for charities which require skilled workers (e.g. experienced social workers to support victims of domestic violence). This makes transparency ever more important for charities around their fundraising and administrative costs. As three quarters of the Australian public want to know this information, a better explanation of and openness to exploring costs will improve trust in the charity. It goes without saying that some charities have higher overheads than others and are reticent to openly communicate these costs.

“[The population] needs to be made aware that charities are a business... challenges are there and people need to understand that not 100% of your money is going towards the thing, you need people to work hard for it”

Sydney - Low trust, high involvement

“You do need to spend money on advertising, because then obviously you don’t know about the cause, so advertising is okay to get the message out there”

Newcastle – High trust, low involvement

“If you are working with domestic violence then you have to pay highly skilled social workers”

Sydney – Low trust, high involvement

On top of this, there remains a general perception that Australians are less likely to donate to a charity they perceive as being **inefficient** in administration. It was suggested that there even be a minimum threshold introduced regarding the proportion of funds contributed to the cause. For example, a minimum contribution was discussed in the qualitative research. This contribution could be a minimum of 70 cents per dollar towards the cause is required to be a registered charity with the ACNC. While a threshold as low of 40% (or 40 cents in the dollar) was seen as acceptable by some, there was a general understanding that the charity had to be highly efficient. If funds were being spent because of poor project management or poor business management this made many of the qualitative respondents extremely unhappy and less likely to trust that charity.

“If I went to the website, I’d like to see what they check...I don’t need to know the exact specifics but I just want to know they comply... E.g. you have to have an acceptable proportion go to the charity; this might be 70% or even 90% minimum compliance”

Newcastle – High trust, low involvement

As part of the qualitative research, respondents were asked to describe a trustworthy charity and many felt that it had to be organised and efficient while remaining warm and embracing. When asked if the charity was not organised, many respondents balked at the prospect of donating to that charity.

Despite the increase in perceived importance of information provided by charities, Figure 23 highlights that charities are continuing to fail to meet information expectations. In particular, Australians aware of negative publicity in the charity sector think the majority of information provided by charities is poor. It is clear there is a need and desire for the charity sector to provide more relevant, useful and transparent information.

As discussed, information satisfaction is generally high amongst Australians who have supported a charity. But this could potentially be due to an accumulation of knowledge through their involvement.

Figure 23: Performance of information provided (%)

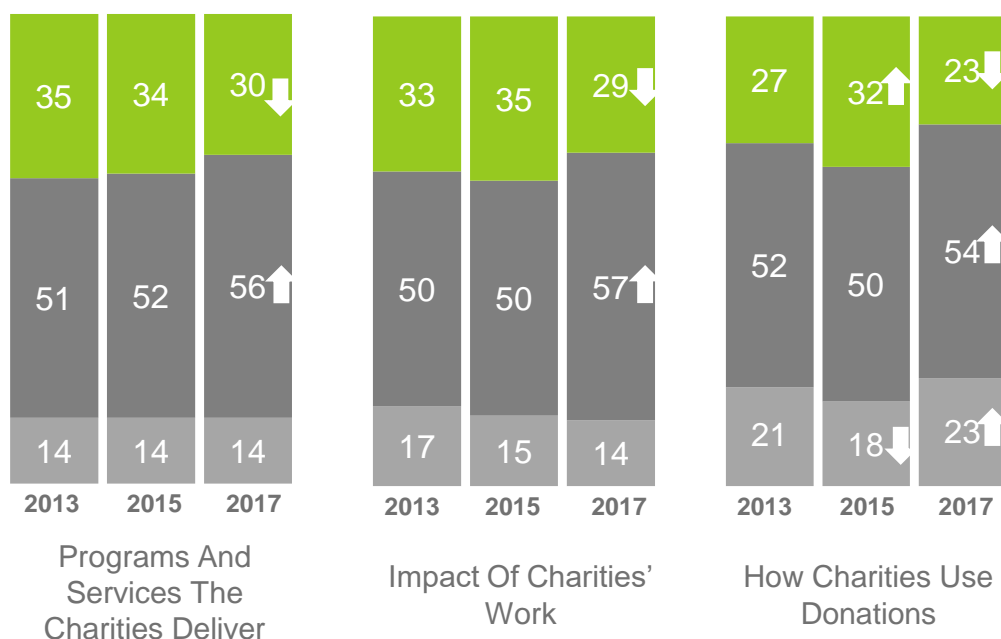
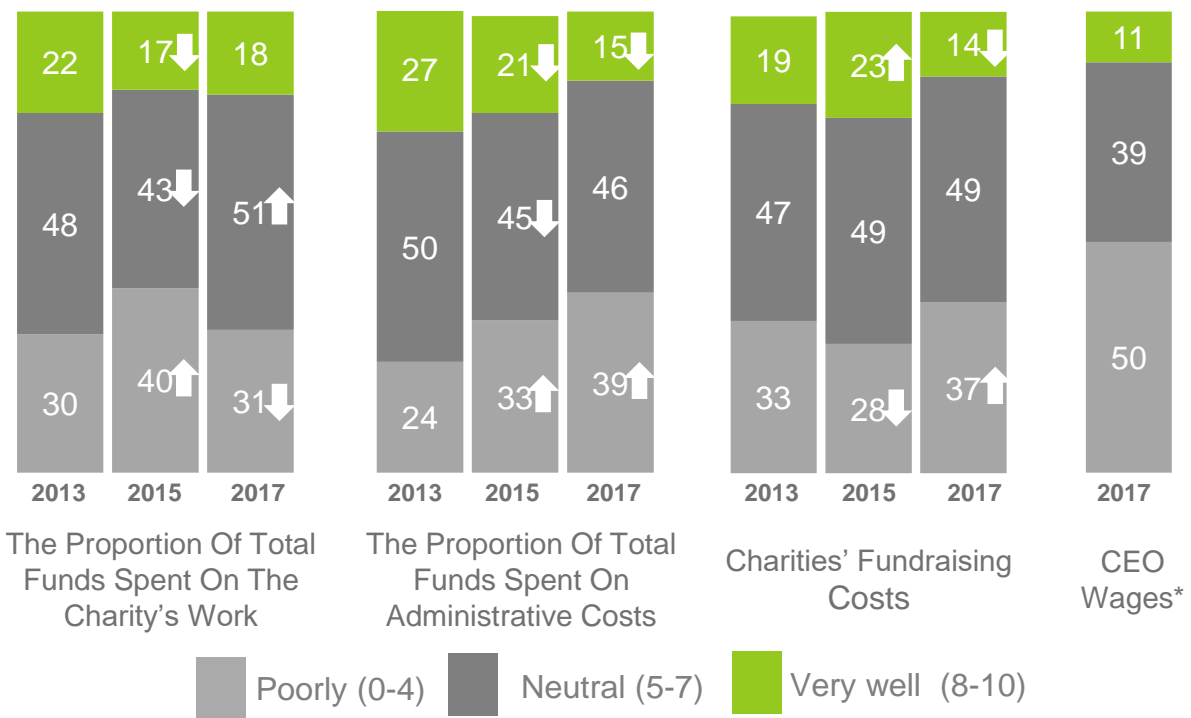


Figure 23 continues onto the next page.



↑↓ Statistically significant at 95% confidence interval from previous year

Source: Q11b. And overall, how well do you think Australian charities provide the following information?
 *New statement in 2017- Base: 2013 n=1624; 2015 n=1761; 2017 n=1611

This frustration surrounding poor information quality was reflected in the qualitative research, with participants claiming they were unable to find adequate material.

“Even if you google them you still wouldn’t get a full break down on how much goes on running costs and how much actually goes to the purpose”

Perth – High trust, low involvement

It is suggested the ACNC should be more vocal in what it aims to achieve as well as provide evidence regarding any actions taken (e.g. how many charities have been delisted). Such transparency and information would serve to reassure Australians that the ACNC is successfully regulating and maintaining the integrity of the sector.

“They need to come out and say we’ve got 54,000 charities, we are investigating 3,000 and have deregistered 200... they have got to put out the numbers”

Melbourne - Low trust, low involvement

6. Trust and confidence in charities

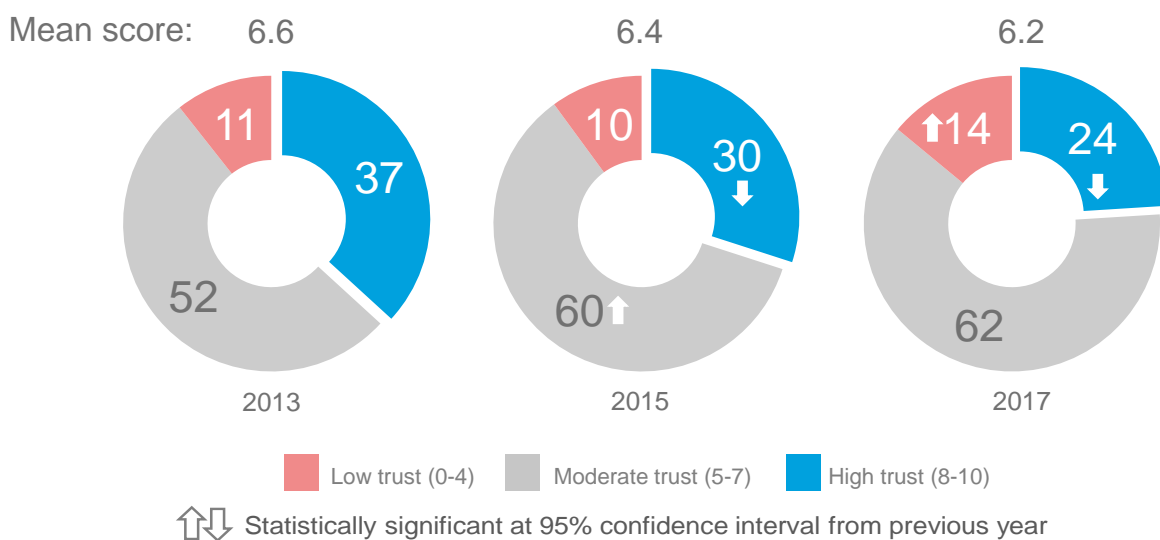
6.1 Trust and confidence

When compared to other institutions and organisations Australian charities are the 5th highest trusted organisation/ institution/ sector (mean 6.2). This has decreased since 2015 when they were the third most trusted institution. This has been due to a decrease in those who highly trust Australian Charities and an increase in those who have low trust. The number of Australians with a high level of trust in Australian charities has been decreasing since the 2013 benchmark when almost two in five strongly trusted charities (37% compared with 30% in 2015 and 24% in 2017).

The qualitative research conducted in previous years suggests that charity trustworthiness was a 'given'. In other words, charities did not have to earn the trust of the general population. This year's findings highlight they are somewhat more sceptical, with less people having 'high' levels of trust while the number of people who outright distrust charities is increasing significantly (14%) from 2015 (10%). Also, fewer people 'strongly' agree that they trust **most** charities (20%). This represents a decrease of 9% points from the previous round of research in 2015. This leads to the potential conclusion that charities now have to 'earn' peoples' trust instead of people accepting them on face value.

Those who are highly involved in charities are the most likely to display high levels of trust in charities (mean score 6.5) compared with low involvement (6.2) and no involvement (5.0) individuals. This pattern is also seen among those who believed the charity industry is regulated (61%) compared to the total population (24%) and among those aware of the ACNC (34%).

