

**Tuesday 16 January, 2018**

## **Regional South Australia – Australia's most affordable region for a private education**

The forecast cost of a 13 year private education in regional South Australia has fallen \$44,219 in the past year, according to exclusive research released today.

The ASG Planning for Education Index discovered for a child born in 2018, regional South Australia (\$251,705<sup>1</sup>) is the nation's most affordable area for a private education. This is \$95,867 below the national regional average (\$347,572), and \$129,479 cheaper than regional Victoria, Australia's most expensive region for a private education.

The index discovered a similar result for parents considering government schooling for their children, with regional South Australia forecast to be one of the most affordable regions for a government education.

The forecast cost of a government education in regional South Australia (\$47,316) dropped \$2,763 in the past year, placing it second behind Western Australia (\$44,280) as the nation's most affordable area for a government education according to ASG's research. The cost of a government education in regional South Australia is \$3,325 below the national regional average (\$50,641), and \$5,053 cheaper than regional New South Wales (\$52,369).

The forecast cost of a faith-based education<sup>2</sup> in regional South Australia (\$188,745) also fell \$8,763 compared to last year. But the region remains one of the most expensive areas for a faith-based education, \$12,191 above the national regional average (\$176,554). This is second only to regional Queensland (\$198,012) as Australia's most expensive region for a faith-based education.

The fall in the forecast cost of education has been heavily influenced by slower price rises within secondary education.

Despite the fall in the forecast cost of education for children born in 2018, across all types of schools in regional South Australia, the overall cost of education has skyrocketed 58 per cent in the past decade. This has dwarfed the 34 per cent rise in wage growth in 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, including extracurricular activities, computers, travel expenses, uniforms, school excursions and camps.

Based on more than 13,500 responses, the ASG Planning for Education Index forecasts regional South Australia parents who plan to educate a child in the regional faith-based school system over 13 years could pay \$47,176 for other non-fee education costs. This is considerably more than parents with children at private schools (\$37,452) and government schools (\$32,954).

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<sup>1</sup> 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.

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

ASG member and mother of two Sarah Butler sends her sons Bradley (Year 8) and Joshua (Year 3) to a Lutheran private school, and says living in a regional area has pushed up the cost of education.

"We live in Nurioopta, which is about 75 kilometres from the Adelaide CBD. There aren't too many options of private schooling, which is where I felt Brad would receive the most support. So with Brad starting senior school, it doubles the cost of education and his basic fees are \$9,158, which I know dollar for dollar because it's so scary.

"Brad and Joshua are both extremely active and sport outside of school is particularly expensive. Brad is in the South Australian junior development program and one of his dreams is to become a triathlete or taekwondo Olympic champion. Joshua swims at the local swimming club, so there are equipment and pool costs, and a variety of competitions.

"If I sat down and thought about the costs I've already encountered, I can easily see it reaching that (\$251,705) amount. This makes me speechless. Both my husband and I work full time and at one stage my husband was working all the overtime hours he could get so we could afford their education."

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 in regional Australia has soared by 58 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 regional South Australia private school could cost more than \$750,000. That's much 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 regional South Australia families could spend on average \$47,316 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](http://www.asg.com.au)

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

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

	2008	2018	%
<b>Government</b>	\$42,625	\$50,641	19
<b>Faith-based</b>	\$118,116	\$176,554	49
<b>Private</b>	\$219,865	\$347,572	58

#### 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](http://www.asg.com.au)

## **Media contact**

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