

# **Productivity Commission DGR Status Review Submission SU Australia - Religious Instruction in Government Schools**

## **Executive Summary**

Scripture Union (SU) Australia is an interdenominational Christian movement with over 1,200 staff and over 12,000 volunteers working alongside churches and community groups, serving communities throughout Australia. One of our primary focus areas is the delivery of chaplaincy services and religious instruction in government schools.

In the area of Special Religious Education (SRE) or Religious Instruction (RI) we employ over 130 SRE Teachers, RI Instructors or Coordinators on behalf of over 100 local volunteer committees representing over 750 churches across NSW, QLD and the NT. We have significant concerns about the Productivity Commission's recommendation to withdraw DGR status for organisations responsible for religious instruction in government schools and believe that they should remove this recommendation for the following reasons:

**1. There is a broad affirmation in the Australian Education System of the positive role that religion and spirituality plays in the lives of Australians**

Federal Government leaders have consistently affirmed the importance of spiritual wellbeing in the lives of students. The Alice Springs (Mparntwe) Declaration 2019 highlights this commitment to spiritual wellbeing as part of a holistic educational experience for government school students. As part of this commitment to spiritual wellbeing, State and Territory policy throughout Australia continues to provide the opportunity for faith-based religious instruction in government schools.

**2. There is an extensive and growing evidence-base that supports the positive role that religion and spirituality plays in people's lives**

There is a growing body of quality research evidence that indicates what we tell ourselves about life and its ultimate significance is central both to our health and wellbeing, and to the prevention and management of physical and psychological disorders. These benefits are born out in research specific to religious instruction in government schools.

**3. There is a strong link between religious instruction, charitable giving and volunteering**

The Commission's draft report by its recommendations creates a false dichotomy between what they see as helpful religious endeavours (e.g. social welfare services) which will maintain DGR status and self-serving religious endeavours (e.g. religious instruction) which will lose DGR status. The arguments made - that religious instruction programs have no explicit equity objective and are of private benefit to donors - are misguided and overly simplistic. There is no acknowledgement of the obvious link between foundational religious instruction in younger years and those *helpful* religious endeavours in adult life, which are of such benefit to our nation.

**4. The inequity of the Commission's recommendations for Religious Instruction in government schools and Ethics in government schools**

Whether by design or by oversight, providers of secular ethics programs in government schools will maintain DGR status while providers of religious instruction will lose DGR status under the Commission's recommendations. This is in spite of the fact that ethics classes were established as a direct alternative to religious

instruction and is run concurrently to it in most schools where it is taught. Christian SRE curricula include content reflecting a Christian ethic. It seems illogical and unfair to treat these programs disparately in DGR reform. We believe this creates a glaring inequity and reflects a secularist bias on behalf of the Productivity Commission.

#### **5. Removing DGR status will cripple the system that supports the delivery of quality SRE and RI programs in government schools**

State Education departments have (rightly, we believe) raised the bar of compliance and standards around the delivery of SRE and RI programs in government schools in recent years. The Productivity Commission's recommendation to remove DGR status for organisations, like ours, that are committed to meeting these more rigorous standards seems counterintuitive and counterproductive, and will cripple the system that supports the delivery of quality SRE and RI programs in government schools.

In this submission, we will develop these concerns and encourage the Productivity Commission to withdraw its recommendation to remove DGR status for organisations like ours which are involved in the delivery of religious instruction in government schools.

#### **Introduction**

SU Australia is an interdenominational Christian movement committed to working alongside churches and community groups in supporting children, young people and their families to "discover life" through the provision of school chaplaincy services, religious instruction in government schools, camps, community-based programs, school programs, and at-risk youth programs. SU Australia also offers nationally recognised training programs in youth work, chaplaincy and pastoral care through the SU Institute of Training (RTO 30548). All SU Australia staff and volunteers are empowered and equipped to champion a child safe culture and are committed to the highest standards of safety and care in our work with children, young people and families.

