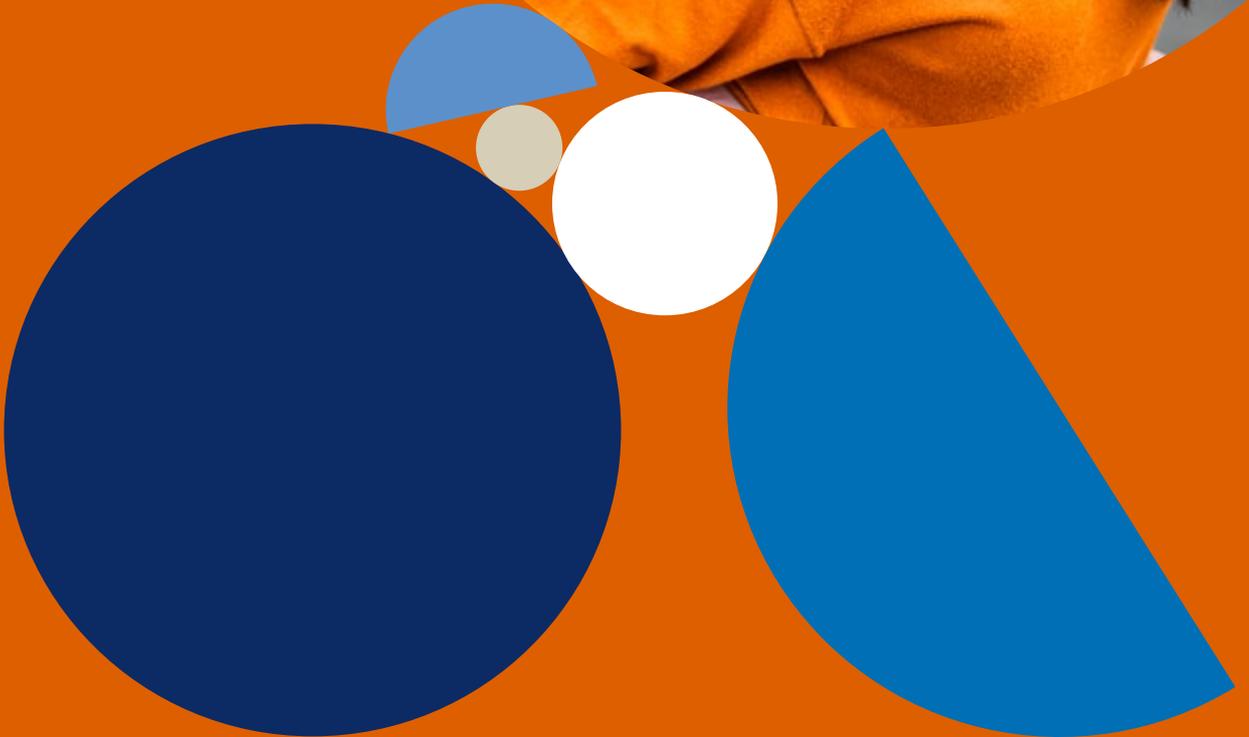


Cost of Education in Ireland



Cost of Education in Ireland

Zurich's annual Cost of Education survey¹ highlights the cost of education in Ireland for primary, secondary and third level. It also reveals that 90% of parents with children in primary or secondary school would like their children to go onto third level education, and shows families are now more likely to start a savings fund to plan financially for their children's educational needs.

