MEDIA RELEASE

21 December 2023



Christmas is a time for the renewal of Labor's commitments to faith communities and schools

Catholic education says 2024 will be a big year for the Albanese Government to renew its commitments to faith communities and schools.

National Catholic education executive director Jacinta Collins said the government made a number of commitments in the lead up to the last election to ensure faith communities can continue to operate according to their values and beliefs.

"The Christmas season is a time of reflection for Christian communities across the globe as we celebrate the birth of the Saviour, and focus on the great joy and hope of Christ's message of peace and love to the world," Ms Collins said. "It's also a time of renewal of our commitments and promises.

"In this spirit, we look forward to the Labor Government renewing its focus on its pre-election and subsequent commitments to faith communities to support 'the right of all Australians to have and to manifest their religion or beliefs, and the right of religious organisations to act in accordance with the doctrines, tenets, beliefs or teachings of their faith'.¹

"This includes religious freedom which protects families' rights to send their children to a school in line with their values and beliefs; for faith-based schools to be able to operate and teach according to their ethos; and to ensure genuine choice of schooling through fair funding."

In a <u>submission</u> yesterday to the Blueprint Expert Reference Group responsible for developing a not-for-profit blueprint for the government, Catholic education highlighted two current policy challenges that pose a threat to faith communities, and are at odds with the government's commitments.

The Australian Law Reform Commission (ALRC) is expected to produce a final report to government on New Year's Eve, however its draft proposals seek to severely restrict the ability of faith-based schools to operate according to their ethos, despite the Terms of Reference seeking to ensure religious schools can continue to build communities of faith.

The Productivity Commission's draft report for its Philanthropy inquiry, *Future foundations for giving*, seeks to remove Deductible Gift Recipient (DGR) status for building funds for faithbased schools and is a direct attack on not-for-profit social services provided by faith communities.

"Catholic education strongly supports the intention of the Blueprint to provide a roadmap for government reforms and sector-led initiatives to boost the sector's capacity to support and reconnect Australian communities," Ms Collins said.

"However the proposed reforms from both the ALRC and the Productivity Commission seriously threaten faith communities and their ability to operate according to their ethos.

¹ ALP National Platform 2023

MEDIA RELEASE

21 December 2023



"Labor went to the 2022 poll with a promise to Catholic school families that it would ensure the funding arrangements that exist for non-government schools under the previous government 'would continue in full under Labor' and that there would be no cuts to Catholic school funding," she said.

Catholic education argues in its submission, the removal of DGR status would have 'significant impact on Catholic schools and systems as well as for health and other social services provided by faith-based organisations' and would be particularly profound on low-fee faith-based school communities.

'For Catholic and other non-government schools, it will add a further financial burden on families who contribute to school education and are already dealing with significant cost-of-living pressures,' the submission says.

"There is no parity on capital funding for Catholic schools. 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. DGR status is one means by which the government provides indirect support for the capital needs of faith-based schools," Ms Collins said.

"If the Productivity Commission's proposal goes ahead, this would result in a significant change to government regulatory conditions and would have a dire effect on the capacity of Catholic education to build and maintain schools.

"The proposed reforms threaten the \$2 billion of donations that Catholic school families make each year towards building and maintaining Australia's social infrastructure through educational facilities."

In making the choice of a Catholic education, families take on almost 90 per cent of the funding required to support school buildings and capital works in Catholic schools. In 2021 alone, this investment was about \$2.0 billion in capital projects, with federal and state governments contributing 4.4% and 6.9% respectively.

"This is in addition to the \$3.9 billion of after-tax dollars Catholic school families pay in recurrent funding towards their children's education," Ms Collins said.

Media enquiries Public Affairs Advisor 0458 199 395