SU Australia is a charitable 'limited by guarantee' not-for-profit organisation and is the largest employer of Chaplains, Wellbeing Officers and SRE or RI workers in Australia, comprising more than 1,200 staff and over 12,000 volunteers, working with churches, community groups, and serving schools in communities in all states and territories across Australia. Over 130 of SU Australia's staff are employed as SRE Teachers, RI Instructors or Coordinators in NSW, QLD and the NT.

We value the opportunity to comment on the recent draft report from the Australian Government's Productivity Commission, *Future Foundations for Giving*, which outlines recommendations to remove DGR status for charities established for religious instruction in government schools, school building funds and the like. It is the only charitable sector identified for withdrawal of DGR status in the draft report.

SU Australia has strong concerns about these recommendations and their likely consequences. We believe the Commission's basis for removal of DGR status for such giving is flawed and oversimplified, lacking a sophisticated understanding of the role religion plays across personal and public domains. We believe it unhelpfully conflates the categories of giving to religious schools and government schools, as well as the categories of giving to school building funds and giving to religious instruction in government schools, misrepresenting donor motivations for giving to the latter in both cases as often being self-serving. We believe a false dichotomy is created between what the Commission seems to see as *helpful* religious activities (e.g. social welfare initiatives) which are proposed to maintain DGR status, and *self-serving* religious activities (e.g. religious instruction in schools) which are proposed to lose DGR status. We believe this recommendation fails to recognise the intrinsic link between programs aimed at foundational religious instruction in a child's formative years and the religious service which is seen to be of such society-wide benefit later in life. We believe that to remove DGR status for giving towards grassroots

religious instruction in government schools will have a detrimental effect on school communities in the immediate and on the greater Australian society in the future.

### **SU Australia and the Funding of SRE/RI in Government Schools**

As noted, over 130 of SU Australia's staff are employed as SRE Teachers, RI Instructors or Coordinators in NSW, QLD and the NT, overseeing religious instruction to over 30,000 government school students throughout the school year.

Whilst Chaplaincy and Wellbeing Officer services in schools can be funded by the Federal Government's National Student Wellbeing Program (NSWP) or from a school's discretionary wellbeing funds, this is not the case for SRE and RI programs in schools. These programs - the wellbeing benefits of which are noted below - rely solely on community-based funding, most of which comes from local faith communities and individuals in those communities. Individuals donating to these programs with us have historically benefitted from DGR status through SU Australia (or Generate Services as it was previously known in NSW).

SRE programs occur in around 70% of NSW government high schools and over 90% of NSW government primary schools. In QLD, RI programs occur in around 70% of state primary schools. The employment of SRE Teachers in high schools in NSW has been happening for over 50 years. But increasingly, in NSW and QLD particularly, we are seeing the rise of paid workers in primary school SRE and RI programs as volunteer numbers decline on the back of the COVID pandemic and as a result of cost of living pressures.

Whilst volunteerism will remain a strong part of SRE and RI programs going forward, now, more than ever, faith communities are relying on paid workers to mobilise the largest year-round Australian volunteer group of 15,000+ volunteers (in NSW and QLD alone) to deliver such programs in government schools. To remove DGR status for this form of religious instruction in *government* schools would jeopardise these programs and would be detrimental in several respects.

SRE and RI programs in government schools are heavily reliant on tax deductible giving from generous individuals. The 100+ local SRE and RI committees partnered with SU Australia are either Incorporated Associations or are Sub-Committees of SU Australia, ensuring financial and governance transparency. These committees receive approximately \$2 million in tax deductible giving annually. This comprises over 15,000 separate donations each year. It's worth noting, contrary to the erroneous assumption in the draft report, that very few if any of these donors receive any private benefit from their contributions. That is, they are not donating for the benefit of their own faith community, family, students or alumni. Giving towards religious instruction in government schools is at very minimal risk of being any private benefit to the donor. Donors have neither children nor grandchildren attending the school program they are contributing towards but are motivated instead by their religious beliefs and convictions.