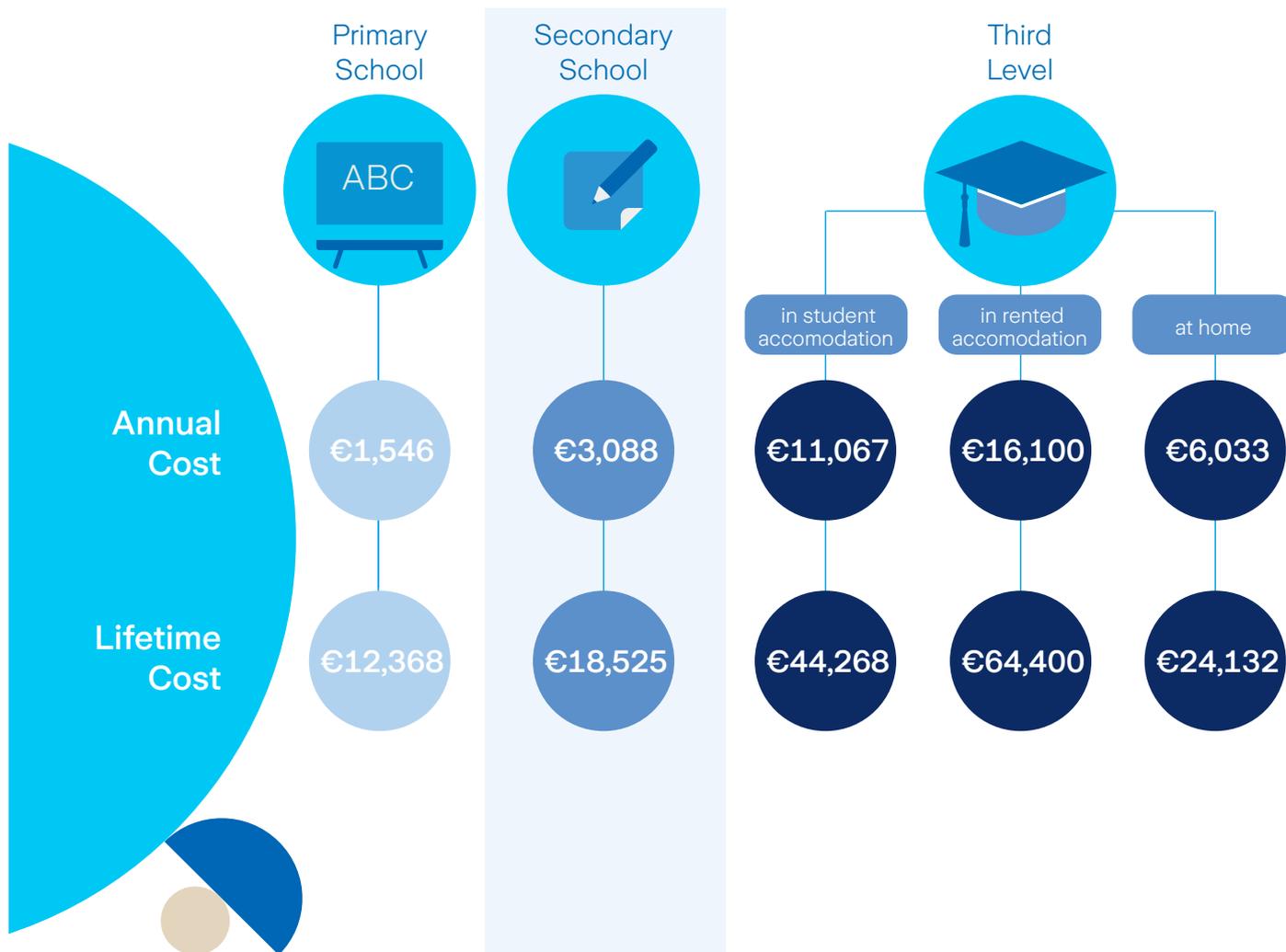
At Zurich we understand that planning for your children's education is important to you. We have been carrying out research into the cost of education in Ireland since 2018. In those seven years, we have collected valuable data on the costs for primary, secondary school and third level education. We have also garnered insights into how much parents spend on their children's education, how they cover these costs and the factors influencing how much they save.

In addition, over the years, we have looked at other financial issues such as inflation and the rising cost of living and the impact that it has on adults and parents in Ireland. In this whitepaper on the cost of education in Ireland we will look at:

1. Overall educational costs
2. Primary education costs
3. Secondary education costs
4. The benefits of saving the monthly children's allowance
5. Third level education costs
6. Useful calculators and tools
7. Financial planning for your children's future educational needs



