

Productivity Commission
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REVIEW OF PHILANTHROPY SUBMISSION BY ASSOCIATED CHRISTIAN SCHOOLS

We refer to the Productivity Commission's Review of Philanthropy, and specifically your invitation for organisations to provide submissions.

Associated Christian Schools

Associated Christian Schools (ACS) represents over 45 independent Christian Schools throughout Queensland (referred to as "member schools"). With almost 30,000 students attending member schools, this represents approximately 20% of the independent school students in Queensland. Whilst each of our member schools are independently governed, they choose to collaborate together through ACS in the areas of public policy, advocacy, strategic thinking and research.

Our member schools are funded through a combination of:

- Commonwealth and State Government Funding;
- Parent fees and levies;
- Block Grant Authority Funding (for school building construction);
- Gifted funds from related entities (i.e. where the school operates as a ministry of the church, the church may gift funds to the school, or provide interest free/interest reduced loan); and
- Donations from individuals/organisations (including for tax deductibility); and
- Sponsorship programs (i.e. third parties sponsoring specific events or activities of the school).

Purpose of Philanthropy

We note your definitions of philanthropy being the "giving of money, time, information, goods and services, influence and voice to improve the wellbeing of humanity and the community" (as per Philanthropy Australia) and "the private giving of time and values (money, security, property) for public purpose" (as per Salamon).

We have no concerns with either definition. What we would point out is that education, and schools particularly, are at the forefront of delivering these valuable services to the community and for the public good. In this regard, Lord Macnaghten, in the leading charity law case of *Commissioners for Special Purposes of the Income Tax v Pemsel* [1891] AC 531 at 583, noted that:

Charity in its legal sense comprises four principal divisions: trusts for the relief of poverty; trusts for the advancement of education; trusts for the advancement of religion; and trusts for other purposes beneficial to the community not falling under any of the preceding heads.

Additionally, education of young people brings a lifetime of dividends for the broader community. The benefits for the community will far outweigh the costs of the child's education, and for this reason, education of children needs to be a community and government priority. By encouraging philanthropy to support education, the ultimate benefits to society will far exceed the bottom line cost to the Government.

Sources of Income and Reliance on government funding

Schools are generally heavily reliant on Government funding (Commonwealth and State). This is inevitable, given the high cost of education.

Of course, parent choice regarding schooling is an important human right. Parents are entitled to choose a school that aligns with their values, ethos and faith. Our member schools provide an education that responds to a parent's choice.

Our parent communities are generally significant contributors to the Government's consolidated revenue, and they are entitled to see the school they choose receive appropriate Government funding. In this regard, any suggestion that private schools should not receive Government funding is misconceived and should be categorically rejected.

However, Government funding is not sufficient to cover the entire costs of a student's education. It follows that other sources of income need to be found to meet the shortfall. Whilst this includes the parents paying school fees and levies, other sources of income are needed, which includes income through philanthropy. For this reason, and because of the significant benefit that education delivers to society throughout a student's lifetime, it is important that philanthropy to schools is encouraged and supported by Government.

DGR Categories for Schools

Accordingly, we would maintain that it is imperative that the DGR categories utilised by schools (such as a School Building Fund, a Public Library Fund, a Scholarship Fund and a Necessitous Circumstances Fund) be maintained. Our member schools encourage their school communities to gift monies to these funds, and these funds are in turn used to fund the valuable work schools are doing in the area of education (and ancillary areas of public benefit generally).

For example, these donated monies are used to build school buildings, offer scholarships to many students (including disadvantaged students) and provide direct relief to school families in dire and necessitous circumstances.

It was also with excitement that ACS supported the Commonwealth Government's stated intention to create an additional DGR category for the promotion of pastoral care services in schools. In an increasingly complex mental health environment for students, the creation of a separate DGR category for pastoral care would have enabled the growth of pastoral care services within our member schools, and directly benefited the many students who are in need of care and support.

For example, some of the programs already carried out by our member schools, which could have been significantly expanded by the creation of this DGR category, included:

- A program designed for Year 5 girls to educate them about topics such as understanding who they are, their uniqueness, their value and worth, health, friendships, and body image.
- A group for Year 6 boys run by a Chaplain and School Counsellor with the help of selected Year 11 boys. The aim of the program is to encourage the Year 6 boys to develop personally and relationally. Topics include being proactive, setting goals, building on strengths, celebrating being you, teamwork, and friendships.
- A program is an 8-week program for small groups of students who have experienced significant changes or loss. The program uses the metaphor of the seasons to explore the process of loss and grief. We invite students who have experienced significant changes to come to the program and send a general invitation letter to parents.
- Care Hub - A webpage on the College's website for parents and students to access devotions, Christian music/worship playlists/songs, kids' activities to do at home, resources for families and students on relevant mental health, well-being, and parenting topics. This page also has a link for families to notify the Pastoral Care team of any needs they may have. This page is regularly updated with relevant resources.
- Wellbeing precinct with counsellors and chaplains, who meet with students throughout each day to provide support and pastoral care, and often discuss issues from a faith perspective.
- Operation of a designated team which includes teaching staff and students, who meet with students at lunchtime for pastoral care, discussions on faith and general support.

It was therefore with considerable disappointment when we learnt that this DGR category was abandoned in last year's budget announcement, with no accompanying explanation from the Australian Taxation Office.

We would urge the Productivity Commission to recommend the implementation of this DGR category, so that the mental health and wellbeing of school students is given adequate priority by the Commonwealth government.

Of course, this tax concession will have a cost to the Government. However, we would suggest that the flow-on benefit (being the improved mental health and wellbeing of school students, and their consequent valuable input to the community over their lifetime) will far outweigh this cost. Essentially, programs that provide pastoral care to school students should be encouraged and resourced by the Commonwealth Government; and the creation of this DGR category will result in a significant benefit to the public good.

Volunteering

We also note from your Consultation Paper the importance of volunteering. You note that volunteering often occurs within community sporting groups, which we agree certainly occurs.

However, we would also note the significant amount of volunteering that occurs within faith communities, and particularly churches and faith-based schools. In the context of our member schools, volunteers are regularly involved in school activities (such as supervising sporting events and excursions, assisting within the school canteen or uniform shop, reading to children, property working bees, etc). Parents, grandparents and others within the school community donate many hours each week, to enable our member schools to deliver their valuable services.

Interestingly, our research also suggests that graduating students from our member schools go on to personally value the importance of volunteering and making a contribution to the public benefit generally, thereby following the example set by their school community in this regard. We enclose an Infographic setting out these findings (under the heading, Generosity).

This spirit of volunteering within our charities (including our churches and schools) must be encouraged and supported by Government and the community more broadly, because of the significant benefit it brings to the common good.

A difficulty that schools are facing in the area of volunteering is the increasing cost of insuring volunteers (and also the inability to obtain insurance cover in some instances). Given the importance of volunteering, consideration should be given to these insurance difficulties. A national insurance scheme for volunteers might address this difficulty.

We thank you for the opportunity to make this submission. If you have any queries regarding it, please contact Alistair Macpherson via email

Yours sincerely

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