Figure 24: Level of trust in Australian charities (%)



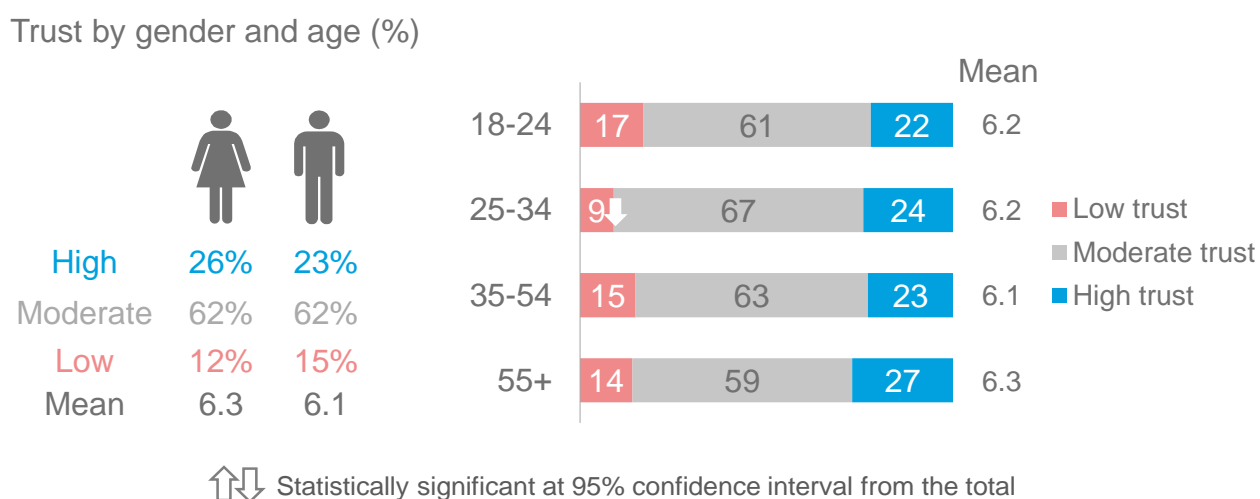
Source: Q7. How much trust and confidence do you have in the following institutions and organisations?
 Base: 2017 n=1611

It is useful to compare the Australian findings with those reported in Scotland and Northern Ireland, where similar surveys have been conducted. Scottish people have a lower level of trust in charities than Australians (mean score 6.08 compared with 6.2 respectively). In addition, trust has also decreased in Scotland over time, from a mean score of 6.44 in 2011 to 6.08 in 2016.¹⁸ In Northern Ireland, 79% of the population claim to have a moderate to high level of trust in charities (30% high and 49% moderate) with mean score of 6.2.¹⁹

Moving south to Ireland, a report published in October 2017 by the Charities Institute Ireland also examined trust among the general public and a similar trend was seen.²⁰ That is the number of people who 'do not trust charities at all' has increased since 2015 (10% in 2015, 15% in 2016 and 17% in 2017). While almost half (47%) of the people surveyed have some level of distrust. Similarly to Australians, they are likely to trust some charities more than others. Only one in ten (13%) of people in Ireland have the same level of trust for all charities, while in Australia one in five (21%) trust most charities.

There are no significant differences in trust between males and females; however Australians aged 25-34 are significantly less likely to have 'low' trust in charities (9%) compared to the total population (14%). As a directional trend, older Australians are more likely to have high trust.

Figure 25: Level of trust in Australian charities by age and gender (%)



Source: Q7. How much trust and confidence do you have in the following institutions and organisations?
Base: 2017 n=1611

When examining other institutions and organisations there are several where Australians' trust and confidence has improved, namely doctors, the police, the High Court and the Australian Taxation Office (ATO). It is particularly interesting that increases have been noted for both the High Court and the ATO – during the survey period the High Court was deliberating on the same-sex marriage plebiscite while the ATO received negative publicity regarding former Assistant Commissioner Michael Cranston.

¹⁸ <http://www.oscr.org.uk/news/surveys-show-strong-support-for-charities-in-scotland>

¹⁹ <http://www.charitycommissionni.org.uk/news/public-trust-and-confidence-research-launch/>

²⁰ <https://www.charitiesinstituteireland.ie/charities2037/>

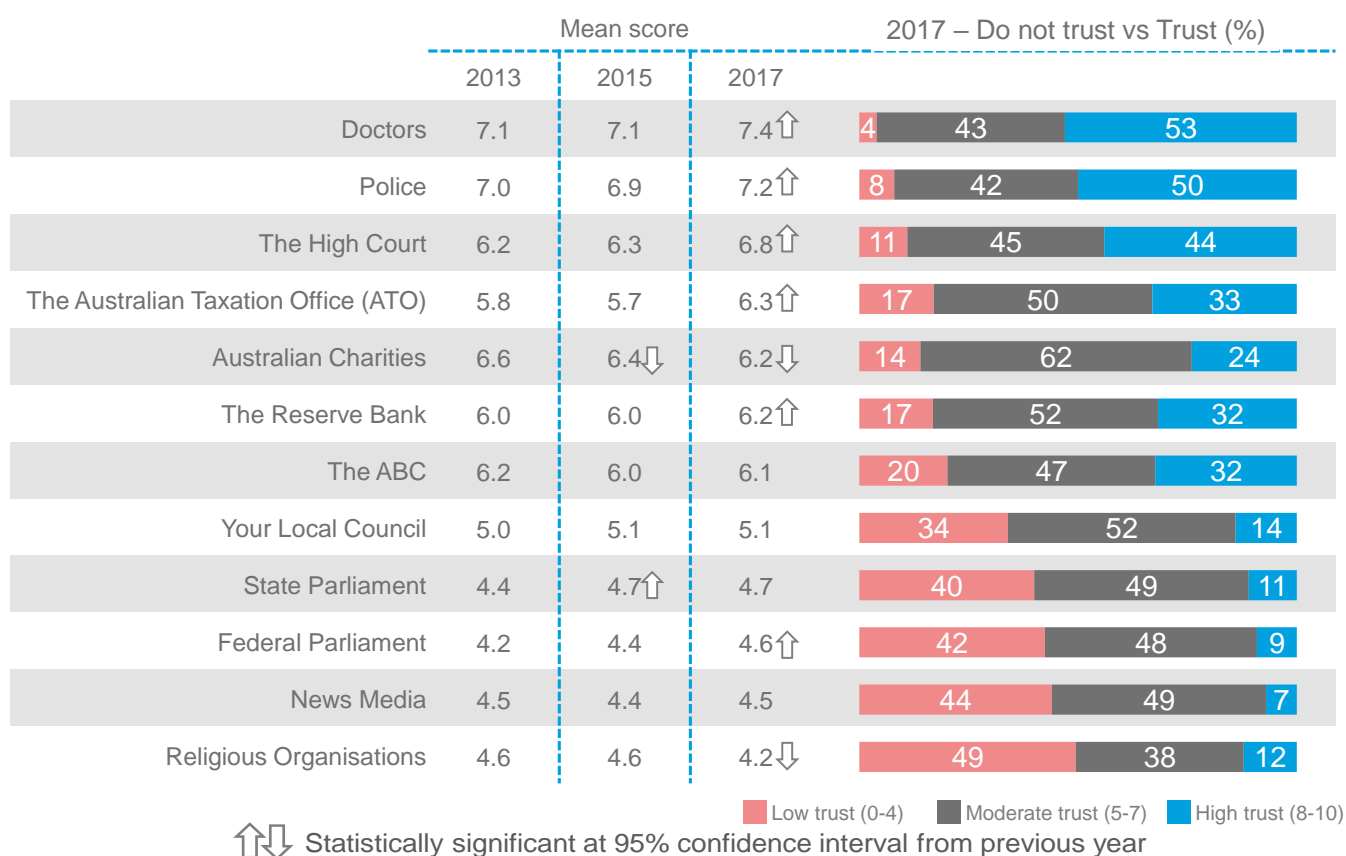
Despite the negative coverage, the ATO was open and transparent about the allegations made and provided information about the investigation. They stressed the importance they place on integrity and the Assistant Commissioner appropriately resigned.²¹ This public reaction to the ATO might help the ACNC to provide a best practice 'road map' for charities in crisis, by striving for transparency in the charity sector.

It is not surprising that trust in religious organisations has significantly declined in 2017 given augmented levels of negative media attention. In particular, 2017 saw a huge backlash against the Catholic Church after the Royal Commission suggested 1,800 members of the church were perpetrators of child sexual abuse.²² Interestingly, a respondent in the qualitative research suggested they were less likely to trust a charity with a religious affiliation:

“You spend money advertising and you are probably paying some big wig in an office, it makes me offended... especially if it has some religious affiliation, you are promoting another agenda.”

Newcastle – High trust, low involvement

Figure 26: Trust and confidence in institutions (%)



Source: Q7. How much trust and confidence do you have in the following institutions and organisations?
 Base: 2013 n=1624; 2015 n=1761; 2017 n=1611

The overall decrease in trust of Australian charities is driven by the significant decrease in those who agree most charities are trustworthy (20% compared with 29% in 2013 and 29% in 2015). A similar proportion of people **disagree** that most charities are trustworthy which results in

²¹ <http://www.smh.com.au/business/the-economy/ato-says-fraud-systems-work-but-could-be-better-20171012-gyzj2w.html>

²² <http://www.abc.net.au/news/2017-02-06/royal-commission-into-child-sexual-abuse-begins-in-sydney/8242600>

Australians moving to a more neutral position. This has been anecdotally expressed in the qualitative findings where most respondents were aware of accounts of charity indiscretion. In some cases, learning about charity wrong doing resulted in a decrease in the number and type (e.g. monetary, time, or goods) of donations.

Unsurprisingly, Australians exposed to negative publicity are more likely to disagree that charities are trustworthy (32%) compared to the total population (20%).

Positively, those who believe the charity sector is regulated are significantly more likely to believe most charities are trustworthy (56% compared with the total 20%) along with those aware of the ACNC (26%) compared to the total population (20%).

“I’ve been giving to Fred Hollows and the RSPCA. Even though I work for the RSPCA too, I have had a monthly donation going out for 10 years then I saw the big story on the APPCO group who are running most of the charities and taking most of the money for themselves and what they have on, and what they are doing with the money, so I pulled both of my donations, contacted the companies and have now gone direct through the companies otherwise it’s going through a third party and the APPCO group are just taking so much. So now if I want to donate to a charity I check if they fall under the APPCO banner, I steer away from them as that really disgusted me. My money for years has been going to their parties; really they have been drinking it.”

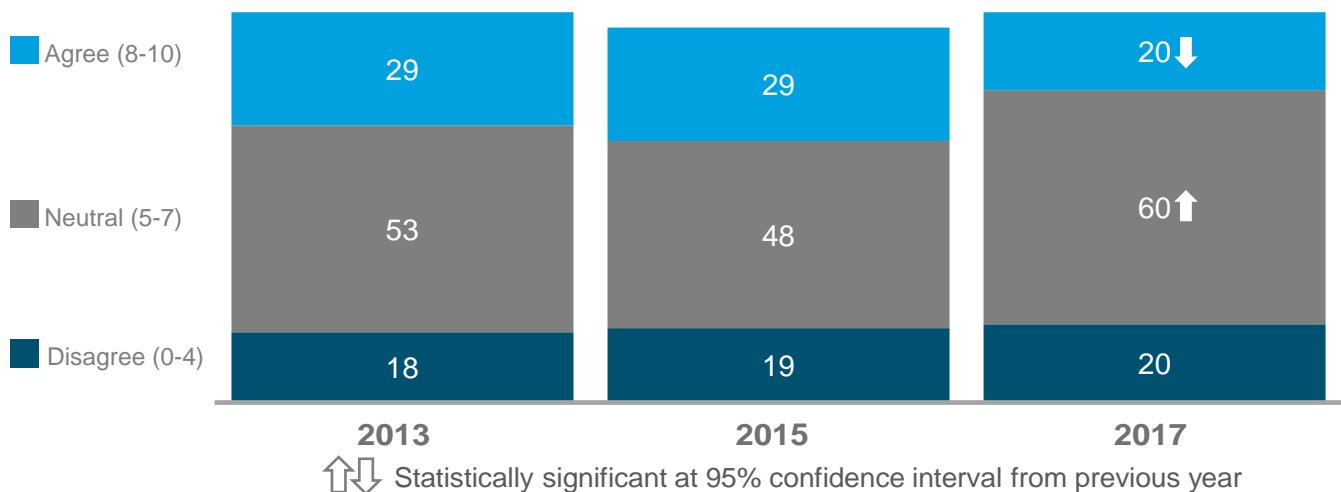
Ballarat – High trust, high involvement

In relation to the Shane Warne Charity scandal:

“The reputation of his charity has been well and truly trashed”

Sydney – Low trust, high involvement

Figure 27: Agreement – most charities are trustworthy (%)



Source: Q9. Below are statements that people have made about Australian charities. Please indicate the extent you agree or disagree?
Most charities are trustworthy.