Counting the cost of education in Ireland



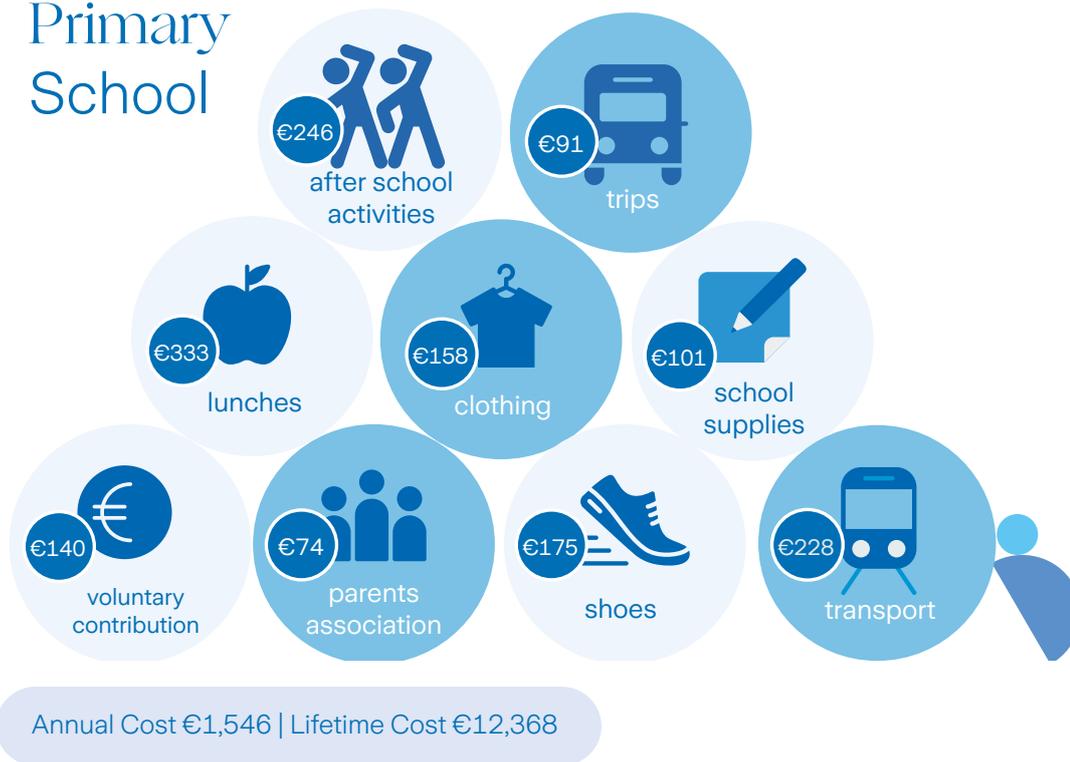
Source: Zurich Cost of Education Survey 2024

Education in Ireland is supposed to be free, but each year back-to-school costs are rising for families. The cost of putting just one child through school can easily run into tens of thousands of euro. If you have two or more children, then you're going to have to dig even deeper to sustain the cost of their educational needs over the long-term. The Zurich Cost of Education in Ireland 2024 research¹ reveals that parents often underestimate the cost of education compared with the actual cost.

For example, parents surveyed said they estimated the cost of primary education to be €1,412, but our research shows that that cost is actually €1,546. When it comes to secondary education costs, parents estimate it to be €2,281, but again our research reveals that cost to be higher at €3,088.

It's a similar trend when it comes to third level with parents likely to underestimate the real cost of college education in Ireland. Third level students living at home can expect to spend on average €6,033 per academic year. If living in student accommodation, that increases to €11,067 and rises again to €16,100 if living in rented accommodation.

Primary School



Source: Zurich Cost of Education Survey 2024

It all starts here; your child's first days at school are a big milestone. Their first day at school is also your first day of many years of worthwhile expense and investment.

The Zurich Cost of Education research reveals that the average cost of sending a child to primary school each year is €1,546 down €325 compared to last year. This is likely due to the introduction of free schoolbooks for children in primary school².

Often the first thing that comes to mind for parents counting the cost of sending their children to primary school is the cost of school uniforms and transport, and while these items do account for a substantial expense, they are not the only costly item on the back-to-school shopping list.

Our research found that in primary school, the highest costs are lunches €333, school activities €246, and transport €228. When adding up all the figures, the total cost of eight years' primary school education certainly adds up and comes in at an estimated €12,368.

Some other interesting findings from our research shows:

- The most popular mode of transport to school for primary school students is the car (67%), up 8% compared to 2023. Walking has also increased by 3% to 45%.
- 71% of primary school students take a packed lunch to school with them, up 2% from last year. 23% eat in the school canteen.
- 26% of parents are eligible for the Back to School Clothing and Footwear Allowance (BSCFA) (-17% from 2023).
- 50% of primary school parents use the child benefit they receive for day-to-day child costs. 38% use it for household outgoings, 26% save it and only 18% use it for education costs.
- 14% have taken out a loan to help pay for their children's primary school costs, down 11% from 2023.

A breakdown of primary school costs*

Item	Estimated Cost
Lunches	€333
After school activities	€246
Transport	€228
Shoes	€175
Clothing	€158
Voluntary contribution	€140
School supplies	€101
Trips	€91
Parents association	€74
Annual cost	€1,546
Lifetime cost	€12,368

**Assumption: For the lifetime cost of primary education, we have assumed eight years of costs for eight years of primary education.*



Secondary school education

Secondary School



Source: Zurich Cost of Education Survey 2024

When it comes to secondary school costs, it comes as no surprise that grinds are the most sizeable expense, costing on average €912 per child per year. The move to secondary school also brings a greater number of other expenses such as lunches (€374), transport (€326), books (€303) and clothing (€287).

