SAVE OUR SCHOOLS Education Policy Comment

JobKeeper Gravy Train for Queensland Private Schools

JobKeeper was a gravy train for many Queensland private schools. New financial statements published by the <u>Charities Commission</u> before Christmas show that 27 schools raked in \$90 million in JobKeeper payments in 2020 contributing to profits of \$100 million. Every school made a profit with JobKeeper and all except two increased their profits over the previous year. The top 10 schools exploiting JobKeeper got \$53 million and made \$63 million in profits.

One of Queensland's most exclusive girls' school, St Hilda's School on the Gold Coast, got \$5.9 million and made a profit of \$5 million. It also got \$10.7 million in recurrent government funding. Nearly 60 per cent of its students are from the top Socio-Educationally Advantaged (SEA) quartile and nearly 90 per cent are from the top two quartiles. It has assets of \$86 million.

A B Patterson College, also on the Gold Coast, got \$5.7 million from JobKeeper and made a profit of \$7.4 million. It also got \$14.4 million in recurrent government funding. Nearly 50 per cent of its students are from the top SEA quartile and 84 per cent are from the top two quartiles. It has assets worth \$56 million.

Another highly exclusive school, The Cathedral School of St Ann & St James in Townsville, got \$4.1 million and made profit of \$3.6 million. It also got \$12.2 million in recurrent government funding. Three-quarters of its students are from the top SEA quartile and 94 per cent are from the top two quartiles. It has assets of \$83 million.

As previously reported by the Courier Mail (30 June 2021), Brisbane's most exclusive school, Brisbane Grammar, got \$3.2 million in JobKeeper payments and made a profit of \$3.8 million. It also received \$11.4 million in recurrent government funding, including \$7.6 from the Commonwealth Government and \$3.8 million from the Queensland Government. Nearly 90 per cent of its students are from the top SEA quartile and 98 per cent are from the top two quartiles. It has assets valued at nearly \$200 million.

Other highly privileged schools also received millions in JobKeeper payments (see table below). For example, Southport School, also on the Gold Coast, got \$4.8 million and made a profit of \$11.8 million; Toowoomba Grammar got \$4.1 million and made a profit of \$3.8 million; Northside Christian College got \$3.8 million and made a profit of \$5.4 million.

These schools also serve highly privileged families. Around 50 to 80 per cent of their students are from the top SEA quartile and 80 to 90 per cent or more are from the top two SEA quartiles. The profits made courtesy of JobKeeper enable these schools to increase their resources and expand their facilities for their privileged students.

Two other schools are known to have received JobKeeper but their financial statements lodged with the Charities Commission do not disclose the exact amount.

Somerset College on the Gold Coast appears to have topped the list of JobKeeper payments which are estimated at about \$8 million or more. Its <u>school principal</u> stated that the school received JobKeeper. According to its annual Financial Report lodged with the Charities Commission, it received an \$9.1 million increase in government operating grants in 2020 but no details were

provided. Virtually all of this was likely to be from JobKeeper because Commonwealth Government recurrent funding projections provided to Senate Estimates by the Commonwealth Department of Education (<u>Answer to Question on Notice SQ20-000152</u>) indicate that it would receive a small increase of about \$0.5 million in 2020. Annual increases in Queensland Government recurrent funding are also small.

Somerset College made a profit of \$7.5 million in 2020, up from \$3.4 million in 2019. It also got about \$14 million in recurrent government funding. It has assets valued at \$89 million. Just under 70 per cent of its students are from the top SEA quartile and over 90 per cent are from the top two quartiles.

Cannon Hill Anglican College in Brisbane also received JobKeeper payments as stated in its 2020 annual report. However, the exact amount is not detailed. Its Financial Report lodged with the Charities Commission reveals that it received a \$4.5 million increase in Commonwealth Government funding despite little change in recurrent funding projections provided to Senate Estimates. The school made a profit of \$6.4 million. Just over 50 per cent of its students are from the top SEA quartile and just over 80 per cent are from the top two quartiles. It has assets of over \$90 million.

