

Primary School Education in Ireland Nearly Twice as Expensive as Parents Expect, New Research Reveals

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- 34 percent of secondary school parents get into debt covering children's education
- Parents feel schools not doing enough to minimise back-to-school costs

July, 2017 - Over half (52 percent) of Irish parents find the cost of covering primary school education a financial burden, with this number increasing to 68 percent for secondary school education, according to new research entitled The Cost of Education in Ireland, published by Zurich Life.

The study shows that primary school education alone is an alarming 80 percent more expensive than parents expect with the true cost averaging at €766 per year. Similarly secondary school education is 28 percent more expensive than expected, averaging at €1,628 per year.

This results in 18 percent of parents of primary school children getting into debt to cover the costs, increasing to 34 percent of secondary school parents.

The main contributing factors to the heavy financial burden at primary school level included extra curricular activities (€165), lunch (€110), school trips (€87), books (€80) and uniforms (€124).

In secondary school, costs increase greatly and grinds represent a significant portion of average annual costs (€310). After that, the largest costs are school trips (€201), books (€200) and lunch (€183).

Most primary (86 percent) and secondary (74 percent) school children bring a packed lunch with them. Only one in ten (10 percent) of children in primary school eat in the school canteen and 13 percent in secondary school.

The study also revealed that the majority of parents of primary (58 percent) and secondary (78 percent) school children feel schools don't do enough to keep the costs of going back to school down. Over half (51 percent) of parents felt that making the switch from books to digital devices would be more cost effective in the context of reducing parents' costs.

Other solutions to minimising the financial burden of educating children is **early planning and financial saving**. Looking specifically at parents' saving behaviour, the research found that 77 percent of parents have a savings account and save an average

of €5,299 per year. Half of those savers (49 percent) say their top saving priority is to cover children's children's education costs

Furthermore, two thirds (66 percent) of parents have or plan to set up a savings account for their children. Most parents (42 percent) agreed that under the age of 1 is the best time to set up a savings account, followed by between the ages of 1 and 4 (26 percent).

Commenting on the findings, Jonathan Daly, Head of Retail Distribution & Propositions, Zurich Life Assurance said, *"The cost of education has been proven to be much more than most parents expect or prepare for, putting a lot of people under financial pressure and leaving some in debt. Given it's unlikely that costs will come down over the coming years, the best way for parents to avoid falling into a debt trap is rigorous early planning around their children's education."*

"No matter what your situation, a regular savings plan is the most sensible way to prepare for these inevitable expenses. This research highlights the absolute necessity of consistent saving to provide for your child's future, with nearly half of Irish parents putting their child's education at the top of their savings priorities."

A great education is the best possible start in life and for most parents ensuring they can provide for their children's education, from primary school right through to third level, is crucial. Zurich understands that while education in Ireland is said to be free, this is never the reality and costs are rising per child. With a regular savings plan from Zurich Life, you can gradually build up the funds necessary to support your children's education, with access to Zurich's Prisma range of funds, managed by its in-house investment team in Dublin, which is responsible for funds under management of approximately €21.6 billion (as at 31 March 2017). Talk to your financial broker or Zurich Life Assurance for help with setting your savings goals, planning your budget and choosing the right plan for you.

Source: Zurich Cost of Education Survey 2017

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About the research

The Cost of Education in Ireland study was conducted by iReach Market Research on behalf of Zurich Life Assurance. The survey, which included a sample of 600 respondents, is nationally representative and was undertaken between 12th - 21st June 2017.