

Final Philanthropy Report blatantly ignores the concerns of school and faith communities says Catholic education

The National Catholic Education Commission (NCEC) says the Productivity Commission has blatantly ignored the concerns and needs of school and faith communities in its final Philanthropy Report.

National Catholic Education executive director Jacinta Collins said school and faith groups had raised serious objections to the draft report which lacked a thorough analysis and engagement with concerned groups by the Productivity Commission.

“The recommendations to withdraw the Deductible Gift Recipient (DGR) status of building funds and for religious and ethics education in government schools is a direct attack on school and faith communities and fails to acknowledge the enormous contribution of faith groups to the social fabric of Australia,” Ms Collins said.

“As the NCEC highlighted in our submission, people of faith are more likely to donate and volunteer and contribute significant amounts to philanthropy to support the common good.

“We call on the Albanese Government to reaffirm the earlier assurances of the Treasurer Jim Chalmers and Assistant Education Minister Anthony Chisholm that the government is not considering such a proposal.

“The responsible Minister for Competition, Charities and Treasury Andrew Leigh MP recently reassured faith groups at the Parliamentary Friends of Religious Schools and Faith Communities of the government’s previous commitments to maintain the DGR status of school building funds. He also went further indicating that the government was committed to increasing philanthropic support to faith communities and boosting the role of faith communities in philanthropy,” Ms Collins said.

“The final report highlighted that non-government schools were the main beneficiary of the DGR status. This longstanding, well-established practice is simply because non-government schools are required to pay for the majority of their school buildings and maintenance, whereas government schools do not.

“There is no parity with government schools in school capital funding with Catholic school families contributing nearly 90 per cent of funding required to support school buildings and capital works.

“For Catholic schools, this amounted to \$1.96 billion raised from private donations and school building funds in 2022, with state and federal funding for capital projects only amounting to \$230 million.

“This is in addition to the nearly \$4.1 billion of after-tax dollars which the recurrent funding model expects parents and families will contribute towards their children’s education through school fees.

“For over 200 years, Catholic schools have worked alongside the government in providing education to millions of Australians, largely through the goodwill and donations of families and people of faith. The removal of the DGR status will add a further financial burden on

families and the broader community who are already dealing with significant cost-of-living pressures.

“As highlighted in the Gonski review, the government needs a more comprehensive consideration of school capital than just tax, and we look forward to working with the government on ways to broaden the ability of people to give, rather than undermine longstanding, well-established practices.”

Catholic education is the largest provider of education in Australia outside of government, enrolling one in five, or 805,000 students and employing over 109,000 staff in 1,756 schools.

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