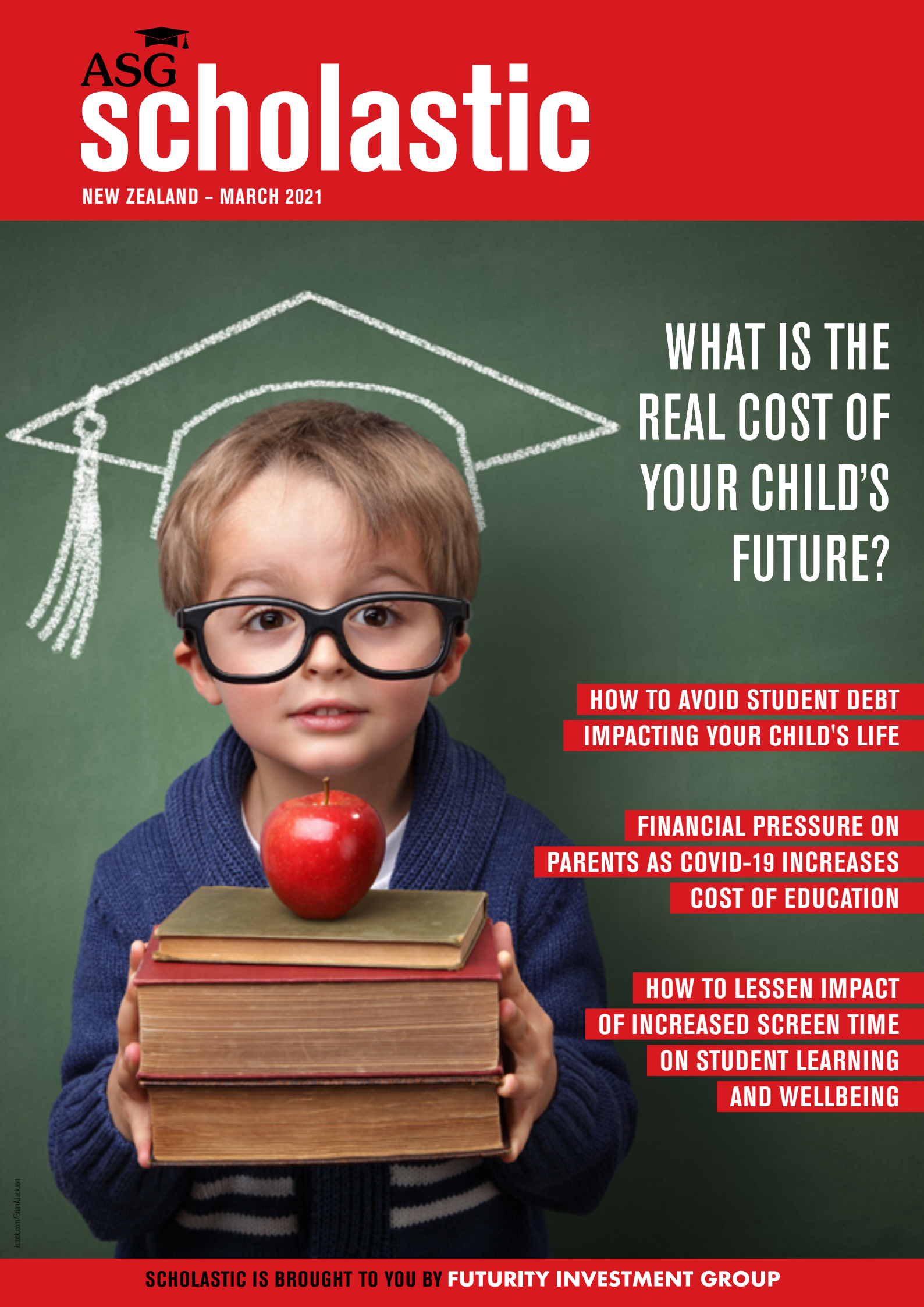


ASG

scholastic

AUSTRALIA – MARCH 2021



WHAT IS THE REAL COST OF YOUR CHILD'S FUTURE?

