

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 writing on behalf of the Australian Christian Churches (ACC) in New South Wales to express our serious concerns regarding the recent draft report on Future Foundations for Giving. We appreciate the opportunity to provide feedback on this important matter and strongly oppose the recommendation to eliminate tax deductions for donations to charities supporting Special Religious Education (SRE) in public schools.

Firstly, we want to extend our gratitude for the comprehensive draft report on Future Foundations for Giving and for the chance to submit our views on this matter. We understand the importance of fostering philanthropy and charitable giving in Australia, and we value the opportunity to contribute to this discussion.

Please Note: This submission stands as a distinct and separate document from the one put forth by our Australian Christian Churches (ACC) National Representative, Mark Edwards. Our focus concentrates on advocating for the unique consequences of the Draft Report towards religious education in New South Wales.

The Value of SRE in Schools:

One of the key principals of the Draft Report was the necessity for a Fund to have "Public Benevolent Value", and we believe that SRE in schools unequivocally aligns with this principle.

Contrary to some findings in the draft proposal, outcomes of the independent SRE review in 2017 by the NSW Government highlighted the positive contributions of SRE to students' understanding of their cultural heritage, spiritual care, tolerance, multiculturalism, and overall well-rounded education.

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SRE provides education on essential values, strengthens the multicultural fabric of Australian schools, offers important psychological benefits for students' mental health and well-being, and creates safe spaces for students to explore deeper questions of identity. It plays a vital role in shaping young lives and contributes positively to Australian society.

Consider this in light of the alarming state of mental health and well-being among young people in our schools, reflected in McCrindle (2017) research indicating a 66% increase in mental health issues, a 54% increase in family conflict, and rising incidents of bullying and other peer-related challenges.

Changes in policy that potentially impact the funding for SRE would be detrimental to the well-being of future generations.

Government Endorsements:

The value of SRE in our schools is supported by government Ministers for Education.

“SRE teachers are making such a significant contribution to our communities. In NSW government schools, the teaching of faith and scripture should be available for parents who want it, underpinned by the principle of parental choice.” - The Honourable Prue Car, MP, NSW Deputy Premier & Minister for Education and Early Learning

“SRE is a strength of our public education system, it benefits student mental health and well-being, provides safe places for students to explore faith and belief and strengthens multiculturalism” - The Honourable Sarah Mitchell, MLC, New South Wales Shadow Minister for Education & Early Learning

The Importance of Maintaining Deductibility

The Draft Report acknowledges the valuable contribution of philanthropy in Australia and aims to double philanthropic giving by 2030.

NSW considers a comprehensive education to include the opportunity for religious instruction. In fact in New South Wales, religious education is not only a valuable educational component but also a statutory obligation.

“In every government school, time is to be allowed for the religious education of children of any religious persuasion” – (Education Act, 1990)

Having this funded by donor support and volunteers ensures this statutory right remains available to students in our state.

The tax deduction for donations to SRE serve as a crucial incentive for individuals and organisations to support these programs, ensuring that students receive this comprehensive education.

SRE teachers constitute Australia's largest year-round volunteer army, providing close to 10,000 lessons each week.

The tax deductibility of donations plays a vital role in encouraging individuals to contribute meaningfully to causes they care about, with 65% of church goers motivated to make donations (BFS, 2019).

Constitutional Concerns

ACC NSW would like to express strong support for a submission made by Ps Mark Edwards OAM on behalf of the Australian Christian Churches (ACC) National Office, dated January 2024. This submission addresses the draft report's broader implications regarding the removal of 'advancing religion' from eligible charitable activities for Deductible Gift Receipts (DGR) support. The ACC argues that such removal would compromise religious freedom—a fundamental human right.

The submission raises constitutional concerns, citing Section 116 of the Australian Constitution, which safeguards religious organizations from laws impeding religious freedom. Edwards highlights the absence of empirical data for some criteria and argues that the proposal lacks sufficient rationale. He also references a potential conflict with international agreements, particularly Article 18 of the International Covenant on Civil and Political Rights (ICCPR).

The concerns raised by Edwards are crucial considerations for our state, as the proposals impact policies that will affect the statutory right to religious education in NSW schools.

Summary

ACC NSW strongly opposes the elimination of tax deductions for donations to religious charities delivering Special Religious Education (SRE) in public schools and calls for a reconsideration of the recommendation. We firmly believe that maintaining deductibility is vital 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 welcome further discussion 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

Ex-officio (Governance)

ACC State Executive Team

References:

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