

6 February 2024

Productivity Commission
GPO Box 1428
Canberra ACT 2601 Australia

Dear Members of the Productivity Commission,

**Subject: Response to Draft Report on
Future Foundations for Giving and Special Religious Education**

I am reaching out on behalf of Macquarie Life Church in New South Wales to convey our deep concerns regarding the recent draft report on Future Foundations for Giving. We appreciate the opportunity to provide feedback on this crucial matter and wish to express our strong disagreement with the recommendation to eliminate tax deductions for donations to charities supporting Special Religious Education (SRE) in public schools.

The Significance of SRE in Schools:

A principle of the Draft Report is the importance of a Fund having "Public Benevolent Value," and we firmly believe that SRE in schools aligns strongly with this principle. The NSW Government confirmed this through their independent SRE review in 2017 by the NSW Government which confirmed the positive contributions of SRE to students' understanding of their cultural heritage, spiritual care, tolerance, multiculturalism, and overall well-rounded education. SRE imparts essential values, enhances the multicultural fabric of Australian schools, provides significant psychological benefits for students' mental health and well-being, and creates safe spaces for them to explore deeper questions of identity. It plays a pivotal role in shaping young lives and contributes positively to Australian society. In light of the concerning state of mental health among young people in our schools, increase in mental health issues, family conflict, bullying and other peer-related challenges, any policy changes impacting SRE funding could be detrimental to the well-being of future generations.

Maintaining Deductibility:

The tax deductibility of donations plays a crucial role in encouraging individuals to contribute meaningfully to causes they care about.

In New South Wales, Religious Education is not only a valuable educational component but also a statutory right according to the Education Act of 1990 which states the religious education should be available to all students.

Funding this through donor support and volunteers, ensures this statutory right remains available to students in our state. Tax deductions for donations to SRE serve as a vital incentive for individuals and organizations to support these programs, guaranteeing that students receive this comprehensive education.

Constitutional Concerns:

We would also like to highlight the broader implications of this draft proposal concerning the removal of 'advancing religion' from eligible charitable activities for Deductible Gift Receipts (DGR) support. Such removal jeopardises religious freedom which is a fundamental human right and as vested in our constitution. Section 116 of the Australian Constitution safeguards religious organisations from laws impeding religious freedom.

Summary:

In summary Macquarie Life Church opposes the elimination of tax deductions for donations to religious charities delivering Special Religious Education (SRE) in public schools and urges a reconsideration of the recommendation. We firmly believe that maintaining deductibility is essential for the continued positive impact of SRE programs and the ongoing provision of this statutory right in our NSW schools. We appreciate your attention to this matter and look forward to further discussions on how we can collaborate to ensure the well-being and holistic education of our students.

Thank you for considering our submission.

Sincerely,

Mindy Newsome
Apostolic Leader