Base: 2013 n=1624; 2015 n=1761; 2017 n=1611

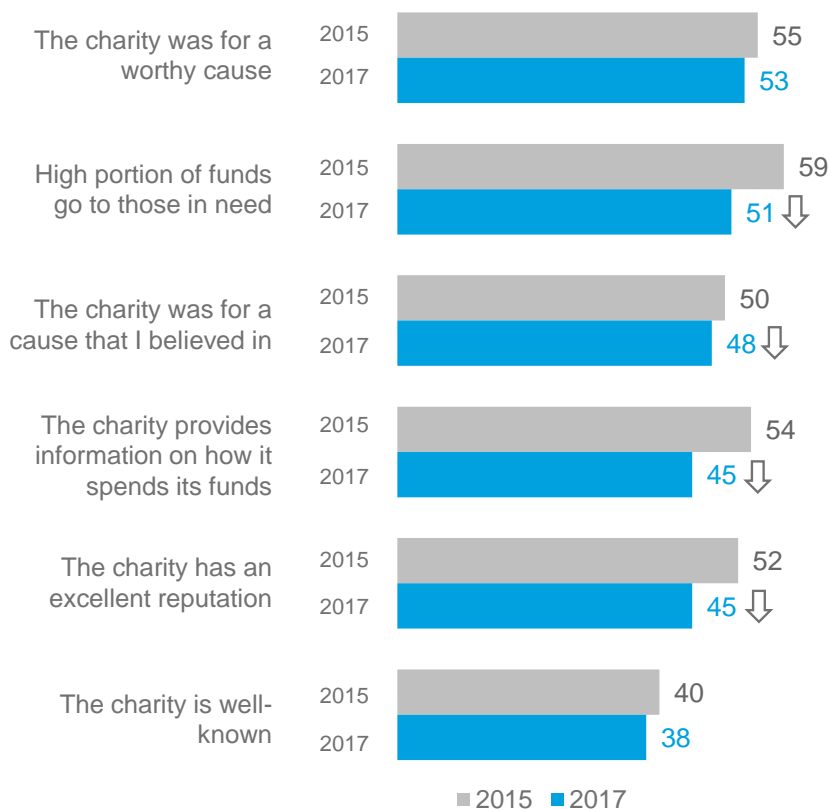
6.2 Drivers and influencers of trust and confidence

One of the main outcomes of this research was to further understand what influences Australians' trust and confidence in charities. As evidenced, trust and confidence have been steadily decreasing.

For the most part, when compared with 2015 Australians are explicitly stating that similar features are fundamental to how much trust they have in a specific charity (Figure 28). In particular, the top 6 factors remained the same. However in 2017, the worthiness of the cause (53%) was seen as the most important factor moving ahead of knowing a high proportion of funds go to those in need (51%). This was mirrored in what Australians thought was important information the charities should provide. Three quarters (76%) thought it was very important for charities to explain how they use donations, while 72% place importance on knowing the proportion of total funds spent on the outcome.

The third highest influencer of trust is 'the charity was for a cause I believe in' (48%). From both the current and previous qualitative research it is clear that personally relevant charities are more likely to be trusted and have higher involvement. There is a subtle distinction between a worthy cause and for a cause I believe in. The latter focused on helping friends with their charity activities (e.g. Movember, running a marathon for a specific cause, etc.).

Figure 28: Influencers of trust – top 6 (%)



↑↓ Statistically significant at 95% confidence interval from previous year

Source: Q8. Below is a list of things that people have said influence how much they trust a charity. Please select all that you feel influence how much you trust a charity.

Base: 2015 n=1761; 2017 n=161

When examining gender, women are much more likely to trust a charity if a high proportion of funds go to those in need (55% compared with males 47%) and if it was for a cause they believe in (53% compared with 43%).

Australians aged 55+ years old are the most likely to trust a charity with an excellent reputation (50%) compared to the total population (45%) or if it is well-known (44% compared to the total population 38%). They also prefer to focus on charities that provide help domestically (i.e. supports Australians) (47%) compared to the total population (37%). This was reflected in the qualitative research where a respondent referenced an older family member being shocked to discover the respondent was providing assistance overseas instead of in Australia.

“I have got some great big tins of food on my porch at the moment that are to go to an orphanage in Liberia, my Dad came in the other day - some of them are baked beans - Dad came in, ‘feel like some baked beans do ya?’ ‘Nah, I’m sending them over to the orphanage in Liberia’... he said ‘why are you sending it to them? I’m sorry, we have got our own people in the middle of the country, send it to them, they need it.’... He’s very much at home”

Ballarat – High trust, high involvement

Younger Australians (aged 18-24) were more likely to trust a charity ‘if they provide the information they require’ (37%) compared to the total population (26%) and if they had heard or knew of people who had been helped by the charity (26%) compared to the total population (19%).

Intriguingly, there was a significant decrease in those who were influenced by information around how a charity spends the money it raises (45% compared with 54% in 2015). As suggested previously, perhaps more Australians understand overheads as a necessary part of operating a charity, however still feel it important to have the information on administration made available. As part of the qualitative process, respondents were asked to provide an estimate of how much money (per dollar) should go to the end cause. The answers varied widely from as little as 40% to 95% with most people anchoring around 70% to 80%.

“I think it’s reasonable for about 20% to go towards running the charity, although it will differ depending on what they do and how big they are”

Melbourne - Low trust, low involvement

There is acknowledgement that larger charities can affect greater change due to the economy of scales they can produce:

“It is how it is portrayed... if you have a small foundation that donates 90% but they are only funding like \$1,000, but then you have another that gives 60% or 40% but they have \$100 million then the impact is different”

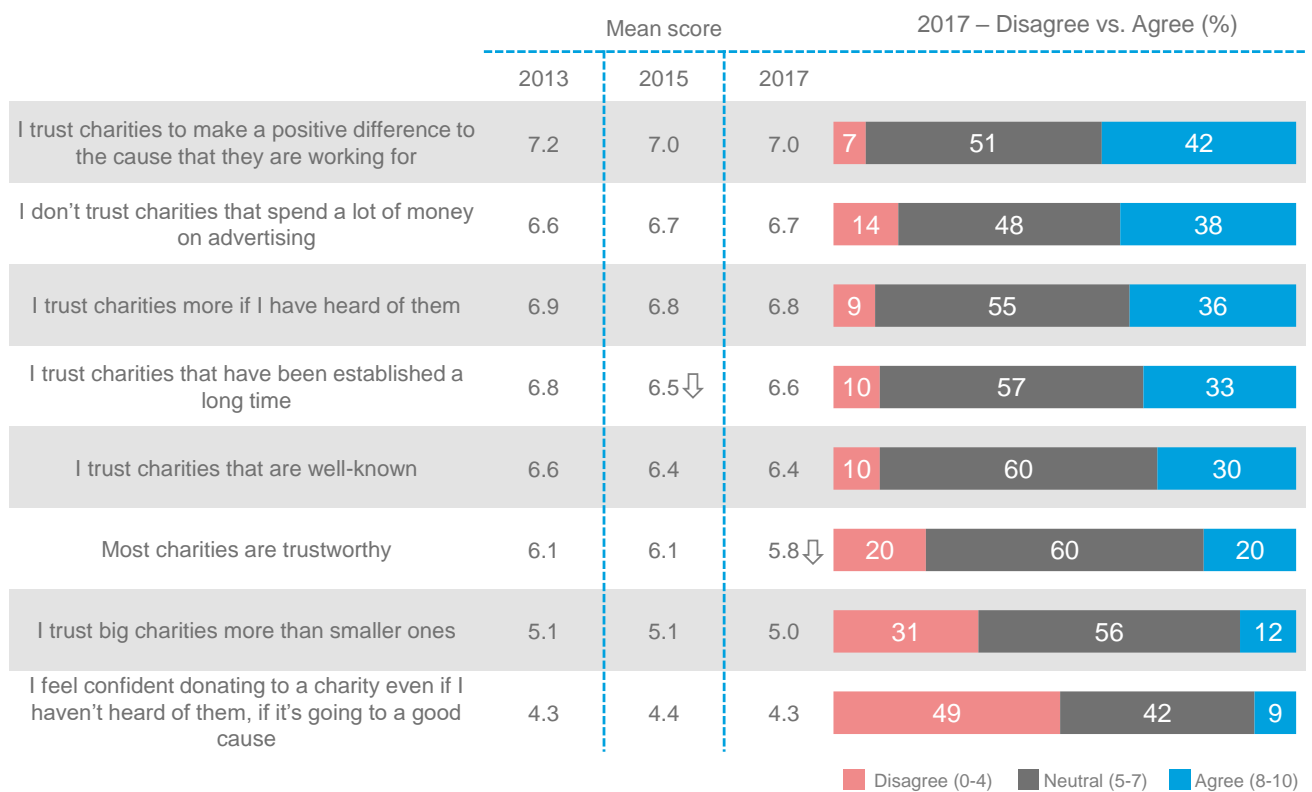
Sydney – Low trust, high involvement

Research conducted into OSCR in Scotland reflects these findings. Specifically, trust is driven by knowledge of the proportion of donations contributed to the cause, evidence of outcome and knowledge of charity regulation. The report from OSCR suggests the body might improve trust by producing an annual report with evidence of actions taken against misleading charities, improve

awareness by increasing visibility in the news and focus on publishing positive as well as negative charity stories.²³

In line with previous findings, Australians tend to trust charities that they are familiar with or are well established (Figure 29). Over one in three (36%) strongly agree they trust familiar charities, while those who have high trust in charities are almost twice as likely to agree (64%). Conversely, half (49%) do not feel confident donating to a charity they do not know, regardless of the cause.

Figure 29: Assumptions and knowledge about charities (%)



↑↓ Statistically significant at 95% confidence interval from previous year

Source: Q9. Below are statements that people have made about Australian charities. Please indicate the extent you agree or disagree. Please use a scale of 0 to 10, where 0 means that you strongly disagree and 10 means that you strongly agree. Base: 2013 n=1624; 2015 n=1761; 2017 n=1611

Australians aged 18-24 years old, those with no involvement or those who have low trust in charities are less likely to agree with the statement 'I trust charities more if I have heard of them', (29%, 20% and 18% respectively, compared with the total 36%). Also, among those with no involvement in charities, three in five (61%) do not feel confident donating to a charity they are unfamiliar with, displaying a lower level of trust in charities in general. Those with a lower household income (less than \$40,000) are somewhat less likely to feel confident donating to charities they are unfamiliar with (55% compared to the total population 49%).

While familiarity plays a large part in how comfortable people feel donating to charities, a key underlying assumption or expectation is that charities will make a positive difference to the cause they are working on (93%). Over two in five (42%) **strongly** believe this to be the case. This is

²³ <http://www.oscr.org.uk/news/surveys-show-strong-support-for-charities-in-scotland>

higher than the levels seen in Northern Ireland’s charity regulator report where 85% state importance of the cause as a key driver.²⁴ Furthermore, the qualitative research revealed the detrimental impact on trust when charities act inappropriately or in their own self-interest. This is true of one-off incidents (e.g. the Shane Warne charity scandal) as well as consistent wrong-doing.

“Yes. Shane Warne charity which spent excessive sums on entertainment of staff and mates” and **“Yes, there are constantly scandals and misappropriation of funds or abuse of beneficiaries”**

Source: Q21b – Quantitative survey responses

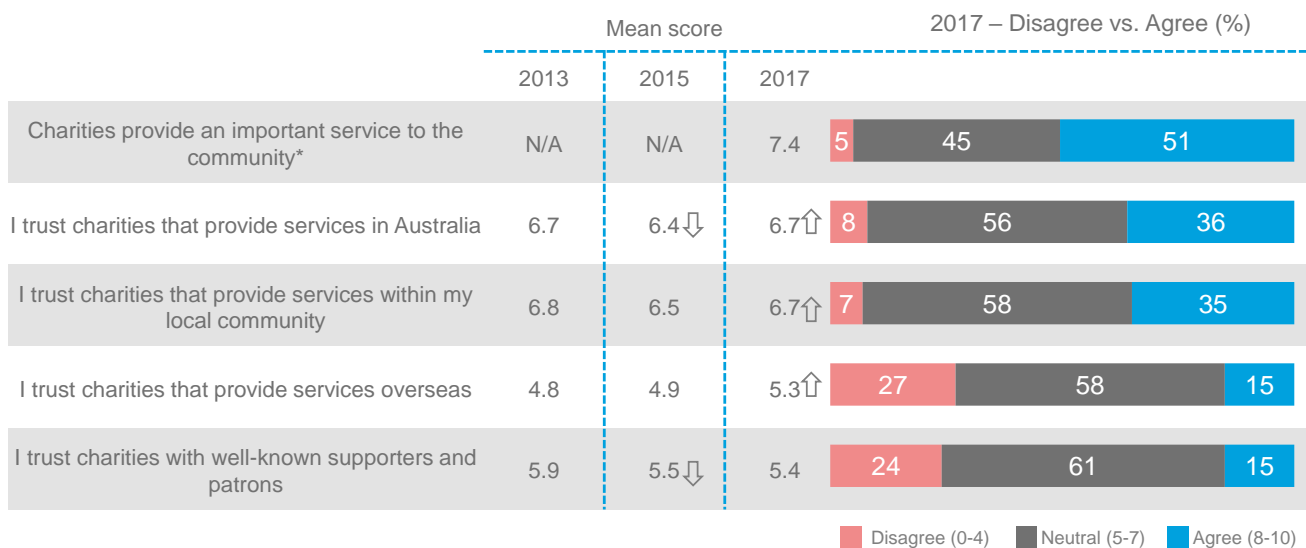
The importance of charities in communities cannot be underestimated. With a mean score of 7.4 and a high level of agreement (51% compared with 5% who disagree), the population recognises the positive impact the charity and not-for-profit sector has on Australian communities. In particular, older Australians are the most likely to strongly agree with the statement ‘charities provide an important service to the community’ (59%) compared to the total population (51%).

