



From the Headmaster

9 February 2024

Response from St Joseph's College Hunters Hill to the Productivity Commission's Draft Report *Future Foundations for Giving*, released 30 November 2023

Withdrawal of deductible gift recipient (DGR) status to Building Funds in primary and secondary schools.

We are writing to request that the Productivity Commission reconsider its recommendation of withdrawal of Deductible Gift Recipient Status for School Building Funds.

Founded in 1881 by the Marist Brothers as a boarding school for boys from remote and regional areas, St Joseph's College has grown to be the largest boarding school for boys in Australia. In 2024, 1082 students are enrolled at the College, 54% of these as boarders.

Since its earliest days, the College has relied on the generous support of its community to fund building projects, many completed with little or no government funding support. Over the years, these projects have included general and specialist classrooms and student residential accommodation. Such projects were funded by a combination of the College's cash reserves, borrowings and the philanthropic support of the school community. The College relied, for example, on the generous philanthropic support of our community to construct our assembly hall, science laboratories, Visual Arts and Technology and Applied Studies teaching and learning areas, as well as residential accommodation for our boarders.

Whilst St Joseph's College supports the Productivity Commission's inquiry into the enhancement of philanthropy in Australia, we have serious concerns about how the proposed removal of DGR status for school building funds will advance a philanthropic culture in any substantial way. Indeed, removing the incentive of tax deductibility is likely to greatly diminish the level of philanthropic support we currently receive and result in much greater pressure on school fees to fund future capital works.

The College's existing facilities, particularly those funded with philanthropic support, currently provide for wider community use and community benefit, including use by nearby government and non-government schools. Their utilisation is not limited to exclusive use by our school alone. Our students and their families, many of whom may have generously contributed to the construction of these facilities, witness this public-spiritedness and other forms of resource sharing and community service. The PC's report and recommendations do not appear to give due consideration to these issues.

We gratefully acknowledge the opportunity to provide feedback on the report and the proposed changes and urge the PC to reconsider its position on the removal of DGR status for school building funds.

Yours sincerely,

Mr Michael Blake
Headmaster