### **SU Australia's Arguments for Maintaining DGR Status for SRE/RI in Government Schools**

- 1. There is a broad affirmation in the Australian Education System of the positive role that religion and spirituality plays in the lives of Australians.**

#### ***Mparntwe Education Declaration***

In 2019, State and Territory Education Ministers met to discuss the future of schooling in Australia. They signed the *Alice Springs (Mparntwe) Education Declaration*<sup>1</sup>, which states:

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<https://www.education.gov.au/alice-springs-mparntwe-education-declaration/resources/alice-springs-mparntwe-education-declaration>

*“Education plays a vital role in promoting the intellectual, physical, social, emotional, moral, **spiritual** and aesthetic development and wellbeing of young Australians, and in ensuring the nation’s ongoing economic prosperity and social cohesion.” (p.4)*

*“Australian Governments commit to working in collaboration with the education community to support all young Australians to become: confident and creative individuals, successful lifelong learners, active and informed members of the community. Confident and creative individuals have a sense of self-worth, self-awareness and personal identity that enables them to manage their emotional, mental, cultural, **spiritual** and physical wellbeing.” (p.6)*

*“Parents, carers and families are the first and most important educational influence in a child’s life. They have a critical role in early development, including social, emotional, intellectual, **spiritual** and physical wellbeing. They instil attitudes and values that support young people to access and participate in education and training, and contribute to local and global communities. It is critical for the education community to work in partnership with parents, carers and families to support a child’s progress through early learning and school.” (p.10)*

### **State-based Education Policies**

State-based policies make space for spiritual and religious people, programs and activities in Australian schools (e.g. School Chaplaincy, Special Religious Education, Religious Instruction). All state and territory education department policies make space for faith-based religious instruction programs. They help schools to achieve a more holistic education for participating students and allow an opportunity for students of families who cannot afford religious schooling to access instruction in the faith of the family through government schools.

## **2. There is an extensive and growing evidence-base that supports the positive role that religion and spirituality plays in people's lives.**

There is a growing body of quality research that indicates what we tell ourselves about life and its ultimate significance is central both to our health and wellbeing, and to the prevention and management of physical and psychological disorders.<sup>2</sup> Positive spirituality and religion has been shown to contribute to good health, wellbeing, mental health and long life, as well as aiding recovery from general health and mental health issues. More specifically, spiritual and religious practices, including experiences of divine support and guidance, prayer and meditation, church attendance, engaging with sacred symbols and texts, acting out pro-social and pro-health behaviours; and participation in the life of religious communities, all have been found to make useful contributions.<sup>3</sup> Alongside this substantial evidence base, the spiritual and religious aspects of people’s lives are increasingly being seen as important components of health and wellbeing care across several helping professions, including healthcare.<sup>4</sup> Helping professions like social work are increasingly embracing the importance of positive spirituality and religion towards wellbeing, with an increase in courses, texts and resources to support practitioners in this developing area of their work.

More specifically, in their research work, *Special Religious Education in Australia and its Value to Contemporary Society* (2021)<sup>5</sup>, Professors Zehavit Gross and Suzanne Rutland

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<sup>2</sup> Dudley, “Mental Health and Young People” in Gale, Bolzan & McRae-McMahon, *Spirited Practices*, 60.

<sup>3</sup> Cornah, *The Impact of Spirituality on Mental Health: A Review of the Literature*.

<sup>4</sup> Kelly & Swinton, *Chaplaincy and the Soul of Health and Social Care*, 162

<sup>5</sup>

[https://www.researchgate.net/publication/349514488\\_Special\\_Religious\\_Education\\_in\\_Australia\\_and\\_its\\_Value\\_to\\_Contemporary\\_Society](https://www.researchgate.net/publication/349514488_Special_Religious_Education_in_Australia_and_its_Value_to_Contemporary_Society)

highlighted that Special Religious Education provides key benefits to students, including:

- An effective values-based education;
- Important psychological benefits;
- Strengthening the multicultural fabric of schools;
- Creating safe places for students to explore deeper questions of identity.