Australians increasingly trust charities that provide services overseas (5.3 in 2017 compared with 4.9 in 2015). The increase is driven by Australians aged 18-24 who are significantly more neutral in their attitude towards foreign aid (69% score 5-7 compared with total population 58%) as well as being **less** likely to disagree that ‘I trust charities that provide services overseas’ (16% compared with the total population 27%). This follows on from the previous discussion regarding younger generations as having a more global outlook.

“I find that ones that do an awful lot of advertising or ones that send all their money overseas... I’ve heard stories about how little money actually goes to the cause for which they show really sad pictures”

Newcastle – High trust, low involvement

Figure 30: Charity outcome – personal vs external (%)



↑↓ Statistically significant at 95% confidence interval from previous year

Q9. Below are statements that people have made about Australian charities. Please indicate the extent you agree or disagree. Please use a scale of 0 to 10, where 0 means that you strongly disagree and 10 means that you strongly agree.

*New statement added in 2017

Base: 2013 n=1624; 2015 n=1761; 2017 n=1611

²⁴ <http://www.charitycommissionni.org.uk/news/public-trust-and-confidence-research-launch/>

Regarding the financial aspect of the charity sector, approximately half of Australians do not trust charities that pay sales people to raise funds (45%). This was echoed in the qualitative research:

“I don’t really trust the ones that have the people in the street that harass you”

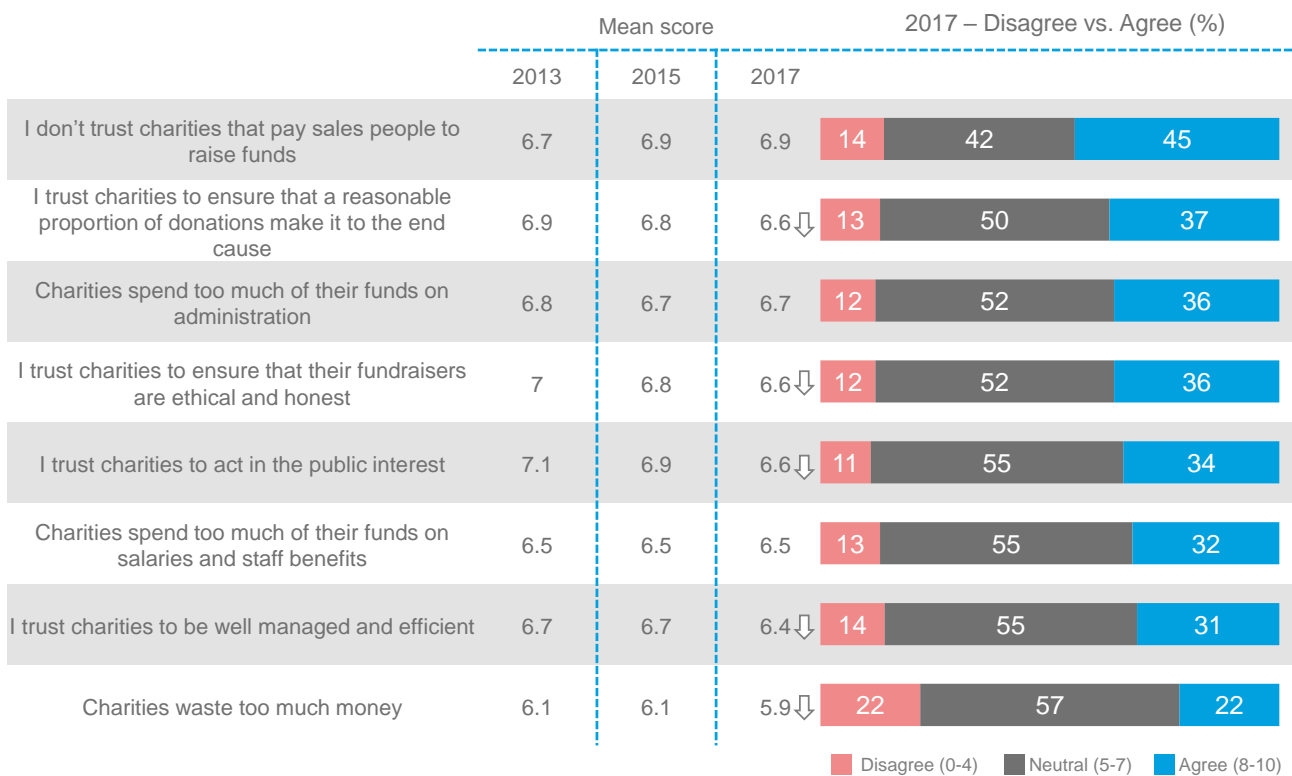
Newcastle – High trust, low involvement

From 2015, there has been a significant decrease in trust in charities to ensure a reasonable proportion of donations make it to the end cause (6.8 in 2015 compared with 6.6 in 2017) as well as trust in charities to ensure their fundraisers are ethical and honest (6.8 in 2015 compared with 6.6 in 2017). This decrease is also true for trust in charities to act in the public interest (mean score 6.6 compared with 6.9 in 2015) and the trust that charities are well managed and efficient (mean score 6.4 compared with 6.7 in 2015). Australians increasingly feel that charities waste too much money (5.9 compared with 6.1 in 2015).

As a general trend across statements, Australians with a high trust and confidence in the charity sector and those who believe it to be highly regulated show significantly higher agreement for positive statements and disagreement with negative statements. Those with low trust and low perception of regulation express a direct contrast.

Australians 18-24 are less likely to trust charities to be well managed and efficient (21%) compared to the total population (14%). This is interesting considering this age group also are more likely to research how a charity is run (as discussed in section 5.3). For charities to gain trust amongst these Australians, it is clear they need to be transparent in their organisational structure and outputs.

Figure 31: Charity financials – money spent and raised (%)

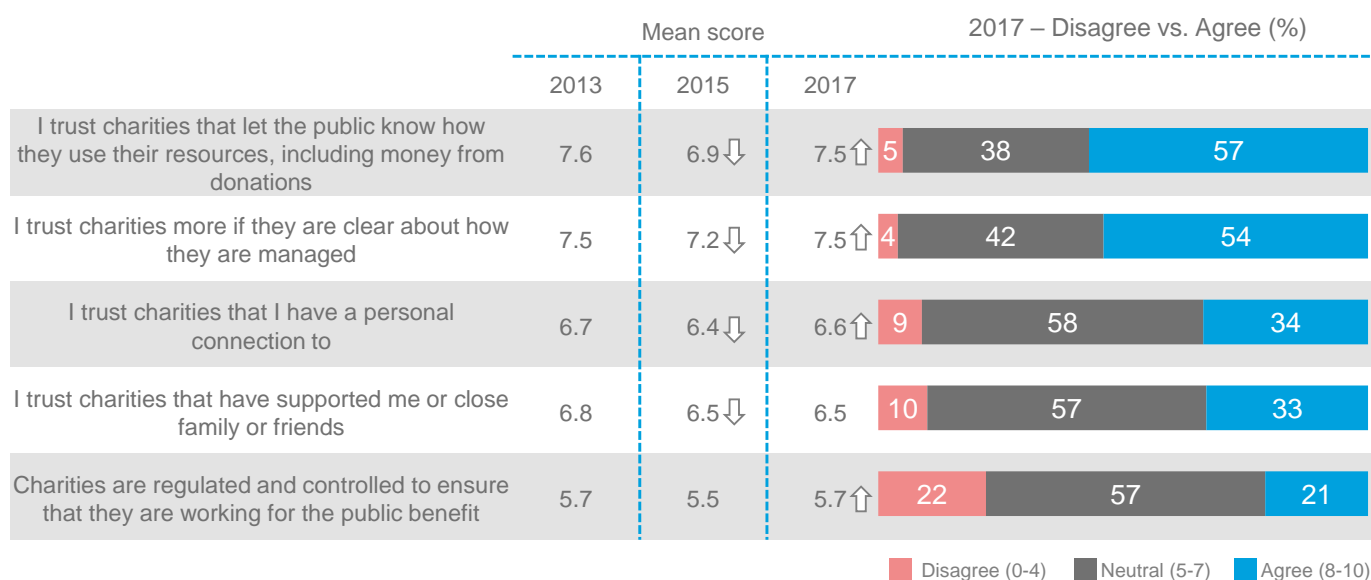


Source: Q9. Below are statements that people have made about Australian charities. Please indicate the extent you agree or disagree. Please use a scale of 0 to 10, where 0 means that you strongly disagree and 10 means that you strongly agree. Base: 2013 n=1624; 2015 n=1761; 2017 n=1611

Over half of Australians agree that transparency is a strong driver of trust (57% agree), with the level of agreement increasing from 2015 (mean score 7.5 compared with 6.9 in 2015). Indeed, a call for greater transparency has been highlighted in the Australian media in light of various scandals, particularly in relation to donation management.²⁵ The launch of the ACNC tick of registration in 2016 is a step in the right direction, as the visual cue permits Australians to more easily determine charity registration and credibility.²⁶ While transparency and endorsement from a government body is important, Fulbright Professional Scholar in Non-profit Leadership, Dr Tessa Boyd-Caine, suggests charities need to individually lead the charge in transparency and accountability to grow trust.²⁷ They might do so by providing readily available content regarding donations use, administration overheads and evidence of organisational efficiencies.

This importance of transparency, as discussed by Dr Boyd-Caine, is a key finding of the 2017 quantitative research. Four in five (79%) Australians with high trust and those who think charities are well regulated (81%), strongly agree (8-10) that **trust is driven by transparency**. Unsurprisingly, a similar opinion is shared amongst those who are aware of negative charity media (71% agree).

Figure 32: Regulation – personal and external (%)



↑↓ Statistically significant at 95% confidence interval from previous year

Source: Q9. Below are statements that people have made about Australian charities. Please indicate the extent you agree or disagree. Please use a scale of 0 to 10, where 0 means that you strongly disagree and 10 means that you strongly agree.
 Base: 2013 n=1624; 2015 n=1761; 2017 n=1611

²⁵ <http://www.theage.com.au/comment/the-age-editorial/greater-transparency-can-restore-trust-in-charities-20161228-gtiub1.html>

²⁶ <http://www.theage.com.au/nsw/acnc-launches-registered-charity-tick-20161212-gt9pw6.html>

²⁷ http://www.originfoundation.com.au/sites/default/files/ORI2414_FullbrightScholarReportScreen_02.pdf

16% of Australians answered yes to having heard of charity wrong-doing. Not surprisingly, older Australians (aged 55+) were significantly less likely to answer no (38%) compared with the total population (43%), as they have had more time to be exposed. Among those who had heard of wrong-doing in the charity sector, the Shane Warne Foundation scandal had highest recall.

Australians highly involved in the sector were more likely to have heard of wrong-doing (20% answered yes) along with those who had heard of the ACNC (22% answered yes).