**HOW TO AVOID STUDENT DEBT
IMPACTING YOUR CHILD'S LIFE**

**FINANCIAL PRESSURE ON
PARENTS AS COVID-19 INCREASES
COST OF EDUCATION**

**HOW TO LESSEN IMPACT
OF INCREASED SCREEN TIME
ON STUDENT LEARNING
AND WELLBEING**

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CEO'S MESSAGE



Dear Member,

Three months into 2021 and it's so pleasing to see how well we are all coping with lingering COVID-19 uncertainties about the new normal for our home and work life – and for education and schooling.

For our children, the school year has begun, and they are returning to more settled routines – a fantastic development given the occurrences over the last year. However, all that additional screen time during school closures in 2020 may have taken a toll, both in terms of mental wellbeing and learning progress. In this issue of Scholastic, we analyse how parents can help children make the most of screen time in this issue of Scholastic.

As an organisation, regardless of COVID-19 disruptions to our normal business, in 2020 we successfully produced two reports and a helpful tool for Australian families. Our Impact of University Debt Report was well received, with in depth insight into how families handle big issues such as managing university debt well after graduating. See the highlights on page 4.

Our 2020 Parents Report Card revealed how COVID-19 impacted household budget by increasing education costs. Read it on page 8.

We have also recently updated our cost of education

calculator to help families get an idea of education-related expenses, to help them plan and save for education costs. Gain an insight into the real cost of your child's future from page 6.

Over the last 26 years since its inception, NEiTA has earned a reputation for recognising excellence in teaching. Building on this, we have updated NEiTA's vision and purpose in keeping with our objectives to expand our advocacy agenda. Read about NEiTA's transformation on page 16 even as we get ready for the 2021 NEiTA program.

2020 is behind us, and as an education-purposed financial institution we learn from an extraordinary year and look forward to the future with confidence and optimism, with a watchful eye on providing the highest quality service to you our members.

Yours truly

Ross Higgins

HOW TO AVOID STUDENT DEBT IMPACTING YOUR CHILD'S LIFE



Everyone knows that university education is expensive. But the lesser known fact is that the the cost of debt to finance a university degree can negatively impact other life decisions such as purchasing a home, a car, or even medical treatment years after graduation. This is a reality that Futurity's *Impact of University Debt Report* has uncovered.

IMPACT OF UNI DEBT ON OTHER LIFE DECISIONS

The Report has revealed the financial and social cost of university debt on many Australians.

- 50% of those surveyed said that their HECS-HELP debt has made an impact on other life decisions such as purchasing a home
- 41% said it had some impact on their ability to buy a car
- 30% could not afford medical or dental treatment, sometimes years after graduating
- 28% of respondents said their HECS-HELP debt affected their decision to start a family

- 18% regularly go without food and other necessities.

More than 1,000 Australians who attended university were surveyed for the one-of-a-kind report, the purpose of which was to measure the social and financial impact of debt acquired to pay for a university degree.

3 MILLION AUSTRALIANS HAVE A HECS-HELP DEBT

The Report findings also matched data drawn from the Australian Bureau of Statistics, which reports that approximately 3 million Australians have a HECS-HELP debt totalling \$67 billion. [HECS-HELP](#) provides eligible students with a loan to pay their student contribution for a Commonwealth-supported place in their chosen course.

The *Impact of University Debt Report* found that 72% of respondents who attended university have a HECS-HELP debt in their thirties, and that 48% of respondents aged 22-29 finish university with a HECS-HELP debt of between \$20,000 and \$50,000. But this does not and should not deter anyone from pursuing a tertiary education.

[Read the full Impact of University Debt Report.](#)

STUDENT DEBT NOT A DETERRENT TO TERTIARY EDUCATION

Despite the impact of university debt on their lifestyle, a majority (56%) of

respondents are positive or neutral about the value of their university education. Indeed, aversion to debt need not provide a barrier to student enrolment in tertiary education.

