



8 February 2024

Australian Government  
Productivity Commission

## **FUTURE FOUNDATIONS FOR GIVING – DRAFT REPORT**

### Proposed removal of Deductible Gift Recipient (DGR) status for Religious Education in schools.

We refer to the above report and the proposed changes to the DGR status.

As a church we strongly support retaining the Deductible Gift Recipient status for Religious Education and School Building funds in public schools in Australia for the following reasons:

- i) Religious Education is a valuable contribution to Australian society, and society values, and the tax deductibility status should not be changed. When Religious Education is taught in schools, some of the benefits include that people are taught to value each other e.g. 'Do to others as you would want them to do to you', and to consider others before themselves.
- ii) Tax deductibility (DGR status) should be available to donors to Religious Education because Religious Education has substantial benefits in teaching young people society's values including kindness, goodness, love of justice and mercy, care and concern for the welfare of others. Removing DGR status would greatly limit organisations which provide quality education programs.
- iii) There are many people in our church who give unselfishly of time and effort for the good of the general community, and who were inspired to serve others in the wider community by Religious Education teachers at public schools who taught them the Bible, Christian values, and specifically the life and teachings of Jesus Christ. Some of the ways they help the wider community include immigrants, one-parent families, low-income families, young people and elderly people.
- iv) The reasons for giving (adapted from the Draft Report) by people in the church include faith, personal experience, and making a difference [especially to encourage young people – setting good goals, unselfish behavior]. All of these support maintaining DGR status for Religious Education. It is the faith of donors which is the main reason for their giving of money and time to religious instruction in government schools, not any private benefit received.
- v) Children need to know the stories of the Bible because they are the basis of much of the English language, and of our laws and legal system. Many of our sayings, and cultural values are based on the Bible, (and especially on the life and teachings of Jesus Christ).
- vi) Donors to teachers of Religious Education can observe how their donation has been used. School principals observe teaching standards, classroom management and adherence to the values of the school. State education authorities, e.g. NSW Board of Studies checks that each curriculum used by Religious Education teachers meets Departmental guidelines.

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- vii) Many medical advances have been attributed to Christian believers who refer to being taught Christian values during their education. Examples are Dr Catherine Hamlyn who treated fistula injuries in Ethiopia, and the Garvan Institute of Medical Research (Darlinghurst, NSW), founded on Christian principles.
- viii) Many people attribute their Community Service in adult years to being taught Christian values during religious education. One example is John Howard (ex Prime Minister of Australia) who attended a NSW government school. Other examples include people who work or volunteer for humanitarian services such as the Salvation Army, Mission Australia, Parramatta Mission.
- ix) The removal of DGR status for building funds for faith-based schools will have a profound impact on low-fee faith-based schools whose students cost the government far less to educate than if those same students were in a local public school. There is a growing demand for faith-based schools – which is the fastest growing sector of education. Governments provide all the capital funding (e.g. buildings and facilities) for government schools, but only a fraction of the capital needs of faith-based schools. Removal of DGR status will have a massive negative impact on this sector of education.
- x) Organisations supporting teachers of Religious Education provide a service that governments don't offer, and that many parents choose for their children.
- xi) Religious freedom enshrined in our society includes the teaching of religion in schools, and this should be supported with tax relief, enabling a valuable service to be maintained. Donations for Religious Education are as much a choice for giving as giving for any other cause (e.g. those mentioned in the Draft Report for future giving).
- xii) People who make donations for reasons of faith are facing the same cost of living pressures as everyone else, and tax deductibility helps them to continue donating to what they consider is a very worthwhile cause.

Religious organisations do play an important role in many people's lives. Faith communities, especially Christian, have made a positive contribution to Australian Society and the present system of DGR status for Religious Education should continue as it is.

I present this submission on behalf of our senior pastor, Rev Phil Waugh and our church board.

Yours faithfully,

Richard Small  
Board Chair  
Mosaic Baptist Church, ACT