

Friday, 9th February 2024

Dear Karen,

RE: Productivity Commission 'Future foundations for giving' draft report

I have reviewed the draft report and noted some good points and recommendations, however I wish to voice my concerns about the suggestion to remove the deductible gift recipient (DGR) status for non-government primary & secondary schools, childcare, aged care, and other religious organisations.

We need our children to get the best education possible, and one contributor to this is the learning environment. The DGR status of school building funds has encouraged donors to give generously, thus "lifting the bar" for both private and public educational facilities. This is an overall net benefit for society and advancement of civilization in our country.

As a parent of a high school-aged child, I believe that parents and donors are not only more willing to give to schools due to the DGR status, but they are also more engaged with the education system, which gives extra support to students through their learning years. It is an investment in the future of our nation.

Imagine this country with no DGR status for school building funds: donors would quickly become less interested in giving their funds, private schools would then need to greatly increase fees to fill the funding gap, and capital expenditure would certainly decrease (affecting the overall economy), and quality of education would drop. With increased school fees on top of cost-of-living pressure, many would be forced to shift children to already-crowded public schools.

As you would be aware, there is a current teacher shortage crisis in Australia. The added financial pressure that would be caused by removal of DGR status for educational institutions would mean they would struggle to attract and retain talented teaching staff, a further negative effect on the quality of education and the cost-of-living pressures.

As a householder I would appeal to you to hear my concerns and remove any proposed changes to the DGR status for private schools.

Yours sincerely,

Michael Struthers

Concerned Parent