



## **Galston Christian Education Association Submission Regarding the Productivity Commission's Draft Report on Philanthropy**

### **About us**

The Galston Christian Education Association has conducted Christian SRE at Galston High School for over 40 years.

We employ one paid staff member and have more than 15 volunteers on our committee from over 8 local churches who combine to teach over 160 students from a variety of ethnic and cultural backgrounds.

This work costs in the vicinity of \$60,000/year, which is funded entirely by donations from individuals and local churches.

The DGR status of the GCEA is crucial. At least 50% of the donations received are from individuals who rely on the tax deductibility of their contributions to be able to give the amounts they do. There is no private benefit received by the donors. It is an expression of their faith to give to the religious education of young people so they can explore issues of faith in their formative years.

### **Our Response to the Commission's Draft Report**

The commission's report demonstrates a surprisingly negative attitude towards religion in general and special religious education (SRE) in particular. In our view, this negativity contradicts the Australian Government's commitment to multiculturalism and religious plurality.

While the GCEA agrees with the Productivity Commission's goal of increasing the number and types of charities eligible for DGR status, we don't believe this should be at the expense of charities who are providing Special Religious Education in schools, funded by grassroots members of faith communities across Australia.

In relation to the Productivity Commission's proposed principles-based approach in determining which charities should be eligible for DGR status, we make the following comments in relation to providers of SRE:

- 1. there is a rationale for taxpayer support because the activity is expected to generate net community-wide benefits and would otherwise likely be undersupplied by the market.**

There is an intrinsic link between formative religious instruction in childhood years and religious service in adult years, including service to the wider community on a voluntary basis. In addition, the NSW Department of Education has recognised the community-wide benefit of SRE by including it in the wellbeing framework of their curriculum. If SRE was not provided by local church members, there would be an undersupply of religious education for young people in the school setting.

**2. there are net benefits from providing government support for the activity through subsidising philanthropy using a tax deduction for giving (as opposed to other government funding mechanisms, like grants)**

As many of the donors to SRE are individual taxpayers who are supporting SRE as an expression of their faith, we believe subsidising this philanthropic giving by using a tax deduction for giving is the best way to provide government support.

**3. the activity is unlikely to create a material risk that tax-deductible donations can be converted to private benefits for donors**

Donors to SRE do not derive any private benefits from their philanthropic funding of equipping future generations of Australians with religious education.

The GCEA is a multi-denominational expression of the local Christian church in Australia. We ask that the Productivity Commission respectfully consider the important contribution of faith communities to our wider local communities, including our local high schools in the provision of religious education. We therefore ask that the DGR status of giving for Special Religious instruction in schools in Australia is preserved.