



## COMMONWEALTH BANK *EDUCATION SAVING* SURVEY HIGHLIGHTS

A total of 700 parents or grandparents of children aged 17 years or under were questioned about education savings issues by telephone over the period 17–19 December, 2004<sup>1</sup>.

### Secondary schooling

- On average, parents of school aged children<sup>2</sup> estimate they currently spend 9% of their gross household income on education expenses for their children.
- More than one third of grandparents of children aged 17 or under would seriously consider helping financially to send their grandchildren to private school in the future.
- Among parents/grandparents who would consider sending their children to private schools, 46% say they have a pretty good idea of the total cost, while 53% say they are not really sure.
- One third of parents of school aged children indicated they send their children to a private or non-government school, while 40% of parents of children aged 17 or under who do not *would* consider sending their children to private school.

### Tertiary education

- Nearly 80% of parents of children aged 17 or under are planning on paying all or part of their children's university education and 30% of grandparents of children aged 17 or under are planning to help pay for their grandchild's university education.

### Paying for private and tertiary education

- Of those parents or grandparents who pay or are willing to pay for their children or grandchildren's private school or university education<sup>3</sup>, 60% feel confident about paying for these education costs, 40% feel they need to start saving more, 25% are worried about how they are going to pay and 15% claim they feel overwhelmed by the costs involved.
- Of those parents or grandparents who feel confident about paying for their children or grandchildren's private school or university education, 48% said they are not really sure of the total cost to educate their child.
- Of those parents or grandparents who pay or are willing to pay for their children or grandchildren's private school or university education<sup>3</sup>, 60% use or plan to use their general savings to fund it, 25% will use money from a special education savings account, 20% will take on a part-time job, 10% will take out a loan and 30% plan to use income from specific investments they have.
- 60% of parents who pay or are willing to pay for their children's private school or university education<sup>3</sup> claim they are putting saving for their children's education before other saving priorities including retirement (40%), saving for their own health (30%), supporting other family members (30%) and family travel (50%).
- Of parents and grandparents who pay or are willing to pay for their children or grandchildren's private school or university education<sup>3</sup>, almost 70% have not started saving in advance.
- Of those who have started saving, almost half are saving \$100 or less a month per child, and only 10% believe their monthly savings will cover all their children's education costs.

MORE...

## **Commonwealth Bank**

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1. This survey was conducted by Newspoll in December 2004 by telephone among 700 parents of children aged 0 to 17, including those who are currently expecting a child, or grandparents of children aged 0 to 17. The study was conducted nationally and respondents were aged 18 years or over.
2. Parents of school aged children ie aged 5 to 17 years.
3. Those who currently pay for their child's private school education, or who would consider sending their child to private school or pay/willing to pay for their grandchild to attend private school, or planning/willing to contribute to the cost of their child/grandchild's university education.

**ENDS**

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