



## COVID-19 and the Impact of the jobs market on Non-Government school enrolments for 2021

Dear Colleagues, due to the changing environment and our response to COVID-19, I will be posting a series of updates on the current research being undertaken by Education Geographics, which may assist Australian Non-Government schools with their 2021 planning. You are welcome to distribute these updates to your school boards and risk assessment committees and your feedback would be appreciated.

At Education Geographics and Australian Development Strategies, we've been modelling Non-Government schools and their interaction with the Labour market since 2004.

We've noticed that the growth or decline in the number of jobs in a school catchment in the second half of the year tends to drive enrolments up or down in the following year (***as you can see in the national chart on Australian Participation rates and Non-Government Market Share from 1998 to 2019***).

In our Education Geographics' modelling for our school dashboards and maps, we now take these factors into account with our EGS annual audit of school enrolments, so each EGS client school can see whether demand is likely to be firmer or softer in coming years. This means the school Principal and Board can factor this into decisions on fees and marketing.

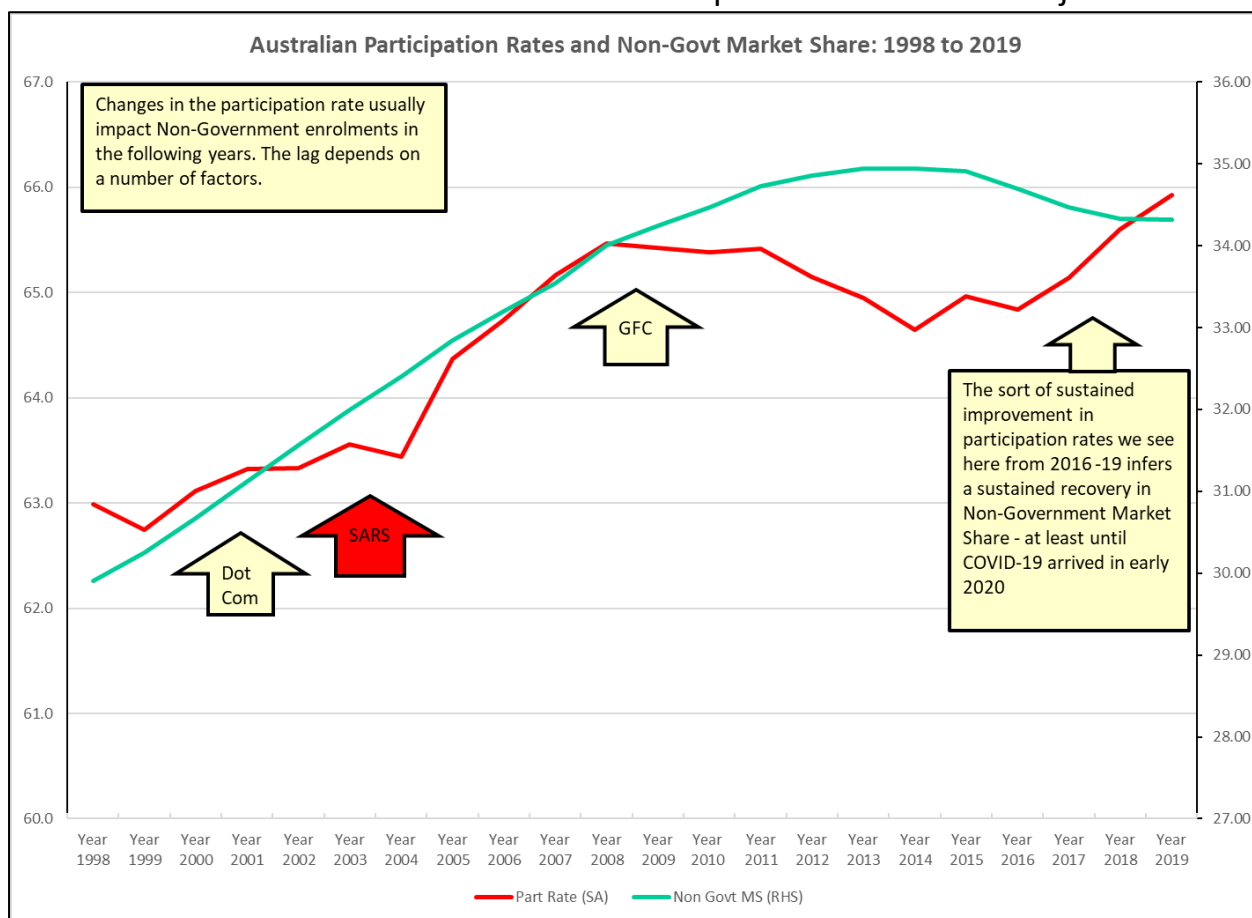
At the national level, the same relationship applies, with a healthy Labour market firming up future demand for market share growth for both Catholic and Independent schools between 1998 and 2007.

Unfortunately, the reverse also applies, as we noted during the aftermath of the GFC from 2008, when national participation rates dropped and Non-Government schools began to lose a large slice of Year on Year Market Share growth to the State School sector (***see chart***).

The major share of these losses was seen in a flat lining of student numbers in schools charging more than the average fees – then around the \$10,000 mark at the national level - while any growth in Non-Government numbers was seen in schools charging below the average fees.

The reason for this is that the higher fee schools for many aspirational families rely on both parents having jobs, usually one full time and one part time.

After 2016 we noticed a slow but sustained improvement in national jobs



growth, meaning more families had the economic security of a second job and the confidence to begin the move back to Non-Government schools.

There are lags in this of course, as the decision for each family depends on factors such as the enrolment year of the child and the availability of affordable Non-Government schools within a viable commute.

But, sure enough, from 2016 onwards, we started to see Year on Year Market Share improvements for both the Catholic and Independent sectors and a corresponding decline in the performance of State Schools.

This was a strong indicator for Non-Government school growth for 2020 and beyond, at least until COVID-19 came along, just after the start of the 2020 school year.

While saving innocent lives right now is the major focus of all of us, as education professionals, we also need to start planning soon for 2021, when the worst of COVID-19 will hopefully be behind us.

How many jobs will be lost in the longer term from COVID-19, will the recovery in jobs make up for those jobs lost and will the promised economic upswing and surge in Consumer Confidence come soon enough in 2020 to minimise the impact on 2021 enrolments for Australian non-Government schools?

Will it be a minor blip for Non-Government enrolments, like the Dot-Com Bubble and SARS, or a decade-long trough, like the GFC?

We'll see soon enough, but now would be a really good time for Non-Government schools to contact EGS via Harrison at [itsupport@educationgeographics.net.au](mailto:itsupport@educationgeographics.net.au) to get an idea of how the jobs market is faring in their catchment in 2020, so they can start to plan for strategies for 2021.

Thank you for taking the time from your current busy schedules to read this note.

Take care.

**John Black**