



Are there too many charities in New Zealand?

26 April 2018

Question not limited to NZ:

- *Why are there so many charities [in **England and Wales**]?*
 - Caroline Fiennes, 24 January 2017
- *Do we have too many registered charities in **Canada**?*
 - Mark Blumberg, 6 December 2008
- ***Ireland** has too many charities*
 - Sunday Business Post, 7 July 2016
- *Are there too many charities in **America**?*
 - CSMonitor.com, 24 September 2009
- *Are there too many charities in **Australia**?*
 - ACNC factsheet, October 2016

New Zealand's problem:

Country	Population (est)	Number of charities (approx)	Number of people per charity (approx)
Australia	23,780,000	54,000	440
Canada	35,850,000	85,000	417
England and Wales	56,073,000	165,000	340
USA	321,400,000	1,200,000	268
Scotland	5,295,000	24,000	221
New Zealand	4,595,000	27,000	170

“We see 2.5 new charities being established each business day”

- *The New Zealand Cause Report: Shape of the Charity Sector*, JBWere, March 2017, at 11

“In the year to June 2016, the register swelled by nearly 1,000 new charities, taking the total number of entities to nearly 30,000”

- “*At \$64b, charity coffers are running over*”, NZ Herald 13 June 2017

“New Zealand has over 27,000 registered charities, with 50 new charities starting up every month!”

- *Email from Australian Charity Guide advertising its One-Day NFP Workshop*, 9 April 2018

But:

- as at 4 September 2015, **6,388** charities deregistered
- actually, the **net** number of registered charities is dropping
- **3,700** charities deregistered for failure to file annual returns
 - once deregistered, a charity has to **reregister** and get a new number
- other charities decentralising – several hundred new registrations
- these are not “new” charities

Also:

- Importance of **diversity** in size, mission and location:
 - “Smaller charities have considerable strengths: many are rooted or embedded in their **local** areas, and play a key role in building and nurturing social networks. They also boost **social capital** by building local capacity and developing links both within particular communities and between them and other networks and bodies, and are considered uniquely well-placed to engage directly with those who are hardest to reach”
 - cited by Susan Pascoe AM, former ACNC Commissioner, 22 February 2016

And:

- There is no magic number
- Charities Act framework
 - If meet requirements, must be registered – s19(2)
 - Fiscal consequences
- Charities are independent and self-governing
- Freedom of association
 - s17, NZ Bill of Rights Act 1990

Last word:

“So to answer the question – are there too many charities...In my view, we can only say yes to that when we are confident that we are efficiently and effectively meeting all community needs not covered by government in every part of this vast continent”

- Susan Pascoe AM, 22 February 2016



Questions?