Holding the findings of Professors Gross and Rutland alongside the Mparntwe Education Declaration, it quickly becomes apparent that SRE and RI are aiding government schools in achieving some of their stated aims around student development and wellbeing, especially social, emotional, ethical and spiritual aspects. Indeed, along with school chaplaincy, you would be hard-pressed to find another program in Australian schools that contributes as positively to the spiritual development and spiritual wellbeing of students as SRE and RI do.

Such programs contribute to a more holistic educational experience for participating students in government schools and serve to contribute positively by encouraging service within the school, fostering more harmonious whole school communities. To say that religious instruction programs in government schools delivered by multiple different faith providers have no explicit equity objective for students, families and their school communities is inaccurate and devalues the positive effects of such programs on whole school communities.

### **3. There is a strong link between religious instruction, charitable giving and volunteering.**

The Commission's draft report recognises the religious volunteering category as the second largest category in Australia (p.109). These religious volunteers are also over-represented in the other categories of non-religious volunteering in Australia and in giving to non-religious charities. The Commission goes some way to acknowledging this, saying, "Religious faith and values can also provide important inspiration for undertaking a range of charitable activities. For some people, undertaking activities such as helping those in need is how they put into practice their religious beliefs and values within the community," and that "Many participants to this inquiry have highlighted the community benefits of religious activities and the interconnectedness of religious practice and other charitable activities." (pp.191-192)

However, the draft report fails to recognise the vital role that early religious instruction, such as religious instruction in government schools, plays in developing these values of charitable giving and service that carry on into later life and are of such benefit to this country. The main arguments made by the Commission for removing DGR status for giving to religious instruction in schools and school building funds - that it is largely of "private benefit" to the donors and has no "explicit equity objective" - are too simplistic and fail to recognise the enduring societal good - cited in its own report - that comes from religious instruction in schools.

The undercurrent in the draft report seems to be that organisations which are advancing religion are mostly self-serving and disconnected to the 'public good'. At very least, it creates a false dichotomy between what the Commission seems to see as *helpful* religious services and *self-serving* religious instruction. This false dichotomy is highlighted by these quotes from the draft report below:

"Religious organisations play an important role in many people's lives and communities across Australia. However, the Commission does not see a case for additional government support for the practice of religion through the DGR system, based on the first principle above." (p.18)

"For example, charities (such as religious organisations) that undertake excluded activities (advancing religion) would still be eligible for DGR status for any non-excluded charitable

activities they undertake (for example, advancing social and public welfare services) using gift fund arrangements.” (p.19)

With respect, we believe that the Commission is missing the point here. What is it that embeds in religious people the desire to do the helpful things that the Commission wants to maintain DGR status for, i.e. advancing social and public welfare services? Is it not in large part the foundational religious instruction that they receive as young people in their families, in their schools and their faith communities that embeds these values? You won't have one without the other. The impact of removing DGR status for giving to religious instruction in schools is that you will further compromise a proven supply line of volunteers grounded in their faith that have for generations been over-represented in - among other things - feeding, housing and caring for many of the poorest and most vulnerable in Australian society.

McCrindle Research's *Faith and Belief in Australia: A national study on religion, spirituality and worldview trends (2017)*<sup>6</sup> states that: "Australians most value the Church and Christian organisations for their work with those in need. Australians highly value the work of the Church in looking after people who are homeless (74% extremely or somewhat value this), offering financial assistance/food relief programs (72%) and providing disaster relief (69%)," Why jeopardise this valuable contribution to Australian society by crippling the system of religious instruction in government schools that helps to instil such values in young people?

Furthermore, it is well documented that religious Australians are more likely to give and volunteer their time to charities than the average population. The Australian Bureau of Statistics' *General Social Survey (2019)*<sup>7</sup> on formal volunteering found that people who attended religious services as an adult and a child are 1.3 times more likely to volunteer than the general population.