A higher education is an investment you make for the future, as research consistently shows that a university degree is worth the cost. On average, uni graduates earn far more over the course of their professional career than peers who didn't get a university degree.

Futurity CEO Ross Higgins said, "Debt acquired to finance university should not negatively impact important financial and social objectives. With the cost of university education exceeding \$50,000 in many instances, it's essential young people considering a tertiary education understand that debt acquired at university can carry financial and social burdens later in life, and so seek

to pay for university education without it impacting their financial wellbeing and ability to achieve their future goals."

Futurity's ground-breaking range of Education Bonds allow parents and grandparents to tax-effectively save and invest to accumulate the funding to support their whole family's education objectives. ■

[Find out more about Futurity's Education Bonds.](#)



WHAT IS THE REAL COST OF YOUR CHILD'S FUTURE?

Education is one of the biggest investments you are likely to make to give your child a head start in life. Therefore, understanding and preparing for the cost of education can make a world of difference in terms of the opportunities you can offer them.



TOTAL ESTIMATED COST OF EDUCATION OVER 13 YEARS OF SCHOOLING IN AUSTRALIA FOR A CHILD STARTING SCHOOL IN 2021

REGION	SCHOOL TYPE	COST OF SCHOOLING
Major Cities	Government	\$81,823
	Catholic	\$140,433
	Independent	\$340,882
Regional/ Remote	Government	\$66,603
	Catholic	\$107,678
	Independent	\$140,197

Source: *Futurity Investment Group Planning For Education Index 2021

Irrespective of Australia's inflationary environment, the cost of education has risen at more than double the rate of inflation over the past decade. Real wages [grew by just 1.3%](#) between June 2013 and June 2018. With less discretionary money to spend, understanding and planning for these costs is important to pave the way for your child's future. Use our [Cost of Education Calculator](#) to get an estimate now.

THE HIDDEN COST OF EDUCATION

Contrary to the popular belief that Government schools are free, parents are expected to pay a [voluntary financial contribution](#). The reasoning is that while administration of the standard curriculum program is free, schools can charge parents for 'essential education items' and 'optional extras'. Regardless of school type, the cost of education includes more than just fees and parent contributions. In fact, for parents sending their

children to Government schools, these fees may constitute a relatively small portion with other ancillary costs really adding up. Many times, this comes as a "cost shock" for families entering the public schooling system for the first time. For instance, [our research*](#) shows that over the course of seven years of primary education, the estimated annual cost of education for a child starting school in the public system in Sydney this year will average out to:

- School fees: \$433 per annum
- Outside tuition: \$1,845
- Electronic devices: \$513
- Uniforms and textbooks: \$461.

Of course, this estimated annual cost of schooling could change over the course of a 13-year school period. Secondary school fees are generally higher than for primary. And spending on older children for school camps and items such as, sports equipment and musical instruments tends to increase the cost for many. Having a fuller picture of the cost of education and planning ahead can help to avoid, or at least cushion against, unpleasant surprises.

CONFIDENCE STARTS WITH PREPARATION

The best way to take control of your child's future is to plan and save to meet future education costs, and the first step is to create a personalised view of the true cost of your child's education. [Futurity's Cost of Education Calculator](#) provides default figures derived from our research to assist you with an estimate. ■

FINANCIAL PRESSURE ON PARENTS AS COVID-19 INCREASES COST OF EDUCATION

The COVID-19 pandemic turned our lifestyle around, with shockwaves being felt across almost every aspect of our life. Education was no exception, leading to consequences of its own.

In a January 2021 Futurity survey, parents of school-going children across Australia said that school closures owing to lockdowns and online learning has put them under financial pressure.

Our research on the financial impact of COVID-19 revealed that around one-third of parents who send their children to Government, Catholic or Independent schools across Australia felt some or a lot of financial pressure as a result of the pandemic.

