



Gavin Pearce MP
Federal Member for Braddon

Media Release

3 January 2024

Non-government schools and religious charities targeted in proposed tax grab

The Coalition is urging the Albanese Labor Government to rule out adopting recommendations from a draft Productivity Commission report which threatens to rip funding from non-government schools and charities.

Commissioned by Treasurer Jim Chalmers in February, The Future Foundations for Giving Report has issued draft recommendations for deductible gift recipient (DGR) status to be scrapped for non-government primary, secondary, childcare, aged care, and other religious organisations.

It also calls for the ending of “basic religious charity” status – increasing red tape and reporting requirements for almost one in five Australian charities – including those which support schools and religious education.

Federal member for Braddon, Gavin Pearce MP, said that this is a slap in the face for the non-government sector, at a time when more Australians are turning to religious charities and organisations for support.

“The government has a responsibility to protect the funding mechanisms which are critical to the viability of low fee-paying schools, particularly out in the bush where the schools are smaller and access to capital is challenging.

“Low fee-paying non-government schools depend on DGR status to build new school buildings and other vital infrastructure; implementing these reforms would be a huge blow to the sector.” Mr Pearce said.

Background

Since its election, the Albanese Government and Jason Clare have become increasingly hostile towards non-government schools as evidenced by:

- the government’s ALRC inquiry into religious educational institutions and anti-discrimination laws which has attacked the right of religious schools to employ staff consistent with their ethos and beliefs;
- the delivery of 5,000 teacher training scholarships worth up to \$40,000 each which excludes the non-government school sector;
- the distribution of nearly \$200 million of wellbeing funding to the states and territories in a manner which discriminates against non-government schools;
- the inequitable funding allocation to independent and catholic schools under the \$40.4 million Central Australian On-Country Learning program; and
- the Albanese Government’s failure to oppose the Victorian schools tax which overturns the payroll tax exemption for some non-government schools.

ENDS