

JOINT APPEAL BY THE NEW ZEALAND AMATEUR SPORT ASSOCIATION INC. (ASA)¹ AND COMMUNITY NETWORKS AOTEAROA INC. (CNA)² TO MEMBERS OF THE 54th NEW ZEALAND PARLIAMENT

The ASA and CNA appeal to all Members of the 54th Parliament of New Zealand to prioritise a review of the Incorporated Societies Act 2022 and the Charities Act 2005 in order to ensure the survival of not-for-profit and volunteer-led community organisations, which in many cases will otherwise face involuntary extinction.

In making their appeal, the ASA and CNA:

- 1. emphasise the social capital created by community volunteers³ (and the employees of notfor-profit organisations) throughout New Zealand, for the benefit of all New Zealanders;
- 2. unequivocally agree that legislation which governs the operations of these organisations must not deter the participation of those who selflessly contribute to them⁴; and
- 3. collectively state the need for an urgent Government review to improve the Incorporated Societies Act 2022 (and the Charities Act 2005) to avoid a looming "extinction event".

Ros Rice, Executive Officer of CNA said, "both Community Networks Aotearoa and the New Zealand Amateur Sport Association are focused on ensuring that passionate supporters of community causes are not deterred from continuing their work as a result of increasing regulatory over-reach which creates commitments which, are either beyond the knowledge, competence or skills of not-for-profit workers, or expose them or their organisations to uninsured liability, potentially resulting in infringement offences and financial penalties".

Gordon Noble-Campbell, Chair of the ASA said, "the current law for incorporated societies has been created on a one-size-fits-all basis, which is not appropriate for small community organisations which strive to create great social outcomes for all, but which are now saddled by overbearing compliance obligations, unreasonable costs and regulatory complexity" ⁵.

As Parliament resumes on 30 January, it is timely for all Members, particularly those representing each of New Zealand's 72 electorates, to reflect on the role of community-focused volunteers and other workers who add a significant amount to the physical, mental and social well-being of their local communities. Without their contribution, many services and community opportunities that New Zealanders take for granted will cease to exist. It is up to Parliament, under the leadership of the Government, to ensure this contribution continues.

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¹ www.asa.org.nz

² www. https://www.communitynetworksaotearoa.org.nz/

³ It is estimated that the average annual value of unpaid volunteer hours to an incorporated sport club is \$125,000 with the total unpaid value of sport delivery through clubs to local communities over \$1 billion per annum. Overall, it is estimated that the charitable sector contributes 6.2% of New Zealand's GDP.

⁴ According to Volunteering New Zealand, 20% of volunteers don't intend to volunteer long-term.

⁵ https://www.rnz.co.nz/news/sport/503406/fears-that-sports-clubs-will-buckle-under-weight-of-new-legislation