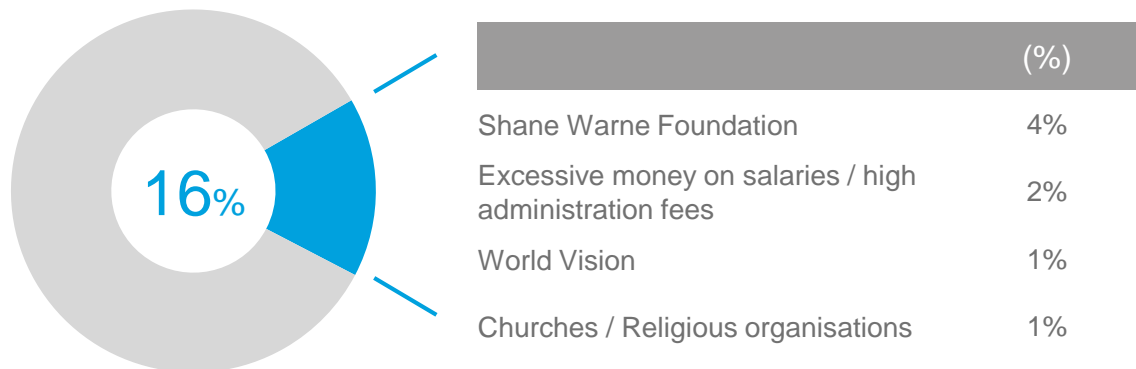
It is interesting to see those with high trust in the charity sector are less aware of negative media attention (11% said yes), while, as mentioned previously, those aware of negative media have decreased trust in charities (18% compared with the total population 24%). Those who think charities are highly regulated and controlled were also more likely to **not** have seen any media backlash (52% compared with the total population 42%).

As discussed, there is a significant amount of negative sentiment surrounding charities that employ people to fundraise in the street. Indeed, one respondent was aware of a segment on A Current Affair regarding this tactic:

“On A Current Affair about those ones, apparently they are employed by an agency and they get paid a commission for each person they sell tickets to – a couple of months ago that was on the tele. They warn about finding about who you are donating to before you give”

Newcastle – High trust, low involvement

Figure 33: Unprompted - Those who had seen or heard of any charity wrong-doing (%)



Source: Q21b. Have you seen, heard or read about any charities recently that have done the wrong thing?
 Yes/ No/ Don't Know
 Base: 2017 n=1611

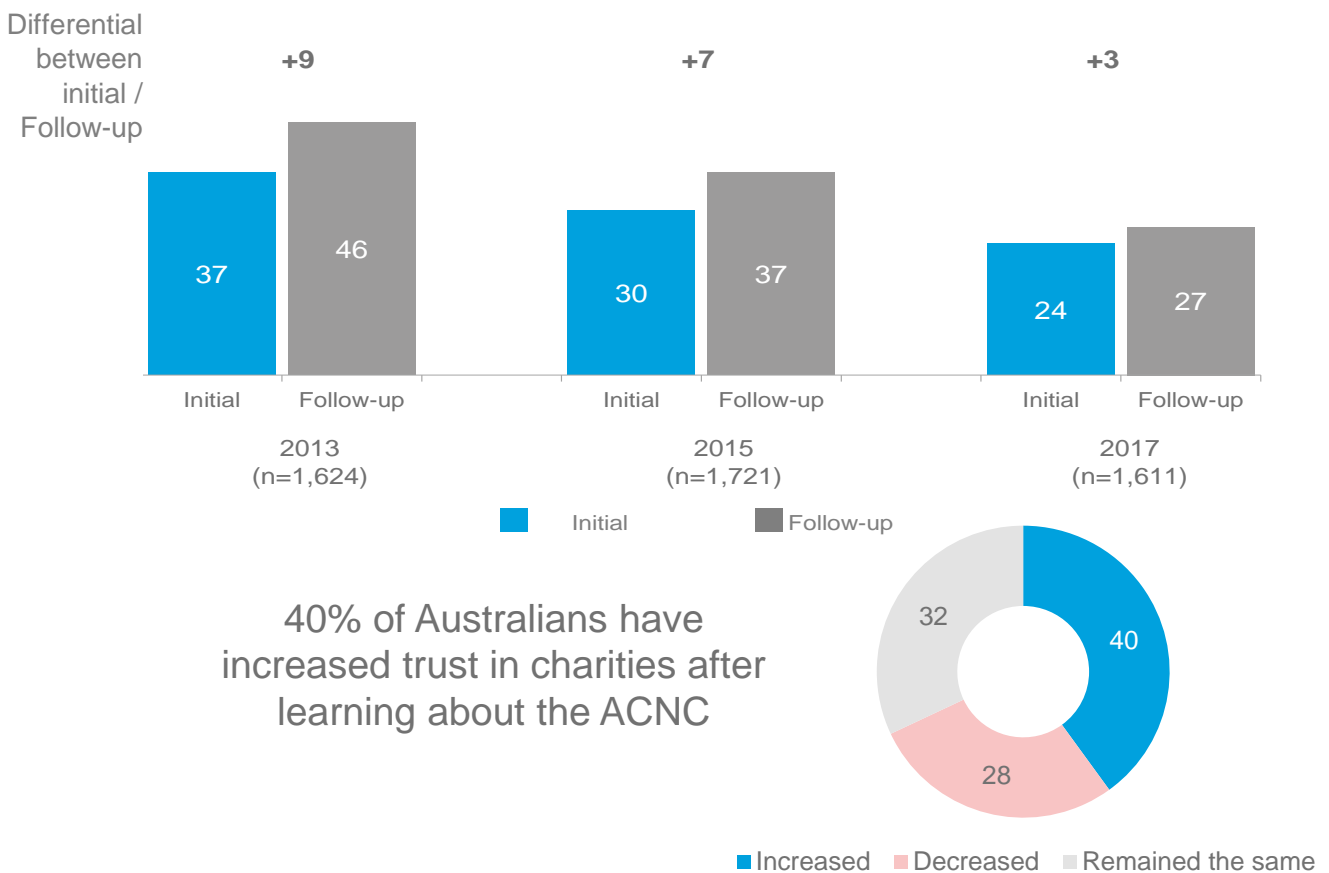
6.3 Influence of the ACNC on trust

It is positive to see that Australian trust and confidence in the charity sector increases after being made aware of the ACNC. Indeed 40% of Australians are more likely to trust charities after learning about the ACNC. The margin of increase however has softened in 2017 from 2015, now at 3% instead of 7% respectively.

The qualitative research supported the quantitative findings that trust improved after awareness of the ACNC was made relevant. Though it was acknowledged that auditing the 54,000 charities in Australia seemed next to impossible and some doubted there are enough resources available for such an exercise to be effective. Therefore, the ACNC needs to provide evidence of its capability to monitor the sector.

Such findings are in line the research conducted in Scotland on the OSCR. Once aware of the regulatory body, respondents were reassured to know one existed and thought it important more people were made aware of its function.²⁸

Figure 34: Proportion who trust (8-10 out of 10) Australian charities before and after learning about the ACNC (%)



Source: Q7. How much trust and confidence do you have in the following institutions and organisations? Australian charities (Proportion 8-10 out of 10)
 Q21a. Bearing in mind that Australian charities are regulated by the ACNC, how much trust and confidence do you have in Australian charities overall? (Proportion 8-10 out of 10)
 Base: 2013 n= 1624; 2015 n=1721; 2017 n=1611

²⁸ <http://www.oscr.org.uk/news/surveys-show-strong-support-for-charities-in-scotland>

7. Conclusions

A majority of Australians have engaged with the charity sector in the past year. Charitable support was based on the knowledge there would be a clear and measurable outcome and an understanding that a high proportion of funds donated would contribute towards the cause. This is particularly important, as Australians recognise the positive contribution charities effect on society.

Australians donate to charities primarily for the perceived importance of the cause, the 'feel good' factor and a sense of duty to provide for the more vulnerable in our society. As such, it can be devastating for an individual to learn their commitment of time and money has gone towards a deceitful organisation.

There are underlying expectations as to how a charity should act and behave. Australians trust charities to ensure they are ethical and honest in their fundraising. It is perceived to be equally important that charities are well-managed, efficient and deliver on their stated objectives.

Over time, there has been a significant decline in trust in the charity sector; driven by a reduction in the number of people who claim to have a high level of trust as they move towards a more neutral position (rather than a position of distrust).

A key objective of the ACNC is to maintain, protect and enhance trust in the charity sector. Transparency was found to be an essential factor for developing and maintaining trust, echoed in both the quantitative and qualitative research. To this end, Australians think it most important for a charity to provide information regarding donation use, proportion of funds spent towards the cause and overall impact. It is understood that charities are not considered 'very good' at providing this information. Currently, over half of the population engage in research when donating money to a charity. Research touchpoints are key opportunities for charities to communicate with the general public and in turn drive trust.

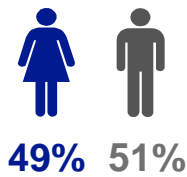
While the majority of Australians are unaware of the ACNC, it is widely considered important that a regulator exists. This importance was largely based on the financial value of the sector and the values that underpin philanthropic behaviour. Australians perceive the primary functions of the ACNC as registering and granting charity status as well as handling complaints. Furthermore, the Register was not well recalled, however given the wide thirst for information, many expressed it would be useful in checking charity registration status and validity.

About one in six Australians are aware of recent charity wrong-doing, highlighting the need for a regulator to police the sector and encourage best practice amongst charities.

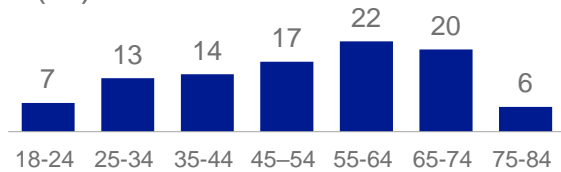
After being made aware of the ACNC, Australians are more likely to have greater trust and confidence in charities overall. This uplift indicates the importance of the ACNC as a driver of trust, and provides evidence suggesting that the key challenge for ACNC lies in raising awareness of their function and activities among the general public.

Appendix 1 – Demographics

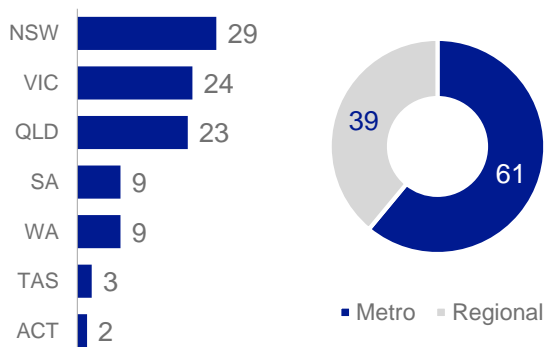
Gender



Age (%)

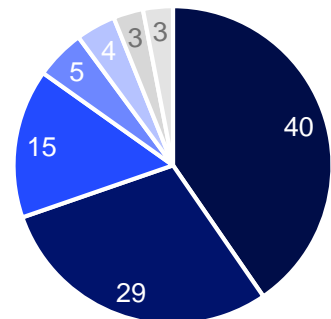


Location (%)

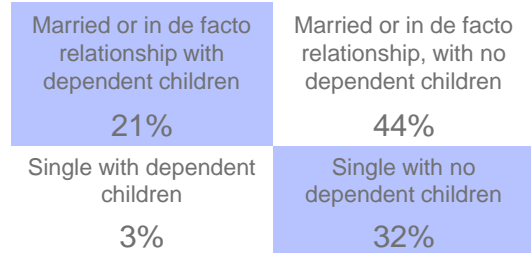


Work Status (%)

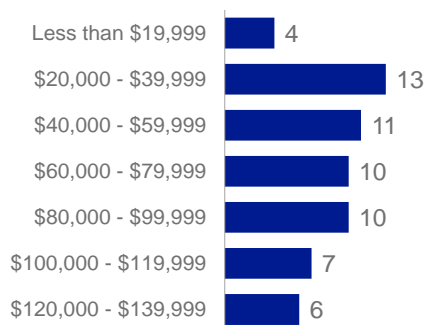
- Full time paid work (30+ hours per week)
- Retired
- Part time paid work (less than 29 hours per week)
- Home duties
- Students
- Unemployed
- Other



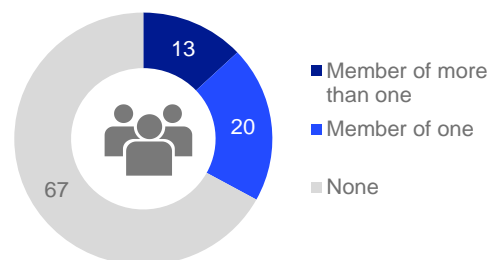
Family Status



Household Income (%)



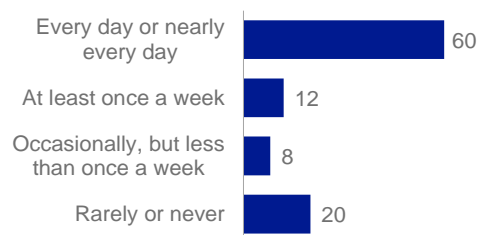
Community group members (%)



Religious affiliation (%)



Social media usage (%)



Base: 2017 n= 1611
Please note figures presented are weighted.

