AUSTRALIAN ASSOCIATION OF CHRISTIAN SCHOOLS

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Senate Standing Committees on Economics
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Dear Committee Secretariat

We refer to the Committee's public consultation process on the *Treasury Laws Amendment (Supporting Choice in Superannuation and Other Measures) Bill 2025*.

The Australian Association of Christian Schools (AACS) represents over one hundred Christian schools located in every state and territory in Australia. Our schools are characterised as low-fee, non-denominational schools in the Protestant tradition that operate autonomously under the governance of parent associations and school boards, educating more than 45,000 students from a wide variety of socio-economic, cultural and religious backgrounds.

AACS holds significant concerns regarding the proposed amendment to list Equality Australia as a Deductible Gift Recipient (DGR).[1] In our view, the amendment raises important issues concerning the integrity of the DGR framework, the role of independent regulatory processes and the neutrality of public tax concessions in contested areas of social and public policy.

Equality Australia previously applied to be registered as a Public Benevolent Institution (PBI), a category of charity that qualifies for DGR endorsement. That application was refused by the Australian Charities and Not-for-profits Commission (ACNC). In its published Decision Impact Statement, the ACNC concluded that Equality Australia's activities were primarily directed toward advocacy for law reform and social change and that this did not amount to benevolent relief to people in need. [2]

The decision was subsequently upheld on appeal, culminating in a decision of the Full Court of the Federal Court of Australia. While the Court acknowledged that advocacy may, in some circumstances, be connected to benevolent purposes, it held that in this case there was an insufficient causal

1. Parliament of Australia, *Treasury Laws Amendment (Supporting Choice in Superannuation and Other Measures) Bill 2025*, Schedule 5, Item 4, proposed table item 4.2.51 in subsection 30-45(2), and Senate inquiry page: https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Economics/TLABChoiceinSuper
2. Australian Charities and Not-for-profits Commission, *Decision Impact Statement: Equality Australia Ltd*: https://www.acnc.gov.au/tools/guidance/decision-impact-statements/acnc-decision-impact-statement-equality-australia-ltd

connection between Equality Australia's activities and the traditional conception of benevolent relief required for PBI status.[3]

Given that Equality Australia has been assessed by the regulator and affirmed by the courts as lacking the prerequisite connection to benevolent relief required for PBI endorsement, granting DGR status through legislative exception risks creating a concerning precedent whereby organisations may seek to circumvent established regulatory processes through legislative intervention.

Equality Australia has publicly advocated for legislative changes affecting religious educational institutions, including the removal of exemptions that enable Christian schools to maintain employment and operational practices consistent with their religious ethos. These exemptions reflect an established balance in Australian law between protection against discrimination and the freedoms of religion and association, thereby supporting parental choice in education. While we acknowledge that Equality Australia is entitled to advocate for changes to these laws, granting DGR status would provide a publicly subsidised advantage to advocacy directed at altering the legal protections under which religious schools operate.

Australia's democratic system accommodates robust debate on matters of public policy. However, conferring special tax-deductible status in these circumstances risks undermining the consistency and integrity of the DGR framework.

AACS urges the Committee to remove the provision granting DGR status to Equality Australia.

Yours sincerely

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3. *Equality Australia Ltd v Australian Charities and Not-for-profits Commission* [2024] FCAFC 115 (Full Court of the Federal Court of Australia).