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Mr. Robert Fitzgerald, AM
Commissioner
Contribution of Not for Profit Sector Study
Productivity Commission
Level 2, 15 Moore Street
CANBERRA CITY ACT

Dear Mr Fitzgerald

Draft Report on the Not for Profit Sector Study : Measuring the contribution of the sector in the future

I am writing in response to the draft report on the Not for Profit Sector study. Recommendation 5.1 recommends that ABS undertake some work on an information development plan for the sector.

The Australian Government should initiate an Information Development Plan (IDP) for the not for profit sector. Given its central role in providing data on the sector, and its legislated responsibility for statistical coordination, the Australian Bureau of Statistics should be given responsibility for formulating the IDP, consulting other key stakeholders as appropriate.

Among the issues the IDP should address are:

- *the appropriate frequency for publication of the satellite account on the sector and the scope for expanding measurement in the satellite account beyond economically significant entities*
- *the scope to improve administrative and other longitudinal data sets to support analysis of net impacts of sector activities*
- *the feasibility of obtaining accurate estimates of the number of unincorporated not for profit organisations in a cost-effective manner.*

I wish to put the ABS's views on this recommendation.

The ABS believes the proposal is sensible and useful and that it is appropriate that the work be done by the ABS as the ABS has the expertise and it fits well with the ABS's role.

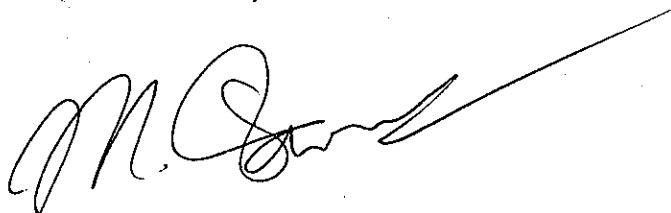
It is a substantial piece of work and the ABS is not in a position to take it on unless additional funding is available or capacity becomes available within existing work programs, for example if a component of an existing program ends. Should capacity become available within an existing program, the proposed work has to be considered, along with competing proposals, for inclusion in the ABS' development work program.

The new work could be funded by stopping existing ABS work, but the capacity of the ABS to discontinue a major component of a statistical work program or significantly alter the quality and scope of statistical outputs is constrained by established stake-holder expectations. Changes cannot be made easily without substantial consultation and broad support. Changes must be made within the framework of the ABS work planning process which is done annually with a four year horizon.

In recognition of the importance of the proposed work and the appropriateness of the work being performed by the ABS, the ABS is happy to work with other agencies to explore sources of funding.

There are other recommendations in the draft report that are aimed at clear criteria for the identification of NPIs, data standards and reporting. These should be considered in parallel with the IDP development. The ABS is willing to assist in implementing those recommendations on the basis outlined above.

Yours sincerely

A handwritten signature in black ink, appearing to read 'M. Davies', with a long, sweeping horizontal line extending to the right.

Michael Davies
First Assistant Statistician
Macroeconomics and Integration Division

11 December 2009

cc Mr. Dennis Trewin, AO
Associate Commissioner
Contribution of Not for Profit Sector Study
Productivity Commission