

Tuesday 3 March 2015

Cost of university set to skyrocket regardless of fee deregulation outcome

A child born today could pay more than half a million dollars for their total university education, according to the ASG Planning for University Index released today.

The total cost of a university education in 2033 is forecast to increase by approximately \$260,000 from 2015 figures for a medical student living away from home, when variables such as university fees, transport, computers and living costs are taken into account.

The total living costs for a medical student starting university in 2033 and living away from home is estimated to be \$330,000 over six years. This combined with course fees, projected at \$180,000, results in a half a million dollar price tag for the total cost of education.

The cost of education is still high for relatively cheaper courses, with a photography student living away from home in 2033 projected to spend \$204,431 over their three year course, almost double what a student today is estimated to spend (\$103,242).

ASG Chief Executive Officer John Velegrinis says that now more than ever, external factors need to be considered when planning for university.

"The current uncertainty around fee deregulation makes planning for the cost of education difficult. What we do know for certain is that living costs and degrees will be more expensive in the future.

"Over the last five years in Australia the cost of tertiary education has risen by more than double the rate of inflation. We can expect this trend to continue, especially if fees are deregulated.

"For families in regional Australia access to education options often means travelling away from home to study. This means the financial impact is higher as they have to factor in the costs of accommodation as well as increased university fees," said Mr Velegrinis.

The index found regardless of what students are studying, they need to be able to cover the estimated costs of textbooks, printing and stationary (\$1006), student fees (\$286) and computer/internet access (\$554) whether living at home or in shared rental accommodation.

Second-year student Samuel Fuhrmeister had to move away from his home town to study Exercise Science at Latrobe University in Bendigo.

Samuel says it was a huge learning curve financially, forcing him to budget and make sacrifices.

"It costs a lot more than what I expected, I had to pay for food, bills and rent, as well as pay for course fees and books, so it all stacks up. I am really thankful that my parents saved with ASG, because the scholarship payments help support me financially.

"Three of my mates live at home and they don't have to pay for meals and rent. They spend their money on things they want to buy, instead of things they need," said Mr Fuhrmeister.

[ASG's HELP debt calculator](#) allows students and parents to model what the total cost of university education could be. By factoring in the cost of interest associated with any debt that is taken on as a result of study, students and parents are given a true and holistic picture of the cost of university.

- ENDS-

Summary of estimated costs for a student starting university in 2015/2033

Course	Total Course Costs Only		Total Course and Living Costs in Shared Accommodation		Total Course and Living Costs in Family Home	
	2015	2033	2015	2033	2015	2033
Photography (3 years)	\$19,448	\$49,120	\$103,242	\$204,431	\$52,935	\$93,044
Psychology (4 years)	\$26,627	\$67,252	\$140,037	\$278,670	\$71,565	\$126,341
Horticulture (3 years)	\$27,718	\$70,006	\$111,512	\$225,317	\$61,205	\$113,930
Accounting (3 years)	\$32,453	\$81,967	\$116,247	\$237,278	\$65,940	\$125,891
Engineering (4 years)	\$37,950	\$95,849	\$151,360	\$307,267	\$82,888	\$154,938
Law (4 years)	\$44,433	\$112,225	\$157,843	\$323,643	\$89,371	\$171,314
Veterinary Science (5 years)	\$57,046	\$144,081	\$200,986	\$413,989	\$113,588	\$218,610
Medicine (6 years)	\$70,325	\$177,620	\$245,753	\$508,546	\$138,631	\$267,875

Further information

For comprehensive summary sheets detailing the cost of a university education visit: www.asg.com.au/unicosts

To use ASG's HELP debt calculator and predict the cost of education visit: <http://www.asg.com.au/calculator>

Editor's notes

The Australian Scholarships Group (ASG) is a member owned organisation, helping to create educational opportunities for children. ASG has been helping families and their children for more than 40 years. During this time, more than 515,000 children have been enrolled with ASG and more than \$2 billion in education benefits and scholarship payments returned to members. For more information visit: www.asg.com.au

Media contact

For further information or to arrange an interview with ASG CEO John Velegrinis please contact:

Emma Humann

Haystac
Mobile: 0419 387 572
Email: emma.humann@haystac.com.au

Nicole Gundi

ASG
Mobile: 0448 167 578
Email: NGundi@asg.com.au