Several other Queensland private schools appear to have also received JobKeeper but their financial statements do not disclose the source of large increases in income. For example, St Andrew's Anglican College received an unprecedented \$5.3 million increase in grants in 2020 which helped it make a profit of \$2.6 million compared to \$0.7 million in 2019. Fairholme College received \$4.2 million in special government grants compared to only \$85,000 in 2019, enabling it to make a profit of \$3 million compared to a loss of \$0.7 million in 2019. Matthew Flinders Anglican College received \$4.2 million in Sundry Income compared to \$375,000 in the previous year and enabling a profit of \$5.1 million compared to \$2.9 million in 2019. These are also highly privileged schools with about 50-60 per cent of their students in the top SEA quartile and 80-90 per cent in the top two quartiles.

None of these schools needed JobKeeper to stay afloat. Most had very secure financial cushions to weather downturns in revenue courtesy of their high or substantial fees, other government funding and multi-million dollar assets. They should return their JobKeeper money to the taxpayer.

The greed of highly privileged schools is obscene. They grasp any opportunity to get their snouts in the taxpayer trough. Yet, they advertise themselves as having superior moral values that are central to their elitist culture. They see themselves as the exalted of society. For example, Brisbane Grammar school says it provides "leaders of tomorrow" and that its boys become "confident and thoughtful men of character". It is more likely they will have a strong sense of entitlement if they follow the example of their school.

St Hilda's School motto "Not For Ourselves Alone" is misplaced. Its avarice indicates it should be "All For Ourselves". St Andrew's Anglican College prides itself on its "Christian values" and Cannon Hill Anglican College says its education is based on "Christian values". If these schools lived up to their stated values and had any common decency, they would give the money back.

Thirteen of the 27 schools are boarding schools. It is claimed that JobKeeper payments were needed to cover revenue losses due to a decline in boarding students due to COVID closures and lockdowns. This was a furphy. Jobkeeper payments were made on the basis of possible overall revenue losses, not revenue losses in one part of a business. Every boarding school made a profit with the help of JobKeeper and all except one increased their profits in 2020.

In the case of Brisbane Grammar. boarding fees accounted for only 3% of the school's total income in 2020. The small reduction of \$400,000 in its boarding school revenue was more than offset by its JobKeeper payment of \$3.2 million and increased income from normal fees of over \$1 million.

Queensland private schools have been <u>lavished with funds</u> by the Commonwealth and Queensland governments over the past decade while funding for public schools was massively cut. Government (Commonwealth and state) funding, adjusted for inflation, for Independent private schools increased by \$1,874 per student and for Catholic schools by \$1,939 per student between 2009 and 2019 compared to only \$802 per student in public schools.

As a result, the total resources of Queensland private schools far exceed those of public schools. The total income of Independent schools was \$21,185 per student in 2019 and that of Catholic schools was \$17,712 compared to \$15,346 in public schools.

Wealthy private schools seized on JobKeeper to boost their huge resource advantage over public schools. For example, JobKeeper provided Brisbane Grammar School with an additional \$1,790 per student to add to its income of \$37,000 per student. In contrast, nearby Kelvin Grove State College has an income of about \$13,000 per student. Southport School got an extra \$3,000 per student from JobKeeper to add to its income of over \$28,000 per student and its sister school of St Hilda's got an additional \$5,600 per student to add to its income of nearly \$30,000 per student. The income of these two privileged schools far exceeds the \$17,200 per student at nearby Keebra Park State High School.

The Catholic Archbishop of Sydney, Anthony Fisher, has conceded that Catholic schools have "<u>never</u> <u>had it so good</u>" in terms of funding. The same can be said of Independent private schools.

The resource advantage of private schools is set to continue for the rest of the decade under the terms of the <u>Commonwealth-State bilateral funding agreements</u>. Queensland private schools were funded at 100 per cent of their Schooling Resource Standard (SRS) in 2021 while public schools were funded at 84 per cent of their SRS. Private schools will be funded at significantly more than 100 per cent of their SRS for much of the period to 2029 while public schools will be funded at only 90 per cent of their SRS by 2029. As a result, public schools will remain massively under-funded while private schools continue to be over-funded.

