



PRESS RELEASE:

PARENTS SPEND BILLIONS ON PRIVATE TUTORS AUSTRALIA

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Parents are spending billions of dollars on private tutors annually. "The annual spend on wages alone, for those who call themselves tutors is over \$827 million, so total added value would be in the order of \$3 billion" said ATA CEO Mohan Dhall. "According to government data in 2011 there are over 36,100 people who classify themselves as tutors as their primary job. When the 2006 Census was conducted 26,050 classified themselves as tutors or private teachers. The Commonwealth government's Jobs Outlook data indicates that the market has grown by over 38% in the past 5 years. Add those who tutor, but do other jobs full time and the numbers double."

A conservative estimate of tutor numbers

Tutors are classified under ANZCO Classification: 24228. This classification includes private tutors and teachers (academic tutors who tutor in English, Mathematics and other subjects) as well as art, dance, drama and music tutors. However ***it specifically excludes*** the following categories of tutors:

- Teachers who put down their occupation as 'teacher' in the Census but who also privately tutor after hours. This is a very significant section of the tuition market
- University tutors who take classes and tutorials in university
- Tutors who work in other industries and who run after hours community classes through community colleges

Calculation of value

The Jobs Outlook data estimates that the average weekly earnings of tutors to be \$441. Using the government's (conservative) estimate of tutor numbers the value of the industry is:

$36,100 \times \$441$ (average weekly earnings) $\times 52$ weeks = \$827,845,200m

This is wages alone: around 30 - 35% of the annual expenses of tuition businesses. Hence value is $\$827,845,200 \div 0.35 = \$2.37\text{bn} - \$2.76\text{bn}$

When the other classifications are added – teachers who work after hours, university tutors and those who work in community colleges the number can be doubled. This gives a value in the order of \$5.5bn - \$6bn

"Clearly the value of the industry is much greater than the sum of tutor salaries", ATA CEO Mohan Dhall said. "Parents continue to seek tuition for their children at an increasing rate. These numbers are conservative and suggest the industry is much larger than was previously realised. Given this sustained growth over many years it is crucial for parents to be heard. Parents should complete Australia's National Tuition Survey (available at www.ata.edu.au). This survey allows parents views and experiences of tuition to be aired in a way that should inform policy-makers at all levels".

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