Appendix 2 – Quantitative research: Questionnaire

Job Name:	ACNC – Trust & Confidence Research 2017
Job Number:	263104744
Version:	Final
Date:	02.08.2017
Researcher(s):	Robyn Rutley & Israel Stephens
Scripter(s):	KantarTNS
Adhoc or Tracking job:	Adhoc
Panel Provider:	LSR
Expected Interview Length:	15 minutes
Total Sample Size:	N=1,600
Assumed Incidence Rate:	100%
Number of Interviews for Pilot:	N=50
Expected Pilot Launch Date:	8 th August
Expected Field End Date:	25 th August
Project Notes: (Please note any additional project notes not covered elsewhere below e.g. is there a previously scripted job that should be used as a starting point etc.)	

Questionnaire

Introduction

Hello from Kantar Public

Thank you for agreeing to participate in this survey. It is being conducted on behalf of the Australian Government.

The purpose of the survey is to find out what people think and how they feel about the charity and not-for-profit sector in Australia. It should only take **around 15 minutes** to complete.

Please remember:

- Your views are important to us and your answers will be kept in the strictest confidence.
- None of the responses you give are directly linked to you as an individual. They are used for statistical purposes only.
- Participation is voluntary and you can stop at any point.
- The survey incentives are outlined in the invitation e-mail.

To answer a question: Most questions have a round button to click or a tick box to check. Click on the box or button that best describes your answer to each question. Sometimes you may need to type in your answer in the spaces provided.

If you forget to answer a question, or miss part of a question, a message reminding you that the question needs to be answered will appear. If this happens, you need to complete your answer to carry on with the survey. Sometimes you'll need to scroll across or down the page to see all of the possible answers.

To change an answer: For questions with a single choice, click on a different button. For questions with multiple choices (tick boxes), click again on your original answer to clear the box and make a new choice.

To go to the next question: When you've finished answering a question, click the "Next" button at the bottom of the screen.

To pause the survey and return to it later: Simply close the window and click on the link in the invitation e-mail to resume.

Dial-up users: If you are on a dial up modem or other slow connection, some of the questions may take a few moments to load. Please be patient.

Please click on the button below if you agree to complete this survey and to provide honest and thoughtful responses. To move through the survey please do not use your browser buttons - use the buttons at the bottom of each screen.

Screener

TIMING POINT

SHOW ALL

SHOW TEXT

To begin with, we have a few questions about you.

ASK ALL

S/R

D1 How old are you?
(Please select one option)

Less than 18 years	1	TERMINATE
18 – 24 years	2	
25 – 34 years	3	
35 – 44 years	4	
45 – 54 years	5	
55 – 64 years	6	
65 – 74 years	7	
75 – 84 years	8	
85 years and above	9	

ASK ALL

S/R

D3 Please indicate your gender?
(Please select one option)

Female	1	
Male	2	
Other	3	

ASK ALL

OPEN

D4 What is your postcode?
(Please enter a 4 digit number below)

ALLOW ONLY EXACTLY 4 CHARACTERS

ONLY ALLOW POST CODES AS PER SPREADSHEET DEFINITIONS

CREATE HIDDEN VARIABLES TO CODE POST CODE INTO METRO/REGIONAL AND INTO STATE CLASSIFICATIONS

IF A NON-VALID POSTCODE IS ENTERED 3 TIMES IN A ROW PLEASE TERMINATE

Termination and Welcome Screens

Termination

We would like to thank you for taking the time to participate in our survey. Your opinions and responses are gratefully received and extremely important to us.

The survey is now closed due to overwhelming responses from people like yourself.

Once again thank you for your interest. To ensure that you receive further relevant surveys, please make sure that your details are always up to date.

Please click the 'Next' button below to earn your points.

Welcome

Congratulations!

You have qualified for the survey. It is examining attitudes towards Australian charities and not-for-profit organisations. It will take you approximately 15 minutes to complete.

Charities include any organisation that is established to pursue a charitable purpose and operates for the public benefit. There are many charities in Australia. Some of the better known ones include the Red Cross, Salvation Army, World Vision, World Wildlife Fund, and the Heart Foundation, but there are many smaller and less well known charities. This research is being conducted to understand attitudes to all types of charities and what people think, regardless of how much involvement they have with charities.

We sincerely appreciate your assistance in this research.

Please click the "next" button to continue.

SCRIPTER NOTE: WHERE THE WORD 'CHARITY' OR 'CHARITIES' APPEAR, PLEASE ALLOW A HOVER BOX (OR EQUIVALENT) WITH THE FOLLOWING DEFINITION:

Charities include any organisation that has a charitable purpose and operates for the public benefit. There are of course many charities in Australia. Some of the better known charities include the Red Cross, Salvation Army, World Vision, World Wildlife Fund, and the Heart Foundation, but there are many smaller and less well known charities, and we are interested in attitudes to all types of charities.

Note: Question numbering and response sets appear out of order. This is necessary in order to ensure that the data file matches the previous waves of the research to ensure that accurate comparisons to previous data are made. While respondents complete the survey, they will be able see question numbers, so this does not create any unnecessary confusion.

Section 1: Awareness and involvement in charities

TIMING POINT

ASK ALL

M/R

- Q1 Have you had any of the following types of contact with any charities over the last year?
(Please select all that apply)

Paid employee of a charity	1	High involvement
Trustee of a charity	2	High involvement
Volunteer for a charity	3	?
Member of a charity's executive, governing body or management committee	4	High involvement
Provide professional services to a charity	5	High involvement
Received money, support and/or help from a charity	6	High involvement
None of these	7	Go to Q3

ASK IF HAD CONTACT WITH ANY CHARITIES OVER THE LAST YEAR [Q1=1/2/3/4/5/6]

S/R

- Q2 About how often would you say you have volunteered time to a charity over the last year?
(Select one response only)

Most weeks	1	High involvement
About fortnightly	2	High involvement
About monthly	3	High involvement
Less often	4	Low involvement

ASK ALL

M/R

- Q3 Have you done any of the following in the last year?
(Please select all that apply)

RANDOMISE RESPONSES

Donated to a TV charity appeal	1	Low involvement
Bought goods from a charity (e.g. charity shop, charity catalogue, The Big Issue, etc.)	2	Low involvement
Made regular monthly donations to a	3	High involvement

charity		
Sponsored someone in a charity event (e.g. fun run)	4	Low involvement
Made a one-off or occasional donations to a charity	5	Low involvement
Sponsored a child via a charity through regular contributions	6	High involvement
Sponsored an animal via a charity through regular contributions	7	High involvement
Sold raffle tickets or conducted other fundraising on behalf of a charity (e.g. participated in a fun run, read-a-thon, etc.)	8	Low involvement
Attended a fundraising event (e.g. charity dinner, auction, trivia night, etc.)	9	Low involvement
Donated goods (e.g. furniture, clothing, food, etc.) to a charity	10	Low involvement
Bought raffle tickets	11	Low involvement
Other (please specify)	97	ANCHOR. SPECIFY Low involvement
None of the above	98	ANCHOR. EXCLUSIVE. THOSE WHO SELECT Q1 CODE 7 AND Q3 CODE 98 GO TO Q7

Create hidden variable "Involvement"

High involvement	1	If selected <u>any</u> responses in Q1, Q2 or Q3 that are classified as "High involvement"
Low involvement	2	If <u>only</u> selected low involvement for all responses selected in Q1, Q2 and Q3
No involvement	3	If Q1=7 and Q3=98

ASK ALL WHO ARE HIGH OR LOW INVOLVEMENT (Involvement = 1,2)

M/R

Q4 Below are some different reasons people have given in the past for supporting different charities. Please select all that have influenced whether you support a charity.
(Please select all that apply)

RANDOMISE RESPONSES

The charity matches my beliefs	1	
I feel their work is important	2	
I trust the charity to make a positive difference to the cause that they are working for	3	

I enjoy supporting charities	4	
I have a personal connection to the charity	5	
The charity has a good reputation	6	
The charity is well-known	7	
They have supported me or close family or friends	8	
They have well-known supporters or patrons	9	
They provide support to Australians or Australian causes	10	
They let the public know how they use their resources, including money from donations	11	
They provide support to people or causes based overseas	12	
The charity is supported by my friends or social groups I belong to	13	
The charity is supported by a religious organisation I belong to	14	
Other (please specify)	97	ANCHOR.

ASK ALL WHO ARE HIGH OR LOW INVOLVEMENT (Involvement = 1,2)

S/R

Q5 Thinking about the charities that you support regularly, that is, you donate money or goods regularly, or you regularly volunteer your time, which of the following best applies?
(*Select one response only*)

I know quite a lot about a charity before I decide to support it	1	
I know a reasonable amount about a charity before I decide to support it	2	
I know a little bit about a charity before I decide to support it	3	
I know very little about a charity before I decide to support it	4	
Not applicable; I do not support specific charities regularly	98	GO TO Q7

ASK ALL WHO SUPPORT CHARITIES REGULARLY (Q5=1-4)

S/R

Q6 Thinking about the charities that you support regularly, that is, you donate money or goods regularly, or you regularly volunteer your time, how satisfied are you with the information that those charities provide? Please use a scale of 0-10, where 0 means you are not at all satisfied, and 10 means you are very satisfied.

Not at all satisfied	0
	1
	2
	3
	4
	5
	6
	7
	8
	9
Extremely satisfied	10

Section 2: Trust

TIMING POINT

ASK ALL

GRID

Q7 How much trust and confidence do you have in the following institutions and organisations? Please use a scale of 0 to 10 where 0 means you don't trust them at all and 10 means you trust them completely.

ALLOW ONE RESPONSE PER ROW

Do not trust them at all	0
	1
	2

	3
	4
	5
	6
	7
	8
	9
Trust them completely	10

List

RANDOMISE

Doctors	1	
Police	2	
Religious organisations	3	
News media	4	
The High Court	5	
The Reserve Bank	6	
Your local council	7	
State Parliament	8	
Federal Parliament	9	
The Australian Broadcasting Corporation (ABC)	10	
The Australian Taxation Office (ATO)	11	
Australian charities	12	

ASK ALL

M/R

Q8 Below are a list of things that people have said influence how much they trust a charity. Please select all that you feel influence how much you trust a charity.
(Please select as many as apply)

RANDOMISE

High portion of funds go to those in need	1	
The charity provides information on how it spends its funds	2	
The charity is well-known	3	
The charity has an excellent reputation	4	

The charity provided the information I needed	5	
The charity was for a worthy cause	6	
The charity was for a cause that I believed in	7	
I heard or knew about people who had been helped by the charity	8	
I have a personal connection to a charity (e.g. a family member supports it, I know someone who works there, etc.)	9	
I like the way they raise their funds	10	
Word of mouth referrals	11	
The charity supports Australians	12	
The charity aligns with my religious affiliation	13	
The charity is supported by a well-known public person I admire	14	
Other, please specify	97	ANCHOR
None	98	ANCHOR + EXCLUSIVE
Don't know/not sure	99	ANCHOR + EXCLUSIVE

ASK ALL

S/R

Q9 Below are statements that people have made about Australian charities. Please indicate the extent you agree or disagree. Please use a scale of 0 to 10, where 0 means that you strongly disagree and 10 means that you strongly agree.

