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Adelaide – only city in Australia where a government education has increased

Adelaide is the only capital city in Australia where the forecast cost of a government education for a child born in 2018 has gone up in the past year, according to exclusive research released today.

The ASG Planning for Education Index discovered the South Australian capital bucked a nationwide trend and rose \$2,135 to \$60,722¹, making it the third most expensive city in Australia for a government education behind Melbourne (\$75,263) and Sydney (\$71,614).

Despite the forecast price hike, Adelaide is nine per cent below the national metropolitan average (\$66,320), but considerably more expensive than Hobart (\$41,738) and Canberra (50,145) for a government education according to ASG's data.

The index showed a similar result for parents considering the faith-based² schools for their children, with Adelaide forecast to be the nation's third most expensive capital city for a faith-based education. A faith-based education is forecast to cost Adelaide parents \$246,702, a small drop of \$84 compared to last year, but well above the national metropolitan average (\$240,679), and just behind Brisbane (\$251,866) and Sydney (\$251,143).

However, the ASG Planning for Education Index has better news for Adelaide parents considering private school, with the forecast cost of a private education falling \$2,984 in the past year to \$374,147. A private education in the South Australian capital is \$101,195 below the national metropolitan average (\$475,342) and second only to Brisbane (\$368,573), as the nation's most affordable capital for a private education.

The forecast fall in the cost of education in Adelaide's faith-based and government schools, was heavily influenced by slower prices within secondary education. However, the overall cost of education has skyrocketed 61 per cent in the past decade, dwarfing the 34 per cent rise in wage growth for the same period.

School fees continue to be a major education expense, but many parents fail to appreciate the additional expenses associated with funding a child's education. This includes extracurricular activities, computers, travel expenses, uniforms, school excursions and camps.

Based on more than 13,500 responses, the ASG Planning for Education Index forecasts Adelaide parents who plan to educate a child in the private school system over 13 years could pay \$51,403 for other non-fee education costs, slightly more than parents with children at faith-based schools (\$42,123) and government schools (\$36,926).

ASG member Karren Statham says with three children the costs of education in Adelaide have become 'a little bit insane'.

¹ These figures have been rounded and are provided as a guide only. ASG cannot guarantee that they will represent the actual costs of education for a particular child.

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

"In the past couple of years I took on a second job, and my husband, Michael changed careers and now gets paid more as well. This is something we did deliberately to be able to afford all the expenses coming in.

"Mickayla (Year 11) attends the only all-girls public school in South Australia, which is run like a private school. She'll be going on a school ski trip to Mt Bulla this year and that's \$1,000 not including the other activities they'll have. But it's an opportunity they don't get all the time.

"Since primary school, Mickayla has also competed in cheerleading and we recently came back from the national competition in Melbourne, which was another whack of \$4,000-\$5,000 per year on top of school fees and buying uniforms.

"Chayse (Year 1) is doing T-ball and Little Athletics but those costs are fairly reasonable at \$170 a year. I think girls are a lot more expensive than boys."

ASG's COO Bruce Hawkins says despite the forecast fall, the cost of education has risen at more than double the rate of inflation over the past 10 years, and outstripped the growth in wages over the same period.

"The cost of education has soared by 61 per cent compared to the average growth rate in wages of 34 per cent. This means that education costs are demanding a far greater share of the family wallet than in the past, placing more burden on the average family, already challenged by the rising cost of living.

"The research reveals a child's education is one of the most significant investments a family could make. If you have three children, the cost of education at a Adelaide private school could top \$1.1 million. That's significantly more than the purchase price of the average family home.

"The index also debunks the myth, a government education is a free education, with the latest figures showing Adelaide families could spend on average \$60,722 per child on a so-called, free education.

"ASG advocates parents use a disciplined approach by putting a few dollars aside each week, so they can financially afford to meet their children's educational goals and aspirations," says Mr Hawkins.

Independent statistician and Managing Director of foreseexchange, Charlie Nelson says it's unlikely parents will feel the fall in the forecast cost of education.

"Households are in the midst of a double whammy. Wages are stubbornly growing by less than two per cent a year, while essentials like electricity and motor fuel are rising faster than inflation.

"With less discretionary money to spend, it's going to be very hard to pay for the costs of education, which means parents who have saved will be in a better position in the long run."

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

Summary of total forecast education costs for a child born in 2018

	Location	Public	Faith-based	Private
National	Metropolitan	\$66,320	\$240,679	\$475,342
	Regional	\$50,641	\$176,554	\$347,572
Australian Capital Territory	Metropolitan	\$50,145	\$234,975	\$424,844
New South Wales	Metropolitan	\$71,614	\$251,143	\$547,414
	Regional	\$52,369	\$173,304	\$357,530
Queensland	Metropolitan	\$58,352	\$251,866	\$368,573
	Regional	\$50,757	\$198,012	\$366,298
South Australia	Metropolitan	\$60,722	\$246,702	\$374,147
	Regional	\$47,316	\$188,745	\$251,705
Tasmania	Metropolitan	\$41,738	\$188,742	\$431,473
	Regional	\$50,687	\$176,035	\$359,961
Victoria	Metropolitan	\$75,263	\$223,318	\$536,683
	Regional	\$51,899	\$163,583	\$381,184
Western Australia	Metropolitan	\$54,766	\$235,017	\$401,191
	Regional	\$44,280	\$142,320	\$277,694

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 estimated costs are provided as a guide only and 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 2008 and 2018 across metropolitan Australia

	2008	2018	%
Government	\$53,756	\$66,320	23
Faith-based	\$156,104	\$240,679	54
Private	\$295,214	\$475,342	61

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 13,500 responses collected by ASG.

ASG offers a range of education scholarship plans, which provide families with a tax effective means of saving for future education costs. ASG also offers families with a payment service that takes the financial pressure off parents, families and guardians. It allows them to pay school fees, and other education related expenses as billed by the school 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 540,000 children have been enrolled with ASG and more

than \$2.8 billion in education benefits and scholarship payments returned to members.
For more information visit: www.asg.com.au

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