This trend is corroborated in the Research Report by AGAPE Economics August 2021, *SEIROS (Study of Economic Impact of Religion on Society): Measuring the Economic Impact of Religious Persons Associated with Volunteering and Donation Behaviour*<sup>8</sup>, which states: "Using religious attendance as the test of religiosity, persons who are traditionally religious are estimated to be 74% more likely to volunteer than persons who have never been religious... This equates to 439 million extra hours volunteered each year from religious persons to non-religious causes. This is valued at between \$9-20bn dollars of annual contribution to Australian society excluding volunteering to religious causes."

Commenting on the Christian Research Association's *Contributing to Australian Society Survey (2016)*<sup>9</sup>, Philip Hughes of AlphaCrucis<sup>10</sup> concludes: "Religious faith not only benefits the religious people themselves. How they live benefits the wider society. The Contributing to Australian Society survey provided much evidence that religious faith contributes to people having strong pro-social values and principles. These values and principles were evident in people's choice of occupations, their informal and formal unpaid voluntary work, and in their giving to charitable causes. More religious people than non-religious people seek ways in which they can contribute to the wellbeing of others and to society as a whole."

Early religious instruction and later religious service are inextricably linked and it misrepresents reality to say that giving to organisations that advance religion (such as those

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[https://mccrindle.com.au/app/uploads/2018/04/Faith-and-Belief-in-Australia-Report\\_McCrindle\\_2017.pdf](https://mccrindle.com.au/app/uploads/2018/04/Faith-and-Belief-in-Australia-Report_McCrindle_2017.pdf)

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<https://www.abs.gov.au/statistics/people/people-and-communities/general-social-survey-summary-results-australia/2019>

<sup>8</sup> [https://www.pc.gov.au/\\_data/assets/pdf\\_file/0017/360026/sub228-philanthropy-attachment.pdf](https://www.pc.gov.au/_data/assets/pdf_file/0017/360026/sub228-philanthropy-attachment.pdf)

<sup>9</sup> <https://cra.org.au/shop/papers/impact-of-religion-on-society-downloadable-pdf/>

<sup>10</sup>

<https://crucis.ac.edu.au/does-faith-make-a-difference-to-how-people-contribute-to-australian-society/>

providing religious instruction in government schools) tend to have mostly a private benefit to donors and have no explicit equity objective.

#### **4. The inequity of the Commission's recommendations for Religious Instruction in government schools and Secular Ethics in government schools**

We understand that the Primary Ethics provider in NSW will maintain their DGR status under their special ruling as a "Public fund for ethics education in government schools," received in 2013 under a Bill introduced to Parliament to bring equity with SRE/RI providers. The wording of this ruling states that it is "A public fund established and maintained solely for the purpose of providing education in ethics in government schools in Australia (as an alternative to religious instruction), where the ethics education to be provided is in accordance with state or territory law."<sup>11</sup>

Whether by design or oversight, the Commission's recommendation to remove DGR status for organisations responsible for religious instruction in government schools whilst maintaining DGR status for organisations responsible for the alternative Ethics program in government schools creates an reverse inequity that the 2013 Parliamentary bill sought to rectify. Additionally, Christian SRE curricula often include content reflecting a Christian ethic. It seems illogical and unfair to treat these programs disparately in DGR reform.

By extension, the Commission seems to be suggesting that Ethics classes in government schools have an explicit equity objective for the greater good of Australian society, while religious instruction classes do not. If it is the case that the Commission believes religious instruction classes in government schools are too narrow in their focus - impacting only select students - then surely the same is true of Ethics classes. Parents have a choice between SRE, Ethics or Alternative Meaningful Activities in most NSW public schools. As a result, all classes have similarly narrow student cohorts (pending parental choice) and are not accessed by all students.

We believe that Primary Ethics in NSW (and other such providers nationally) should maintain DGR status. However, we feel that to do this whilst removing DGR status for organisations delivering religious instruction at the same time as these Ethics classes reflects a secularist bias and creates an inequity. We would appreciate the Commission explaining their rationale behind the glaring inequity created in this regard in their draft recommendations.

