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Cost of education up by 64 per cent over decade – NATIONAL

The cost of a private education has skyrocketed by 64 per cent in the past decade according to exclusive research released today.

The ASG Planning for Education Index discovered that for a child born in 2017 the estimated cost of a private education across metropolitan Australia is \$487,093¹, a jump of \$190,820 compared to a child born in 2007 (\$296,273). The estimated cost of a systemic² education has soared by 57 per cent over the same period to \$239,672, while the cost of a government education has climbed 25 per cent in the past 10 years to \$68,613.

The survey also revealed Sydney (\$575,140) is the most expensive city in Australia to educate a child in the private school system, with the New South Wales capital 18 per cent above the national metropolitan average (\$487,093) and significantly more expensive than Melbourne (\$536,515) and Canberra (\$447,307).

The exclusive report found regional Victoria (\$370,570) is the most expensive region to educate a child in the private school system, \$28,759 more than the national regional average (\$341,811) and well above the country's most affordable region for a private education, regional South Australia (\$295,924).

The index revealed Sydney is also the most expensive city in Australia for a systemic education. For a child born in 2017 the forecast cost is \$250,862, five per cent above the national metropolitan average (\$239,672), followed by Adelaide (\$246,786) and Brisbane (\$243,964).

Regional Queensland is reported to be the most expensive regional area in Australia to educate a child in the systemic school system, with parents forecast to spend \$199,328, \$20,635 more than the national regional average (\$178,693).

Based on more than 12,500 responses, the index calculates a range of variables including school fees, transport, uniforms, computers, school excursions and sporting trips to determine the cost of education.

School fees, the cost of extracurricular activities including excursions and uniforms have all risen in the past year, however computers and transport costs have fallen when compared to 2016.

The ASG Planning for Education Index discovered Melbourne (\$77,371) is the most expensive city in Australia to educate a child in a government school. The Victorian capital is 13 per cent above the national metropolitan average (\$68,613) and more expensive than Sydney (\$75,080) and Brisbane (\$60,135).

Regional Victoria (\$54,510) was also found to be Australia's most expensive regional area to educate a child in the government system, ahead of regional New South Wales (\$53,806) and regional Queensland (\$51,299) according to the exclusive research.

¹ These figures are the average estimated costs and represent the highest amount parents and families could expect to pay.

² A systemic education includes religious schools e.g. Catholic, Anglican, Uniting Church, Buddhist, Islamic or Hindu

The ASG Planning for Education Index also forecasts preschool or kindergarten in Australia could cost parents between \$2818 and \$8506 depending on the school type. In Canberra, these costs cover expenditure such as transport and clothing as there are no fees for preschool.

ASG member Muhammad Haroon spends approximately \$30,000 a year to send his son Samar (year five) to a grammar school in Sydney and says ensuring a holistic education is important to his family.

"Samar's school offers the International Baccalaureate syllabus and we wanted to give him an environment where he can be exposed to international languages and cultures. It's not just about education but overall development, because we need to start thinking differently and the world is larger than a city or suburb.

It was important to join ASG to give us the financial security to always be in a position where we can afford Samar's education, because we don't know what's going to happen in the future."

ASG CEO John Velegrinis says the cost of education has risen at two and a half times the rate of inflation over the past decade.

"Our research predicts the cost of education will increase, irrespective of whether you send your child to a government, systemic or private school.

The estimated cost of a government education across metropolitan Australia has jumped \$13,587 in the past decade. That is why we encourage parents to start planning for education as early as possible, even from the moment their child is born."

Mr Velegrinis says Australians are fortunate to have excellent government, systemic and private schools to choose from, but costs can spiral out of control.

"If you have three children, the cost of educating them in Sydney or Melbourne's private education system could top \$1.6 million. That's significantly more than the purchase price of the average family home.

We advocate parents use a disciplined approach by putting a little bit away each week so they can financially afford to meet their children's educational goals and aspirations."

Independent statistician and Managing Director of foreseexchange Charlie Nelson says a range of economic factors influence the cost of education.

"Employment growth, hourly wages and inflation all impact the cost of living, which puts extra strain on the family budget.

With school fees likely to rise further, it has never been more important for parents to financially plan for their child's future."

For more information about ASG call 131 ASG (131 274) or visit www.asg.com.au

Summary of forecast total education costs for a child born in 2017

	Location	Public	Systemic	Private
National	Metropolitan	\$68,613	\$239,672	\$487,093
	Regional	\$51,948	\$178,693	\$341,811
Australian Capital Territory	Metropolitan	\$52,012	\$233,194	\$447,307
New South Wales	Metropolitan	\$75,080	\$250,862	\$575,140
	Regional	\$53,806	\$173,354	\$364,230
Queensland	Metropolitan	\$60,135	\$243,964	\$372,037
	Regional	\$51,299	\$199,328	\$337,027
South Australia	Metropolitan	\$58,587	\$246,786	\$377,131
	Regional	\$50,079	\$197,508	\$295,924
Tasmania	Metropolitan	\$45,832	\$201,212	\$433,990
	Regional	\$48,064	\$165,042	\$350,211
Victoria	Metropolitan	\$77,371	\$224,548	\$536,515
	Regional	\$54,510	\$161,757	\$370,570
Western Australia	Metropolitan	\$56,788	\$235,800	\$407,627
	Regional	\$44,783	\$147,522	\$319,135

A very small number of responses were received from the Northern Territory in the most recent survey. As such, the provision of cost estimates for the Northern Territory in isolation would be highly unreliable and therefore have not been included. It is recommended that those in the Northern Territory refer to the national figures or the figures for adjoining states as a basis for planning. These figures are the average estimated costs and represent the highest amount parents and families could expect to pay. ASG cannot guarantee that they will represent the actual costs of education for a particular child.

Estimated average costs to educate a child born in 2007 and 2017 across metropolitan Australia

	2007	2017	%
Government	\$55,026	\$68,613	64%
Systemic	\$152,665	\$239,672	57%
Private	\$296,273	\$487,093	25%

Further information

For comprehensive summary sheets detailing the cost of education in metropolitan and regional Australia visit: www.asg.com.au/edcosts

Editor's notes

ASG conducts the ASG Planning for Education Index annually, asking parents to estimate education costs, which cover preschool, primary and secondary schools in Australia. Cost estimates are based on 12,500 responses collected by ASG.

To help with the costs of education, ASG Funding Solutions is an annual education costs payment service that takes the financial pressure off parents, families and guardians and allows you to pay for your child's school fees, uniforms, books and other education items in manageable instalments over the year. 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 530,000 children have been enrolled with ASG and more than \$2.5 billion in education benefits and scholarship payments returned to members. For more information visit: www.asg.com.au

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