**Media Release
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**New research: C19 a 200,000 job taker in the charities sector**

Australian charities employ 1.3 million people, rely on over 3.5 million volunteers, turn over more than $150 billion each year, and contribute 8% of Australia’s GDP. They are vital to our economy and to our communities. New research shows 200,000 charity jobs are now at risk.

CCA Chair Rev Tim Costello said; ***“this research confirms charities were doing it tough before COVID-19 and are going to be doing it tough for some time, having to stand down staff, close down services. The projected loss of jobs across the charities sector would have a devastating impact, let alone the loss of all the charitable work that is so vital to so many communities. We are going to need as many charities as possible surviving through this crisis and helping rebuild Australia into the future. Governments could start by getting rid of pointless wasteful fundraising red tape. It would cost nothing and benefit many donors!***

Social Ventures Australia (SVA) with the Centre for Social Impact (CSI) released the new research today:

*To understand the effects of COVID-19 on the financial viability of charities and identify systemic solutions, SVA modelled the potential impact of the crisis on the financial health of the 16,022 registered charities in Australia with 1.22 million employees (many are run purely by volunteers). SVA modelled a 20% fall in revenue for these charities and found:*

* *88% of charities would immediately be making an operating loss;*
* *17% would be at high risk of closing their doors within six months, even taking reserves into account;*
* *more than 200,000 jobs could be lost as a result of cost-cutting and organisational closures.*

CCA CEO David Crosbie said; ***“Government concessions to charities in JobKeeper eligibility mean thousands of charity jobs have been saved over the past few months, but we now face a situation where the future viability of one in six charities is in doubt. With the downturn in fundraising, closure of events and meetings, closure of volunteer run shops and other services, loss of fees from training, education and other programs, many charities are already struggling to stay open. Some charities had been able to move several of their services on-line, but in many cases this has not been possible. The loss of volunteers has also translated into higher costs at a time when many front-line charities are experiencing higher need.”***

*The report calls for governments to ensure the resilience and viability of the charity sector through:*

* *a gradual transition of JobKeeper to create a ‘ramp’ not a ‘cliff’ in October*
* *make fundraising and philanthropy simpler by creating nationally consistent fundraising laws and offering incentives to encourage increased philanthropic giving*
* *Create a Charities Transformation Fund to help organisations transition to the ‘new normal’ including operating online, restructuring their organisation and investing in the capability of staff*
* *maintain and, where needed, increase funding for government contracted services*
* *retain JobSeeker at a higher level to reduce service demand on charities and stimulate the economy*
* *support further research to better understand how to build back the charities sector.*

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