

Dear Madam/Sir,

RE: Productivity Commission 'Future Foundations for Giving' Draft Report

My submission is in respect to the publication of the report in respect to the "Future Foundations of Giving".

There has been a significant contribution of the various faiths to the Australian community for many decades. These faiths provide a foundation for the actions of millions of believers throughout Australia and have, and still do, play a very important role in the cultural life of Australia and the values for which we as Australians stand. Such activities and beliefs have had many positive impacts on the Australian community including Education, Health and Welfare, provision for Aged Care and family life.

It is important to review the reasons why various government actions are taken and that includes tax deductibility and I appreciate the publication of this report.

However, I wonder about what really are the benefits, as opposed to the costs to government of the possible removal of deductible gift recipient (DGR) status to non-government organisations. These faith-based organisations work along-side the state and federal governments to provide primary, secondary, childcare, aged care and other facilities which the governments would then have to supply and contribute.

One activity which I am involved in that is affected by a proposed change in DGR is the provision of SRE in the Central Coast area of New South Wales. There is approximately 1000 students in the area where parents choose for their children to experience SRE. These children are of both a primary and secondary age. Their SRE teachers and schools report that SRE classes support the life needs of the students and contribute positively to the wellbeing. Both in the short and long term this contributes to the general wellbeing of their families and to the community as a whole.

The provision of SRE on the Central Coast is possible through the generous contributions of a significant number of individuals and churches. In the past these contributions have been eligible for tax deductibility.

Removing DGR status appears to undermine the governments' support for what these faith organisations are doing to contribute to the wellbeing of the Australian Community. The message may be that government policy devalues the contribution of faith communities to Australian society.

Would it not be better to continue DGR to faith organisations, including such aspects as the provision of SRE, so as to encourage individuals and others to be more philanthropic in their approach to the Australian community and even support the governments' to a greater extent in health , education and aged care than they already do?

Thank-you for considering this submission.

Yours sincerely,
Anthony Hay