

# **AUSTRALIAN COUNCIL FOR THE DEFENCE OF GOVERNMENT SCHOOLS**

## **Press Release 718**

### **SCOTCH COLLEGE \$77 MILLION CAPITAL EXPENDITURE SPREE.**

The \$25 million 20 year Property Expansion of Scotch College recently exposed by the Fairfax Press is only part of the story of the elite school's capital expenditure in the years 2009-2016. The Myschool website exposes a resources boom at this particular school for the rich, influential and powerful.

For the last twenty years, taxpayer funding has assisted Scotch College, Melbourne on its 27 hectares in an aggressive expansion. This prestigious institution has systematically acquired neighbouring properties. It has been buying up residences in Hawthorn's Hambledon Road and Fordholm Road which are adjacent to the school. It now owns all but 11 of 27 houses in Hawthorn's Hambledon Road. The school has spent about \$25 m on these purchases alone. Recent acquisitions have led Alison Worrall, an investigative journalist to unearth the following information at <http://www.theherald.com.au/story/4870537/private-schools-25m-20-year-property-spending-spree/?cs=3968>

Earlier this month, the elite private college, where 1880 boys are enrolled, paid almost \$1 million over the auction reserve price for a three-bedroom brick home at 20 Hambledon Road. The house, owned by the same family for 66 years, had a price guide of between \$2.2 million and \$2.3 million. Scotch paid \$3.2 million

It also owns all of the properties along Morrison Street, which has formed part of the school campus for many years. Houses in Morrison Street are used for bagpipe lessons, media studies, administration and archiving. But the school would not comment on what purpose their 17 other properties served.

These school has lost land which was compulsorily acquired by the Government for the Eastern Freeway and a Citylink tollway. However, they were generously compensated. In 2013, the then-Napthine government paid Scotch College \$5.4 million for a thin strip of land after the school knocked back earlier offers of \$1 million.

The school also received \$4.1 million in compensation for land acquired in the mid 1990s.

**DOGS note that it would be Scotch College's own business how many properties it acquired if it were a genuinely independent school.**

**But it is not. It takes public money, although a glance at its finances indicates that taxpayer funding is cream on the top of a very big cake.**

## **Income**

According to the Myschool website Scotch College Melbourne charges at least \$26,897 federal and State government amounted to in tuition fees and receives State aid. These bought in \$50,324.239 in 2016 and another \$981,648 came in through other private sources. State Aid from federal and State government amounted to \$6,280,241.00 or \$3357 per pupil.

## **Capital Expenditure**

In the years 2009 to 2016 Scotch has spent a total of \$77,051,463 on capital expenditure. The Federal government has contributed \$3,984,460 of this and the State government \$28,886. The school has not had to obtain any loans although it draws on income for capital expenditure. So what kind of investments does it enjoy?

These figures indicate a very substantial enterprise with an income and capital expenditure which would leave any public school administrator aghast.

Yet, in its My School description of its objectives you find the following statement:

*Scotch is affiliated with the Presbyterian Church of Victoria and embraces the egalitarianism of its Scottish heritage.*

**What?????!**

Struggling Presbyterian parishes and their Christian members, not to mention Christ himself, must wonder at the financial largesse enjoyed by such an elite religious institution.

Short letters to the Fairfax media said it all:

*'It's great to see government education funding help Scotch College with its \$25 million property spending spree'* wrote Cynthia Karena, St Kilda East ,

*Scotch College buys a house for \$1 million above the reserve but Scott Morrison says inequality is not increasing in Australia'* wrote Phil Alexander from Eltham.

*'Education funding helping to reduce housing availability'* wrote Wendy Knight of Little River in *The Age* 23 August 2017.

As mentioned above, DOGS believe that Scotch College's property purchases would be their own business if the college was genuinely independent – which it so easily could be. But this institution has the gall to claim egalitarian values while taking State Aid that could be so much better spent on disadvantaged public school students.

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