JobKeeper for wealthy private schools has compounded the vast inequality in school funding in Australia. Their ruthless pursuit of greed must be ended by thorough-going reform of school funding to ensure it is solely based on need.

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School	JobKeeper \$	Profit \$	Change in Profit 2019-20 \$	Total Govt Recurrent Funding \$	Total Assets \$	Students in Top SEA Quartile %	Top 2 SEA Quartiles								
								Somerset College*	8,000,000	7,459,458	4,014,859	13,864,178	89,388,125	69	92
								St Hilda's School	5,943,000	5,016,386	3,413,370	10,723,027	86,020,268	57	88
A B Paterson College	5,663,903	7,436,040	5,672,572	14,382,256	56,069,619	48	84								
Rockhampton Grammar	5,628,000	5,592,717	4,382,675	17,184,244	90,492,397	36	77								
St Andrew's Anglican College**	5,000,000	7,233,071	3,313,191	13,860,000	63,911,567	62	90								
Southport School	4,802,500	11,757,839	7,934,475	14,852,621	159,006,873	52	85								
Genesis Christian College	4,779,000	5,748,971	4,048,876	16,998,364	60,183,689	38	75								
Cannon Hill Anglican College*	4,500,000	6,402,920	2,886,772	13,678,000	91,556,185	51	81								
Toowoomba Grammar	4,114,965	3,783,027	2,989,260	12,329,009	122,925,043	50	84								
Fairholme College**	4,100,000	3,004,341	3,228,747	7,846,963	29,630,794	49	81								
Cathedral School	4,051,245	3,613,401	2,910,909	12,230,367	82,646,984	76	94								
Matthew Flinders Anglican College**	4,000,000	5,107,386	2,218,067	13,399,392	82,727,597	63	91								
Glennie School	3,883,000	1,113,887	998,583	8,553,507	59,846,814	39	74								
Northside Christian College	3,777,000	5,351,533	4,337,668	11,822,373	27,651,925	60	89								
Brisbance Grammar	3,153,000	3,763,000	- 3,793,000	11,408,000	198,588,000	88	98								
Ipswich Grammar	2,809,000	1,846,000	1,443,000	10,355,000	75,873,000	41	74								
Trinity Anglican School	2,507,500	1,931,728	- 1,418,640	7,506,337	28,117,242	58	84								
Fraster Coast Anglican College	2,078,500	2,423,212	1,781,932	8,539,289	22,602,002	46	78								
Toowoomba Anglican School	2,023,575	2,099,520	1,687,126	5,712,999	41,179,018	50	84								
Annandale Christian College	1,997,525	3,732,182	3,902,195	7,671,130	22,054,643	36	67								
Scots Pcg College	1,951,000	917,248	1,518,601	6,586,213	19,789,882	12	44								
OneSchool Global	1,448,950	1,284,158	2,089,185	3,434,290	18,948,475	4	25								
Noosa Steiner School	1,214,445	1,084,131	645,078	3,775,413	11,934,113	34	72								
Rockhampton Girls Grammar	1,116,000	1,247,761	1,008,901	4,026,035	31,218,685	18	49								
Caloundra City School	942,865	967,184	675,724	2,424,657	21,853,143	30	73								
Blackheath & Thornburgh College	575,500	212,238	1,485,815	4,557,793	10,406,228	7	28								
Brisbane Independent	273,000	394,279	328,979	851,987	2,767,360	56	87								
Total	90,333,473	100,523,618	63,704,920	258,573,444	1,607,389,671										

Sources:

1. Australian Charities and Not-for-profits Commission.

2. SEA: Socio-Educational Advantage. Figures are for 2019 and derived from My School.

Notes:

*Received JobKeeper but actual amount is not disclosed. Estimated as the increase in Government funding ** Large, unprecedented increase in government grants. Estimated as the increase.