Significantly, parents spent an average of an additional \$808 per child on education-related expenses owing to the pandemic in 2020* increasing the overall cost of education. The extra expenses included spending on:

- electronic devices - \$336
- outside tuition and coaching - \$202
- additional stationery - \$111
- additional textbooks - \$99.



istock.com/Natalia Varlamova

FINANCIAL PRESSURE IN AUSTRALIAN HOUSEHOLDS OWING TO THE COVID-19 PANDEMIC

SCHOOL TYPE	% OF PARENTS WHO FELT SOME OR LOT OF FINANCIAL PRESSURE
Government schools	34%
Catholic schools	37%
Independent schools	31%

Source: Futurity Investment Group Planning For Education Index 2021

Get an up-to-date estimate of the real cost of education for your child using the [Futurity Cost Calculator](#).

Kate Hill, Futurity Group Executive, said that more than ever, the costs associated with education are placing more of a burden on Australian families, who are already stretched by the rising cost of living and stagnant wage growth. "COVID-19 has only exacerbated this financial challenge, with parents required to spend hundreds of dollars extra on unplanned education-related expenses at the height of the pandemic," Ms Hill said.

IMPLICATIONS OF ONLINE LEARNING ON THE PRODUCTIVITY OF PARENTS

[Online learning also had major implications on parents' capacities to work.](#) Our analysis of the parents' survey revealed that 46% of Government school parents spent more than two hours a day to support their child's learning during the school lockdowns. This dropped to 36% among parents

of children in Catholic schools and 33% among Independent school parents.

More than one in four (27%) Government and Catholic school parents reported taking annual leave or unpaid leave during the pandemic to help educate their child at home, compared to 22% of Independent school parents.

PARENTS SQUEEZED BETWEEN FINANCIAL PRESSURE AND CARING RESPONSIBILITIES

[What's more, the combination of financial pressures and caring responsibilities has spiked the mental distress levels of Australian parents to alarming levels.](#)

The mental distress of employed parents whose youngest child is aged five to 11 surged from 7% in pre-COVID times to 18%. They experienced the highest level and strongest increase in mental distress. Of the 1.5 million Australians in this demographic over a quarter are estimated to experience high mental distress.

One suggestion is for the government to offer targeted financial support for non-employed parents in the expectation that it will ease financial pressure and help decrease mental distress. This may or may not be the government's priority as they battle other pandemic-related issues. In the meantime, planning for the cost of education and to meet unexpected education-related expenses can help put your mind at ease while preparing for the uncertain road ahead.

[Take the first step by calculating the true cost of education for your child.](#) ■

*Source: [Futurity Investment Group Planning For Education Index 2021](#)

RESTRUCTURE OF ASG PRODUCTS OFFERS FLEXIBILITY AND NEW OPTIONS FOR MEMBERS

We are pleased to announce a restructure of ASG Benefit Funds to deliver new flexibility and options for ASG members.

As ASG members, you value and understand the importance of having a dedicated education savings and investment fund to help you achieve your education goals. With the recently completed and APRA-approved restructure of ASG Benefit Funds many members now have greater flexibility and new options for managing your Member Benefit amount.

Indeed, those ASG members with scholarship plan type products may be eligible to switch their Member Benefit into a Futurity Education Bond so that their education journey can continue. As your child begins tertiary studies, you will have flexibility to roll over your investment to a new Futurity Bond and

access funds for additional or unplanned education expenses. You can even make withdrawals for other non-education purposes such as buying a new car, a home deposit or just investing for the future.

If you are eligible to avail of these options, we will contact you with further details and advise you of the steps required to take up the offer. This will not affect your current ASG product, which will continue in its benefit payment mode and operate as originally intended.

For members with the *Pathway Education Fund*, we expect to provide options to reconstitute your balance over to a new education bond this year. Further details will be provided to PEF members once these avenues are available.

To learn more about our new education bonds, contact your financial adviser or Futurity's Investor Care Team on 1300 345 456 or visit <http://www.futurityinvest.com>. ■



NEW FUTURITY EDUCATION LOANS PRODUCT LAUNCHED

The Futurity Tuition In Advance Loan was launched earlier this year, right in time for the Back-To-School season.