#### **5. Removing DGR status will cripple the system that supports the delivery of quality SRE and RI programs in government schools**

The delivery of quality SRE and RI programs in government schools throughout Australia (but particularly in NSW and QLD) is supported by a number of faith-based organisations like ours. From local churches, mosques and temples who provide the teachers/instructors, to denominational and faith-based providers of such services who are responsible for the authorisation, ongoing training and compliance of these teachers/instructors, to parachurch organisations focused on the development of quality curricula and people for such religious instruction programs in schools. The stakeholders in this ecosystem are many and varied, most running on already tight budgets and relying on the generosity of individuals for their survival and the survival of such programs. The removal of DGR status for giving to such organisations supporting SRE/RI programs will likely result in the collapse of this ecosystem. The largest protestant Christian SRE Provider in NSW, Youthworks, has said recently: "If implemented this would cripple Youthworks and all our churches who utilise a Religious Instruction in Government Schools tax deductible fund."

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<https://www.ato.gov.au/businesses-and-organisations/not-for-profit-organisations/getting-started/in-detail/types-of-dgrs/dgr-table-deductible-gift-recipient-categories/education>

Volunteering Australia's *National Strategy for Volunteering 2023-2033*<sup>12</sup> report states: "The increasing complexity of regulation and administrative requirements was seen as a more prominent change for Religious/Faith-Based/Spiritual, Youth, and Aged Care organisations." This is true of compliance and standards around SRE and RI that have been implemented by State Education departments in recent years, particularly since the SRE Review of 2015. To have State Education departments (rightly, we believe) raising the bar of compliance and standards around the delivery of SRE and RI programs in government schools on the one hand, and now to have the Productivity Commission recommending to the Federal Government a move that will cripple the system that supports the meeting of these more rigorous standards on the other hand (by removing DGR status for organisations that support the delivery of this work) seems counterproductive and most unhelpful.

Removing DGR status for giving to religious instruction in government schools will result in many SRE and RI programs being discontinued in government schools due to the breakdown of the structures that support this work. It will create a shortfall of paid SRE/RI staff and volunteers, putting administrative stress on schools and SRE/RI providers, while also denying students and their parents the right to religious instruction as part of a holistic educational experience.

As the multi-faith religious education peak body group, Faith NSW, puts it: "This would mean that up to 5,000 charities across Australia will no longer be able to offer their donors tax deductible giving, and resources for SRE including high quality curriculum, teacher training support and the opportunity for tax deductible donations to these important aspects of SRE will be severely compromised."

### **Conclusion**

The Commission states that "Some cultural or religious communities also have philanthropic traditions or practices of giving embedded in their belief systems or ways of life." (p.4) The removal of DGR status for religious charities that encourage this way of life through religious instruction in early education seems counterintuitive. Why would you want to disincentivise such giving and disenfranchise faith-based communities by removing DGR status for religious instruction, particularly in government schools where there is little to no private benefit gained and much community-wide benefit achieved? If the Commission's goal is to double philanthropic giving, would you not seek to champion faith-based communities working at this grassroots level to nurture young people of faith who will give of their time and resources to both religious and non-religious charities more generously than the average Australian population later in life? Surely, SRE and RI in government schools becomes an even more vital program for young people in the hope of achieving the Government's aspirational philanthropic giving target.

SU Australia's vision statement is: "Every child, young person and family in Australia has opportunities of transforming experiences with Jesus and a lifelong journey of discipleship and serving a world in need." According to the Commission's proposed approach, "transforming experiences of Jesus and a lifelong journey of discipleship" would be considered "purely religious activities", whereas religious organisations like ours would see those activities as inextricably linked to the public benefits wrapped up in "serving a world in need". The Commission's conception and articulation of religious activities as outlined in the report suffers from a lack of understanding of the interconnected and nuanced nature of actual religious belief and practice. Removing DGR status for giving to the foundational building blocks of this kind of faith journey for young people - of which religious instruction in government schools forms a major part - will severely hamper our efforts and the efforts of similar religious organisations. This, in turn, will be of detriment to wider Australian society.

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<https://www.volunteeringaustralia.org/wp-content/uploads/National-Strategy-for-Volunteering-2023-2033.pdf>