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Regional Tasmania – only region in Australia where private, faith-based and government education has increased

Regional Tasmania is the only location in Australia where the forecast cost of a private, faith-based¹ and government education has increased in the past year, according to exclusive research released today.

The ASG Planning for Education Index discovered the forecast cost of a government education in regional Tasmania for a child born in 2018 has jumped \$2,623 to \$50,687² in the past year. This is \$8,949 more expensive than a government education in Hobart.

The index found regional Tasmania is the only area where the cost of a government education is predicted to rise. New South Wales, Queensland, South Australia, Victoria and Western Australian regions are all forecasting a drop.

A faith-based education in regional Tasmania is also forecast to rise by \$10,993 compared to last year according to ASG's research. However, it is \$21,977 more affordable than regional Queensland (\$198,012), Australia's most expensive regional for a faith-based education.

The ASG Planning for Education Index also discovered the forecast cost of a private education in regional Tasmania for a child born in 2018 has jumped \$9,750 in the past year to \$359,961. This is \$12,389 above the national regional average (\$347,572) and \$108,256 more expensive than regional South Australia (\$251,705), home to Australia's most affordable private education.

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 Tasmania parents who plan to educate a child in the regional private school system over 13 years could pay \$55,701 for other non-fee education costs, considerably more than parents with children at faith-based schools (\$45,878) and government schools (\$33,522).

ASG member and father of three Brett Smith says he is very conscious education is expensive and has spent around \$220,000 on his children's education so far.

"Maya (Year 12) and Miki (Year 10) went to a selective public school in Sydney and they were high achievers. So when we moved to Spreyton I gave them the choice of what school they wanted to go to and they chose a Catholic college.

"There have been costs of \$300 here and \$500 there on camps and Kumon tutoring was a big part of their early childhood development, and they all did swimming as well. From

¹ A faith-based education includes religious schools e.g. Catholic, Anglican, Uniting Church, Buddhist, Islamic or Hindu.

² 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.

the very beginning, I wanted to ensure I gave them the best opportunities and once you do it for one child, you've got to do it for all.

"Our children are all very motivated and that's why we deliberately took out ASG education funds. This is a safeguard and you don't have to think about costs as being a barrier to selecting the best educational experiences for our children. I've been a big fan of ASG, it's easy to contribute and it comes out in small amounts so it's taken the pressure off. Next year, Maya has her sights on studying either medicine or dentistry at the University of Adelaide, so there'll be more ongoing costs with rent and travel."

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 Tasmania private school could cost more than \$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 regional Tasmanian families could spend on average \$50,687 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 regional Australia

	2008	2018	%
Government	\$42,625	\$50,641	19
Faith-based	\$118,116	\$176,554	49
Private	\$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

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