The product allows customers to borrow to fund the payment of private school fees annually in advance. A major benefit of the product is that it allows parents to avail themselves of school discounts for paying the annual fees up front.

For many families, the certainty of making one of the biggest and important payments of the year early on with the option of making flexible payments over 12 months takes the stress out of juggling the household budget.

The product complements our existing education loan product - Futurity Tuition Instalment Loan, which is used to pay for private school fees on a term or semester basis. ■

futurityinvest.com.au/education-loans

KEY PRODUCT FEATURES AT A GLANCE FOR PARENTS



Easy online application process



Covers all costs (including uniforms, textbooks, excursions etc.)



Flexible repayment options



No hidden fees



\$0 Application Fee



HOW TO LESSEN IMPACT OF INCREASED SCREEN TIME ON STUDENT LEARNING AND WELLBEING

The only thing that could claim a full victory over COVID-19 in 2020 was screen time. Children's screen time soared over the last year, thanks to school closures, online learning, and travel bans.



For instance, a study by [Qustodio](#), which tracks the usage of thousands of devices used by children aged four to 15 globally, showed that the average time spent by children in the US on entertainment apps went up to 99 minutes a day in mid-April at the height of the lockdown there last year.

In Spain, France and Italy, compared to January 2020 there was an 80% increase in online activity as school time became screen time during lockdowns. Anecdotal evidence shows that

the situation is no different in Australia and New Zealand.

As you can imagine, this has possible downsides. Results from the [Growing Up Australia](#) study, conducted by UNSW and the Gonski Institute for Education through a survey of around 2,000 teachers and school leaders across Australia, show that teachers believe that many students have lost the ability to focus, are less empathetic and, unsurprisingly, spend less time on physical activity.

Additionally, the researchers warn that digital technology has become a growing distraction from learning and that students are less able to focus on educational tasks. Moreover, it is still uncharted territory.

[Speaking on the phenomenon](#), Professor Pasi Sahlberg, co-author of the Growing Up Australia Report, said, "What is happening with our kids now is the biggest educational experiment in history. As adults, we have much to learn about their habits,

DIGITAL TECHNOLOGY: A DOUBLE-EDGED SWORD

84% of educators in Australia believe that digital technologies are a growing distraction in the learning environment

78% say that students' abilities to focus on educational tasks has decreased

78% have noticed a decrease in student empathy

60% have noted declining levels of physical activity

2/3 of Australian educators believe the number of children arriving at school tired has increased

2/3 have observed a decreased level of homework completion on time.

An educator said: "Despite the growth in the number of apps that can be used to create online content, many students are just passive content users."

*Source: Growing Up Digital Australia, UNSW | Gonski Institute for Education

and the benefits and pitfalls of screen-based technologies for them.”

HOW TO TACKLE THIS ISSUE

Though it has now become unavoidable for children to spend time on devices, we can mitigate the damage by aiming for healthy screen time keeping three factors in mind: time, quality, and buddies.

We can do this by understanding that it's not very healthy for a child of any age to be alone on a device for hours. Parents may engage in “co-viewing” with a young child by viewing a screen with the child so you can explain ideas to them. With older children it is important to ensure that they “co-engage”: that is to use their screen time with someone equally engaged not just an onlooker or explainer such as by playing an online game with a parent or another person.



