

17 January 2024

Attn: Karen Godfrey

Dear Karen

RE: "Productivity Commission Future foundations for giving" draft report

As a parent and grandparent of school children, I am deeply concerned at some of the recommendations made in this report, particularly regarding DGS status scrapping.

I have a child attending an independent secondary school, and several grandchildren attending independent primary schools, and many more siblings coming through.

I have been a taxpayer for many years, have gladly paid taxes, as well as gladly contributing to the building fund of the independent school through my business, with tax deductible status.

We live in a time where cost of living has increased like no other time in my 50-year lifetime. For us personally it is approximately 30% increases with no change in lifestyle, all over the last 3 years. If the recommendation is taken up in any shape or form to scrap the DGS status, this will result in a rapid downhill spiral for the countries independent schools, and schooling overall in Australia.

Independent School fees will have to substantially increase, building improvement projects will slow down or stop, economies of scale will decrease, and per student costs will substantially go up as student enrolments drop off due to unaffordability. The result here is a complete undoing/closing of the independent school system and a move to an unacceptable overcrowded state school system that is already under immense strain, is slow moving, and will in no way cope with this change. Learning will suffer, academic outcomes will suffer, and the future of Australia (our young generation) will certainly suffer.

We trust you will consider the impact of touching the DGR status is madness and will steer clear of any such thing. My wider network groups are also deeply concerned on this matter and trust you will look at not making any changes. The negative impact clearly outweighs any benefit.

Yours sincerely,

Steve Smith