ALLOW ONE RESPONSE PER ROW

Response Scale

ALLOW "DON'T KNOW"

Strongly disagree	0
	1
	2
	3
	4
	5
	6
	7
	8
	9

Strongly agree	10
----------------	----

List

RANDOMISE

I trust charities more if I have heard of them	1	
I feel confident donating to a charity even if I haven't heard of them, if it's going to a good cause	2	
Charities are regulated and controlled to ensure that they are working for the public benefit	3	
I trust charities that let the public know how they use their resources, including money from donations	4	
Charities spend too much of their funds on salaries and staff benefits	5	
Charities spend too much of their funds on administration	6	
Charities waste too much money	7	
Most charities are trustworthy	8	
I trust big charities more than smaller ones	9	
I trust charities that provide services overseas	10	
I trust charities that provide services in Australia	11	
I trust charities that provide services within my local community	12	
I trust charities that are well-known	13	
I trust charities that have been established a long time	14	
I trust charities more if they are clear about how they are managed	15	
I trust charities to make a positive difference to the cause that they are working for	16	
I trust charities that I have a personal connection to	18	
I trust charities with well-known supporters and patrons	19	
I don't trust charities that spend a lot of money on advertising	20	
I don't trust charities that pay sales people to raise funds	21	
I trust charities to be well managed and efficient	22	
I trust charities to ensure that a reasonable proportion of donations make it to the end cause	23	
I trust charities to ensure that their fundraisers are ethical and honest	24	
I trust charities to act in the public interest	25	
I trust charities that have supported me or close family or friends	26	
Charities provide an important service to the community	27	

ASK ALL

M/R

Q10 When you have given money to a charity, have you ever done any of the following?
 (Please select as many as apply)

RANDOMISE

Asked how your money would be spent	1	
Asked for proof of identification of the person who has approached you	2	
Found out how the charity was run	3	
Given to a charity you hadn't heard of	4	
Claimed a tax refund	5	
Checked that it was a genuine charity	6	
Checked to see if the charity was registered	7	
Other, please specify	97	ANCHOR
None of the above	98	ANCHOR + EXCLUSIVE

ASK THOSE WHO HAVE SOUGHT INFORMATION (Q10=1/3/6/7)

OPEN

Q10b How did you obtain this information?
 (Please write your answer in as much detail as you can in the box below)

"Can't remember" OPTION AT THE BOTTOM AS A RADIO BUTTON

ASK ALL

S/R

Q11a How important do you think it is that Australian charities provide the following types of information? Please use a scale of 0 to 10, where 0 means not at all important and 10 means extremely important.

ALLOW ONE RESPONSE PER ROW

Response Scale

Not at all important	0
	1
	2
	3
	4
	5
	6
	7
	8
	9
Extremely important	10

List

RANDOMISE

How charities use donations	1	
Programs and services the charities deliver	2	
Charities' fundraising costs	3	
Impact of charities' work	4	
The proportion of total funds spent on administrative costs	5	
The proportion of total funds spent on the charity's work	6	
CEO wages	7	

ASK ALL

S/R

Q11b And overall, how well do you think Australian charities provide the following information?
Please use a scale of 0 to 10, where 0 means extremely poorly and 10 means extremely well.

ALLOW ONE RESPONSE PER ROW

Response Scale

Extremely poorly	0
	1
	2
	3
	4
	5
	6
	7
	8
	9
Extremely well	10

List

RANDOMISE

How charities use donations	1	
Programs and services the charities deliver	2	
Charities' fundraising costs	3	
Impact of charities' work	4	
The proportion of total funds spent on administrative costs	5	
The proportion of total funds spent on the charity's work	6	
CEO wages	7	

Section 3: Regulation

ASK ALL

S/R

Q13 To the best of your knowledge, is there an organisation or agency that is responsible for regulating Australian charities?

(Please select one option)

Yes	1	
No	2	GO TO Q25

ASK THOSE AWARE OF AN ORGANISATION OR AGENCY RESPONSIBLE FOR REGULATING AUSTRALIAN CHARITIES (Q13=1)

S/R

Q14 Do you know the name of the organisation or agency responsible for regulating Australian charities?

(Please select one option)

Yes (please specify name)	1	
Can't remember	2	
No	3	

ASK ALL

M/R

Q25 Which of the following regulatory bodies have you heard of?

(Please select all you have heard of)

RANDOMISE

Australian Competition and Consumer Commission (ACCC)	1	
Australian Charities and Not-for-profits Commission (ACNC)	2	
Australian Prudential Regulation Authority (APRA)	3	
Australian Transaction Reports and Analysis Centre (Austrac)	4	
Australian Securities and Investments Commission (ASIC)	5	
Consumer Affairs/Office of Fair Trading	6	
None of the above	98	ANCHOR + EXCLUSIVE

ASK ALL

S/R

Q16 How much do you know about the Australian Charities and Not-for-profits Commission (ACNC)? Please use a scale of 0-10, where 0 means you have never heard of them, and 10 means that you feel that you are fully informed.

Response Scale

Never heard of them	0
	1
	2
	3
	4
	5
	6
	7
	8
	9
Fully informed	10

ASK ALL

S/R

Q17 The Australian Charities and Not-for-profits Commission (ACNC) was established on 3 December 2012. The ACNC is the independent national regulator of charities. It registers organisations as charities, helps charities to meet their obligations and responds to concerns when charities may not be meeting their responsibilities.

How important do you think it is to have a regulator that performs these functions? Please use a scale of 0-10, where 0 means that it is not at all important, and 10 means that it is very important.

Response Scale

Not at all important	0
	1
	2
	3
	4
	5
	6
	7
	8
	9
Very important	10

M/R

Q18a Which of the following functions do you believe the Australian Charities and Not-for-profits Commission (ACNC) is responsible for?

(Please select all that apply)

RANDOMISE

Granting charity status	1	
Keeping a register of charities	2	
Handling complaints about charities	3	
Advising Government on charity matters	4	
Training charities	5	
Policing charity fundraising	6	
Promoting the work of charities	7	
Providing information about charities' accounts	8	
Acting as an advocate for charities sector	9	
Other (please specify)	97	ANCHOR
Don't know	99	ANCHOR + EXCLUSIVE

ASK ALL

PLEASE SHOW CODES IN THE SAME ORDER AS Q18A

M/R

Q18b Please select the **three** functions that you think are most important in order to maintain, protect and enhance public trust and confidence in the Australian Not-for-profit sector?

PROGRAMMER NOTE: Maintain same order as Q18a

LIMIT TO THREE RESPONSES

Granting charity status	1	
Keeping a register of charities	2	
Handling complaints about charities	3	
Advising Government on charity matters	4	
Training charities	5	
Policing charity fundraising	6	
Promoting the work of charities	7	
Providing information about charities' accounts	8	
Acting as an advocate for charities sector	9	
Other (please specify)	97	ANCHOR AND SHOW TEXT FROM Q18A IF SELECTED
None/no others	98	ANCHOR

Section 4: Public register for charities

TIMING POINT

SHOW ALL

SHOW TEXT

The Australian Charities and Not-for-profits Commission (ACNC) has developed a public register of Australian charities to be available on its website (www.acnc.gov.au). Registered charities are required to report annually to the ACNC, and information they provide is published on the ACNC Register, which anyone is able to look at.

ASK ALL

S/R

Q19a Before today were you aware that there is a register of charities, where you can search for information about charities?

(Please select one option)

Yes	1	GO TO Q19b
No	2	GO TO Q19e

ASK THOSE AWARE OF THE REGISTER (Q19A=1)

S/R

Q19b Have you ever gone to this register to look for information about a charity?

(Please select one option)

Yes	1	GO TO Q19c
No	2	GO TO Q19e

ASK THOSE WHO HAVE GONE TO REGISTER (Q19B=1)

M/R

Q19c What information did you look for in the register?

(Please select all that apply)

RANDOMISE

Charity's legal name	1	SHOW WITH CODE 2
Other names such as a trading name that a charity is publicly known as	2	SHOW WITH CODE 1
Charity's Australian Business Number (ABN)	3	
Entity type; that is, confirms that the organisation is a charity	4	
Contact details for the charity, including website address	5	
Type of charity (e.g. welfare, education and training, accommodation, disability, children, etc.)	6	
Charity's objectives (e.g. what the charity is aiming to achieve)	7	
Where the charity operates (states in Australia, countries overseas)	8	
The charity's activities and beneficiaries (who it helps)	9	
Date the charity was first registered with the ACNC	10	
Date the charity was first established	11	
Size of charity (small, medium, large)	12	
Names and positions of responsible people	13	
Annual Financial Report	14	
Annual Information Statement, showing the charity's activities over the last year	15	
Registration status with the ACNC	16	
Financial year end; that is, the last date of the charity's annual reporting period with the ACNC	17	
Governing documents; e.g. A charity's constitution, rules or trust deed	18	
Information about ACNC enforcement activities such as issuing warning or directions, making injunctions, suspending or removing a director	19	
Whether the charity fits the definition of a "basic religious charity"	20	
Other (please specify)	97	ANCHOR

ASK THOSE WHO HAVE GONE TO REGISTER (Q19b=1)

S/R

Q19d How easy was it for you to find the information you wanted? Please use a scale of 0-10, where 0 means it was very difficult to find the information you wanted and 10 means it was very easy.

Response Scale

Very difficult	0
	1
	2
	3
	4
	5
	6
	7
	8
	9
Very easy	10

ASK ALL

GRID

Q19e A list of the type of information available on the register is shown below. How likely would you be to look for each of these types of information? Please use a scale of 0-10, where 0 means that you would be very unlikely to look for this information and 10 means that you would be very likely to look for this information.

Response Scale

ALLOW DON'T KNOW RESPONSE

Very unlikely to look for this information	0
	1

	2
	3
	4
	5
	6
	7
	8
	9
Very likely to look for this information	10

RANDOMISE

Charity's legal name	1	SHOW WITH CODE 2
Other names such as a trading name that a charity is publicly known as	2	SHOW WITH CODE 1
Charity's Australian Business Number (ABN)	3	
Entity type; that is, confirms that the organisation is a charity	4	
Contact details for the charity, including website address	5	
Type of charity (e.g. welfare, education and training, accommodation, disability, children, etc.)	6	
Charity's objectives (e.g. what the charity is aiming to achieve)	7	
Where the charity operates (states in Australia, countries overseas)	8	
The charity's activities and beneficiaries (who it helps)	9	
Date the charity was first registered with the ACNC	10	
Date the charity was first established	11	
Size of charity (small, medium, large)	12	
Names and positions of responsible people	13	
Annual Financial Report	14	
Annual Information Statement, showing the charity's activities over the last year	15	
Registration status with the ACNC	16	
Financial year end; that is, the last date of the charity's annual reporting period with the ACNC	17	
Governing documents; e.g. A charity's constitution, rules or trust deed	18	
Information about ACNC enforcement	19	

activities such as issuing warning or directions, making injunctions, suspending or removing a director		
Whether the charity fits the definition of a “basic religious charity”	20	

ASK ALL

S/R

Q20 How important do you think it is for a register of this type to be made available to the community, regardless of whether you think you would personally use it? Please use a scale of 0-10, where 0 means you think it is not at all important that this type of information is available and 10 means you think it is very important.

Response Scale

It is not at all important	0
	1
	2
	3
	4
	5
	6
	7
	8
	9
It is very important	10

ASK ALL

S/R

Q21a Bearing in mind that Australian charities are regulated by the ACNC, how much trust and confidence do you have in Australian charities overall? Please use a scale of 0-10, where 0 means you don't trust them at all and 10 means you trust them completely.

Response Scale

Don't trust them at all	0
	1
	2
	3
	4
	5
	6
	7
	8
	9
Trust them completely	10

ASK ALL

S/R

Q21b Have you seen, heard or read about any charities recently that have done the wrong thing?

(Please select one response)

Yes (please specify in as much detail as possible what you have seen, heard or read about)	1	
No	2	
Don't know/not sure	99	

Section 5: Demographics

ASK ALL

S/R

- Q22 The next question is about community groups. A community group is a group of people who come together because they are motivated to pursue a common interest. Such groups might be either formal (e.g. an incorporated group, such as a local sporting body), or informal (e.g. mothers' group, book group, etc.).

Are you a member of any of these sorts of groups?

(Select one response only)

Yes, I'm a member of more than one	1	
Yes, I'm a member of one	2	
No	3	

ASK ALL

S/R

- Q23 How often do you use social media, such as Facebook, Flickr, Google+, LinkedIn, Instagram, Snapchat, Pinterest, Reddit and Twitter?

(Select one response only)

Every day or nearly every day	1	
At least once a week	2	
Occasionally, but less than once a week	3	
Rarely or never	4	

ASK ALL

S/R

- D5 What is your family situation?

(Please select one option)

Married or in de facto relationship with dependent children	1	
Married or in de facto relationship, with no dependent children	2	
Single with dependent children	3	
Single with no dependent children	4	

ASK ALL**S/R**

D6 What is your work status?

(Please select the one option that most applies to your situation)

Full time paid work (30+ hours per week)	1	
Part time paid work (less than 29 hours per week)	2	
Home duties (i.e. looking after dependents)	3	
Students	4	
Retired	5	
Unemployed	6	
Other	97	

ASK ALL**S/R**

D7 What is your household income, before tax?