TIPS FOR PARENTS

- Tear down walls between you and your child by co-watching online videos and co-playing video games whenever possible.
- Keep an eye on the apps and games your child uses.
- Look for new quality educational experiences for your child. Identify apps that are educational, interactive, and age-appropriate and encourage your child to try them.
- Keep video game consoles in common areas of the house.
- Insist on kids taking a screen break after 45 minutes as online video, gaming and social media platforms are designed to be addictive.
- Turn screens off one hour before bedtime to avoid blue light and improve sleep quality.
- Encourage your child to use education apps to supplement their learning, not replace it.
- Check video game ratings (PEGI, ESRB, Common Sense Media) to ensure that the content is age appropriate.
- Point out positive role models on social media your child could follow and try to be one yourself. ■

Resources

- [Forget old screen time rules during coronavirus, The Conversation](#)
- [*Growing Up Digital Australia, UNSW | Gonski Institute for Education](#)

LIFTING THE SPIRITS OF CHILDREN EXPERIENCING DISADVANTAGE

Over the last year, The Smith Family saw firsthand how community support and simple messages of hope could help to lift the spirits of students who found it challenging to cope with COVID-related changes and restrictions.

At the height of the pandemic when there was a disruption to schooling and online learning became the norm, The Smith Family asked Futurity and other corporate partners to send handwritten messages of hope to students supported through its *Learning for Life* program.

Futurity employees answered this call, coming together at a virtual aspirational card writing session to write supportive messages to help motivate students whose education was being significantly impacted.

The letters – brightly coloured and decorated with stickers – showed students that others in the community were thinking of them, offering them words of encouragement to keep up with learning and to keep trying to stay positive.

We hoped that these small acts of kindness would keep young Australians motivated during such a difficult period so that they didn't slip behind in their education.

Even as the pandemic highlighted the impact of poverty on a child's education, The Smith

Family says it has been humbled by how Australians have stepped up to offer support to children living in disadvantage.

“The generous action of our corporate supporters who took the time to write these messages of hope to many children and young people on our *Learning for Life* program is truly heartwarming,” said Acting CEO of The Smith Family, Judy Barraclough.

“We know that when our students receive such messages it can have such a positive impact on their outlook and motivation to go to school and learn. So, on behalf of the students and families that The Smith Family works with, we thank the team at Futurity Investment Group for their kind messages of support and inspiration.”

With the support of partners like you, The Smith Family is empowering more young people to create better futures for themselves.

To find out more about The Smith Family and *Learning for Life*, and how you can help, go to thesmithfamily.com.au ■

EXCITING UPDATES FROM THE NEiTA FOUNDATION

Teachers and principals made the list of superheroes in 2020. They adapted quickly and readily to school closures and were agile, resilient, and always supportive of their students when engaged in online learning.

NEiTA's 2020 season paid tribute to these achievements, acknowledging exceptional teachers during exceptional times. And for the first time, principals were the specific focus of the NEiTA Founders' Award for Leadership, and in a year where parents often could not enter school grounds, the Trustees sought nominations by peer teachers.

ASG members were further encouraged to nominate teachers in 2020 with the creation of the Futurity Parents Award. We thank all of the many members who took up the opportunity.

In another first, on 8 December 2020, national NEiTA Awards were presented to 17 extraordinary educators via a virtual awards ceremony. You can see video of the full ceremony hosted by Rae Johnston of SBS/NITV [here](#).

A REBRAND AFTER 26 YEARS

A quarter century is a significant time for an awards program. In fact, NEiTA is the longest running national awards program for teachers in Australia and New Zealand. Its uniqueness lies in the fact that the nominations come from parents and the wider school

community, and review and selection is conducted by an independent expert panel. Out of this comes some wonderful stories which can be found [here](#) and [here](#).

Now, NEiTA is undergoing a transformation and a rebrand 26 years after inception. At the Awards Ceremony, NEiTA Chairman Allen Blewitt unveiled the new NEiTA logo. He also announced the renewal of the annual Teachers Report Card conducted with the Australian College of Educators (ACE).

The NEiTA vision is a world where everyone has access to the education required to fulfil their aspirations now, and long into the future. NEiTA will continue to evolve in 2021 in keeping with Futurity's advocacy principles which recognise the vital importance of professional teachers in ensuring quality education for all sectors of society.

NEiTA 2021

A new NEiTA season is just around the corner, with nominations opening in April. Do follow [neita.com](#) or the [NEiTA LinkedIn page](#) for updates. ■

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