

8th February 2024

Attention: Karen Godfrey

Re: Future foundations for giving -Draft report

Dear Karen,

I have recently become aware of the Australian Productivity Commission's draft report titled 'Future foundations for giving' and am deeply concerned about the proposed changes to scrap DGR status for non-government primary & secondary schools, childcare, aged care and religious organisations.

If this were to occur, it will significantly impact the ability of Catholic and Independent schools to provide suitable school facilities for student learning.

I am a small business owner, a parent of 2 children which attend an independent school, and I have previously been a board director of an independent school for 6 years.

Non-government schools receive funds from 3 main sources:

1. Student fees
2. Government funding
3. Philanthropic gifts!

Removing DGR status from school building funds will basically put an end to philanthropic giving to non-government schools. And have an adverse affect on a school's financial situation.

In turn, non-government schools will be forced to react by either:

- increasing their fees, of which many parents, already suffering from record cost-of-living pressures, will no longer be able to afford, or;
- cut back (or stop) their building programs for new builds, maintenance or renovation of school facilities ,

and most will likely adopt a combination of both.

Both will lead to outcomes whereby:

- Learning, and student and teacher wellbeing, will ultimately suffer;
- Parents will unenroll students from increasingly expensive non-government schools and elect to instead enrol into government schools, placing further pressure on the already overwhelmed government schools

Not to mention the impact this will have on the many architects, consultants, building firms and tradies that rely heavily on the investment that non-government schools make in building and facilities.

Given that most non-government schools are religious or faith based, I further feel this is another attack on religion and freedom of choice.

One of the stated three reform pillars is to "Help donors direct support to where there is likely to be the greatest net benefits to the community as a whole". Surely providing DGR status for school building funds, which allows for facilities to benefit a quality education to children, satisfies the test of the "greatest net benefits" ?

The government relies heavily on Catholic and Independent Schools to support the education system in Australia. Due to widespread misrepresentation in the media over school funding, it is a widely unknown and unreported fact that non-government schools actually save the government money – it is cheaper for the government for students to attend non-government schools, rather than government schools. This saving benefits the “community as a whole”. Again, surely this satisfies the test for the “greatest net benefits” ?

I would urge the Government to carefully consider the ramifications and conclude to not make any changes to the current DGR status for non-government primary & secondary schools, childcare, aged care and other religious organisations.

Thank you for the opportunity to make, and your time in considering, this submission .

Yours sincerely

Craig Simpson.