(Please select one option)

Less than \$19,999	1	
\$20,000-\$39,999	2	
\$40,000-\$59,999	3	
\$60,000-\$79,999	4	
\$80,000-\$99,999	5	
\$100,000-\$119,999	6	
\$120,000-\$139,999	7	
\$140,000 or over	8	
Prefer not to answer	99	

ASK ALL**S/R**

D8 Which country were you born in?

(Please select the one option that best applies to you)

Australia	1	
United Kingdom	2	
New Zealand	3	

China	4	
India	5	
Vietnam	6	
Italy	7	
Philippines	8	
South Africa	9	
Malaysia	10	
Germany	11	
Other (please specify)	97	
Prefer not to say	99	

ASK ALL

S/R

Q24 Which of the following best describes you?
(Select one response only)

I am a very religious person	1	
I am a moderately religious person	2	
I am not at all religious	98	
Prefer not to say	99	

ASK THOSE WHO ARE MODERATELY OR VERY RELIGIOUS (Q24 CODES 1,2)

S/R

D9 What is your religion?
(Please select the one option that best applies to you)

Catholic	1	
Anglican (Church of England)	2	
Uniting Church	3	
Presbyterian	4	
Buddhism	5	
Greek Orthodox	6	
Islam	7	
Baptist	8	
Lutheran	9	
Other (please specify)	97	
Prefer not to answer	99	

ASK ALL

OPEN

Q29 We have one last question to ask... Do you have any additional comments you would like to make about the ACNC's regulation of the Australian Charity sector? Please spend no more than a few minutes answering this question, or please click on 'I have no further comments' if applicable.

INCLUDE "No further comments" OPTION AT THE BOTTOM AS A RADIO BUTTON

Completion Screens

We would like to thank you for taking the time to complete our survey. Your opinions and responses are gratefully received and extremely important to us.

Your responses will be used at an aggregate level only, and as such we would like to assure you once again that your details will be used in the strictest of confidence and will not be passed on to any other party for any purpose other than that which it was intended.

This survey was conducted on behalf of the Australian Charity and Not-for-profit Commission (ACNC). To check the bona fides of Kantar Public please phone SurveyLine on 1300 364 830.

Once again thank you for your interest. To ensure that you receive further relevant surveys, please make sure that your details are always up to date.

Please click the '>>' button below to earn your points.

Appendix 3 – Qualitative Research: Discussion Guide

DISCUSSION GUIDE: FOCUS GROUPS

Version: 18 September 2017 – Final

Project number:	263104744
Project name:	Trust in charities
Client:	ACNC
Research:	Exploratory Research
Researcher contacts:	Robyn Rutley, Israel Stephens
Fieldwork timing:	September 2017
Groups:	6 x focus groups
Participants:	n=8 per group
Length:	90 minutes
Incentives:	\$80 (payment via EFTPOS card following attendance)
Locations:	Melbourne, Ballarat, Perth, Sydney, Newcastle, Brisbane

1. Focus Groups – Overview

Group specifications and schedule

Group	Location	Specifications	Date	Time
1	Brisbane	Low trust, no involvement, 18-39 years	18/9/17	6pm
2	Melbourne	Low trust, low involvement, 40+ years	19/9/17	6pm
3	Newcastle	High trust, low involvement, 18-39 years	20/9/17	8pm
4	Sydney	Low trust, high involvement, 18-39 years	20/9/17	6pm
5	Perth	High trust, no involvement, 40+ years	20/9/17	6pm
6	Ballarat	High trust, high involvement, 40+ years	21/9/17	6pm

Research objectives

To gain a deeper understanding of the findings from the quantitative phase, in particular to understand the drivers of trust and the role that the ACNC does or can play in this.

Discussion guide outline

- Introduction and context
- Current engagement with charities
- Drivers and influences of trust
- Information seeking
- Understanding and role of ACNC
- Close

Group materials (used in conjunction with discussion guide)

- Pens
- Art photoset collages (8 x all sets)
- Trust worksheet (8 copies)
- Flip chart and marker pens

2. Focus Groups – Discussion Guide

NOTE: A discussion guide is intended as an outline only. It sets out the proposed lines of enquiry for groups/interviews and is intended as a tool to guide discussion flow. Questions and timings are indicative only of subject matter to be covered and are not word for word descriptions of the moderator's questions. The moderator will allow the discussion to flow where the information is relevant, and therefore, the order of coverage may differ considerably between groups.

• Introduction and context (10 mins)

- Thank participants for involvement and introduce moderator and role of Kantar Public as impartial; explain briefly nature of discussion groups (time required approx. 1.5 hours).
- Introduce purpose of session: *Today we are going to be talking generally about charities and the Not-for-profit sector. The research has been commissioned by the Australian Charities and Not-for-profit Commission in order to consult with the Australian public.*
- We're talking to different people from across Australia, from all sorts of backgrounds, from 18 years old and up.

General focus group information

- No right or wrong answers – join in as we want your honest opinions and feedback, each person may think differently – that is welcomed.
- Don't speak all at once – listen and respond so we hear from everyone/not miss any opinions.
- Inform about note taking/ audio/video recording and colleagues viewing (where relevant) – for analysis/reporting for research purposes only.
- Participant confidentiality; Kantar Public adheres to the AMSRS Code of Professional behaviour. *NB: add that we are not seeking any personal information – it is just general perceptions research.*
- Mobile phones – turn to silent/off.
- Any questions before commencing?

Warm up: Brief introductions

- Before we get started I'd like you to tell me a bit about yourself...
 - First name?
 - How long you have lived in current residence?
 - What you do for a living?
 - Living/family situation – including children/ages of children?

• Current engagement with charities (10 mins)

Thanks for that.

To start with, I just wanted to spend a couple of minutes talking about your personal experiences or relationships with charities.

- How would you describe your level of involvement or engagement with charities?
 - a. What charities are you or have you been involved in?
 - b. In what way?
- What motivates you to donate your time, effort or money to a charity?
- Do you donate on a regular basis? Why/why not?
- What are the benefits of donating? What sensation do you get out of it?
- What makes you choose a particular charity to donate to/volunteer with?
- What do you look for in a charity? What is most important to you?

• Drivers and influences of charities (40 mins)

PROJECTION TECHNIQUE: ART IMAGES

HANDOUT ART PHOTOSETS

Next we are going to do a bit of an activity to think a bit 'outside the box'. I'll hand out some sets of photos and explain – first spread out the photos in front of you.

OK, now I want you to spend a few minutes looking at these photos and pick 2 for me. I want you to pick one that represents a charity you feel you can trust, and 1 that represents a charity you feel you can't trust. I don't want you to spend too much time over it – just go with your gut feeling.

OK, now I am going to hand out a sheet for everyone <pass around as talking>.....

I would now like you to write down in the boxes on this sheet words or phrases that come to mind when you look at the photos you have chosen – so on the left hand side, looking at the photo representing a charity you feel you can trust - what are the words or phrases that this photo brings to your mind? And then do the same on the right hand side – the words or phrases that come to mind looking at the photo that represents a charity you feel you can't trust.

To start with, let's just quickly go around the room and show each other which photos we chose...

MODERATOR TO RECORD ON FLIPCHART

Great, now let's run through the words or phrases you wrote down about charities you can trust.

And now, the words or phrases you wrote down about charities you can't trust.

MODERATOR TO SELECT MOST COMMON WORDS/PHRASES/THEMES AND EXPLORE EACH IN MORE DETAIL

Let's talk a bit more about <INSERT WORD/PHRASE>.

- What does this mean?
- How does that translate to a charity?

- What do we see/ hear/ read that indicates this?

OK thanks for that, we can put the photos away now.

I want to talk more generally about charities now, but still keeping in mind what we have been talking about so far.

- What indicates to you that a charity can be trusted, or not trusted?
 - a. How do you make a judgement?
 - b. What do you see/ hear/ read about/know about them that suggests this?
 - c. Do you have any 'rules of thumb' that you use? What are they?
- What types of charities are more likely to be trustworthy?
 - a. Why do you think that?
- How much does what other people say about a charity impact your trust in them?
 - a. Close family/friends?
 - b. Work colleagues?
 - c. Others?

Moderator to prompt on the following if they haven't already been discussed

- What about <INSERT FROM TABLE BELOW>. How much does this influence whether you trust a charity?
 - a. Why is that?
 - b. Follow up with prompt specific to attribute

High portion of funds go to those in need
▪ What is a high proportion?
The charity provides information on how it spends its funds
▪ What sort of information? How much?
▪ How do they provide the information?
The charity is well-known
▪ Why is it well known?
The charity has an excellent reputation
▪ How do you judge a charity's reputation?
▪ What makes an excellent reputation?
The charity provided the information I needed
1. What sort of information?
2. How do they provide the information?
The charity was for a worthy cause
▪ What makes a cause worthy?
The charity was for a cause that I believed in
▪ What sort of causes do you believe in?
I heard or knew about people who had been helped by the charity
▪ In what way were they helped?
I have a personal connection to a charity (e.g. a family member supports it, I know someone who works there, etc.)
▪ What sort of connection?
I like the way they raise their funds
▪ How would they raise their funds?
The charity supports Australians

<ul style="list-style-type: none"> ▪ Why is this important?
<p>The charity aligns with my religious affiliation</p>
<ul style="list-style-type: none"> ▪ What is this?
<p>The charity is supported by a well-known public person I admire</p>
<ul style="list-style-type: none"> ▪ What sort of people increase your trust in a charity?

- Have you heard or read anything in the media recently about any specific charities doing the wrong thing?
 - a. What have you heard?
 - b. What do you think about this?
 - c. How much does this influence the way you think about charities in general?
 - i. Does it impact the way you think about any charities or types of charities in particular? Which ones/type? Why is that?

• Information seeking (10 mins)

I'd now like you to imagine you have a few extra dollars to donate to a charity, and you need to choose one. The only hitch is, it can't be a charity you have donated to before. Have a think about this for a minute in terms of how you will go about making a choice.....

- What are the things you are going to consider in making your choice?
 - a. Why is that?
 - b. How much is that going to influence your final choice?
- Do you feel like you need more information to make a choice?
 - a. What sort of information would you like?
 - b. Where would you go to find this?
 - c. Who would you talk to?

• Understanding & role of ACNC (15 mins)

- Are you aware if there is an organisation or agency that is responsible for regulating Australian charities?
 - a. Who are they?
 - b. What do they do?
- Have any of you heard of the Australian Charities and Not-for-profits Commission, or the ACNC?
 - a. What have you heard?
 - b. Can you remember where you heard about them?

The Australian Charities and Not-for-profits Commission (ACNC) is the independent national regulator of charities. The aims of the ACNC are to provide public trust and confidence in charities in Australia, and to support charities so that we have a healthy not-for-profit sector in Australia. The ACNC is responsible for registering charities, helping them understand their regulatory requirements and helping the public understand the work of charities.

- Now that I have provided that description, do you recall anything now?
 - a. Can you remember where you heard about them?
- Do you think it is important to have this function?

- a. Why do you say that?
- What do you think their primary focus should be?
 - a. Why do you think that?

The ACNC maintains a Register which contains information about the more than 54 000 charities registered with them. The charities listed on the Register have met the ACNC's legal meaning of being a charity and other requirements under the Act, and have ongoing obligations to the ACNC, including keeping their information on the Register up-to-date. Only currently registered charities can legitimately claim that they are registered with the ACNC, which they can do on public documents (such as letterhead, emails and a website):

- Have any of you heard of this register?
- Have you ever visited it?
- Does this have any value...?
 - a. To you?
 - b. To the community in general? To what sort of people?
- Would you ever consider using it?
 - a. In what sort of situations?
 - b. What sort of information would you look for?
- What sort of information do you think it should hold?
- Thinking back now to our earlier discussion about trusting charities, do you think the ACNC or the Register can impact in any way whether you trust a charity or not?
 - a. In what way?
 - b. Would it be useful?
 - c. How would you want to hear about it?
- Following on from this, the ACNC can take a number of actions (e.g. imposing a penalty, revoking a charity's registration or issuing guidance). If they take action against a charity does this:
 - a. Affect you level of trust in charities?
 - b. Change your opinion of the ACNC?

• Close (5 mins)

Ok, that's just about it now.

- Just to finish, what do you think is the most critical thing that impacts whether a charity can be trusted?
- Is there anything else you would like to share with me?
- Do you have any questions for me at all?

THANK & CLOSE

Thank you for your time tonight – we have found it a really interesting and valuable session and I hope you have found it interesting too.

CONFIRM ATTENDANCE SIGNED AND INCENTIVES PROCESS