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Regional Victoria – home to Australia’s most expensive regional private education

Regional Victoria is Australia’s most expensive location for a private education for a child born in 2018, according to exclusive research released today.

The ASG Planning for Education Index discovered in the past year, the forecast cost of a private education in regional Victoria has jumped by \$10,614, to \$381,184¹. This is \$33,612 above the national regional average (\$347,572) and \$129,479 more expensive than regional South Australia, home to Australia’s most affordable private education.

The index discovered a similar result for parents considering the government school system for their children, with regional Victoria forecast to be one of the most expensive regions for government education.

Despite the forecast cost of a government education in regional Victoria falling by \$2,611 compared to last year, parents could still fork out \$51,899 per child. This is \$1,258 more than the national regional average (\$50,641) according to ASG’s research. Regional Victoria is second only to regional New South Wales (\$52,369) as Australia’s most expensive area for a government education.

The ASG Planning for Education Index discovered slightly better news for parents in regional Victoria considering a faith-based education² for their children.

The index revealed that despite a \$1,826 jump in the forecast cost, regional Victorian parents are forecast to spend \$163,583 for a child born in 2018. This is \$12,971 below the national regional average (\$176,554) and \$34,429 less than regional Queensland parents (\$198,012).

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 regional Victorian parents who plan to educate a child in the regional private school system over 13 years could pay \$53,943 for other non-fee education costs. This is significantly more than parents with children at faith-based schools (\$40,247) and government schools (\$32,841).

ASG member and mother of three Karen Hamilton says she and her husband expect to pay around \$300,000 by the time their children, (Dylan Year 10), (Brock Year 5), (Tayla Year 2) finish school.

“We moved to Rosedale six years ago from Melbourne’s south-east suburbs when Dylan was still in primary school. We moved him over to a Catholic secondary school to give him better opportunities, but the costs of schools out here is pretty extreme. For the last

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.

three years school fees have gone up with little justification. My husband was retrenched last year, so we've started our own business and we've had to work really hard to pay the fees.

"The kids are also involved in scouts, which costs about \$300 each year but the biggest expense comes from their camps. The last big one was the Australian Jamboree and that cost \$1200, which doesn't include their own fundraising.

"We've been through struggle street, but I have done everything I can to keep them in their activities, including music lessons. I hope these help them to become better people and sometimes they're given experiences I can't replicate.

"ASG gives us a hell of a start at the beginning of each year with new uniforms and shoes, so the money goes back towards each of the kids."

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 Victoria 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 regional Victoria families could spend on average \$51,899 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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