Our research into the cost of secondary school also reveals that parents underestimate the cost of secondary school believing it to be €2,281 for one child per school year. However, our study uncovers that the cost is higher at €3,090. Things like school trips (€279) and after school activities (€233) are certainly adding to the costs for parents of secondary school children. If we allow for the fact that the bulk of schoolbooks will be bought in first and fifth year in the build-up to junior cert and leaving cert cycles respectively, the total cost of six years' secondary school education, extra expenses excluded, is estimated to be €18,525.

Some other interesting findings from our research reveals:

- 65% of children in secondary school are still required to have hard copies of books, up 6% from 2023.
- 40% of secondary parents want a more widespread move to digital learning.
- 20% of parents have taken out a loan to help pay for their children's secondary school costs.
- 60% of parents say their secondary school aged child requires a full branded uniform.
- The most popular modes of transport to school for secondary school students is the car (48%) and walking (34%), with public transport at 23%.
- The majority (66%) of secondary school students take a packed lunch to school with them. The average amount parents spend on their children's lunch per annum is €374.

A breakdown of secondary school costs*

Item	Estimated Cost
Grinds	€912
Lunches	€374
Transport	€326
Books	€303
Clothing	€287
Trips	€279
After school activities	€233
Shoes	€231
School supplies	€157
Voluntary contribution	€151
Parents association	€87
Annual cost	€3,088
Lifetime cost	€18,525

**Assumption: For the lifetime cost of secondary education, we have assumed six years of costs for six years of secondary education, with the exception of books which we have assumed as a cost that occurs once during secondary education, for senior cycle in 5th year, and spread the total cost over the six years.*

What are parents using the child benefit payment for?

Child benefit is a payment parents receive each month and amounts to €140 per child per month³ regardless of income or means.

When we carried out our research into the cost of education in Ireland, we asked parents what do they do with the child benefit each month?

For primary school parents, 50% use the child benefit for day-to-day child costs. 38% use it for household outgoings, and just over 1 in 4 save it.

When the same question was put to secondary school parents, 59% said household outgoings is the top use for the child benefit for parents of secondary school students, while 21% save the child benefit, compared to 26% of primary parents.



This table shows what parents of primary and secondary school children do with the child benefit:

Use for child benefit*	Primary school parents	Secondary school parents
Day-to-day costs	50%	36%
Household outgoings	38%	59%
Save it	26%	21%
Children's education	18%	18%

**This question was a multiple select question, therefore respondents to this survey question could choose more than one use for the child benefit they received.*

This table reveals how long parents expect to save the child benefit for:

How long do parents intend to keep saving the child benefit for?	Primary school parents	Secondary school parents
10 years+	58%	37%
5 – 10 years	19%	13%
2 – 5 years	19%	34%
1 – 2 years	4%	16%

This table highlights that a college fund is the most common use of child benefit savings:

What are parents planning to use the money you save from child benefit for?*	Primary school parents	Secondary school parents
College fund	68%	72%
To help cover education costs	37%	47%
Healthcare	24%	13%
Rainy day	20%	7%

**This question was a multiple select question, therefore respondents to this survey question could choose more than one use for the money they saved from the child benefit they received.*



Saving the child benefit

It's clear to see that the cost of education is high and increases over the years. So, wouldn't it make sense to plan ahead and build up your savings year-on-year?

With a Zurich Regular Savings plan you can gradually build up the funds necessary to support your children's education.

The table below illustrates just how much regular savings can grow with a Zurich LifeSave Savings Plus plan. For example, if you saved the Government child benefit of €140 per month for five years (as of August 2024) in the Prisma 4 fund from when your child was born, by the time they started school you could have built up savings of €8,784 in time to fund this crucial stage in their education.

	Potential savings fund after five years	Potential savings fund after 12 years
Regular contributions of €140 per month*	€8,784	€22,589

Lump sum of €10,000 and regular contributions of €140 per month*	€19,749	€35,159
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A gross investment return of 4.6% per annum is assumed for the 5-year savings fund and 4.6% per annum for the 12 year savings fund. We have assumed that on death, encashment, partial encashment or assignment of the policy or on each 8th policy anniversary, tax is deducted on the gains made at the current rate of taxation, being 41%. A government insurance levy (currently 1% as at August 2024 and may change in the future) applies to this policy. The contribution amounts above are inclusive of this levy. No surrender penalties apply. An annual management charge of 1.35% and an allocation rate of 101% apply. The information contained herein is based on Zurich Life's understanding of current Revenue practice as of August 2024 and may change in the future.

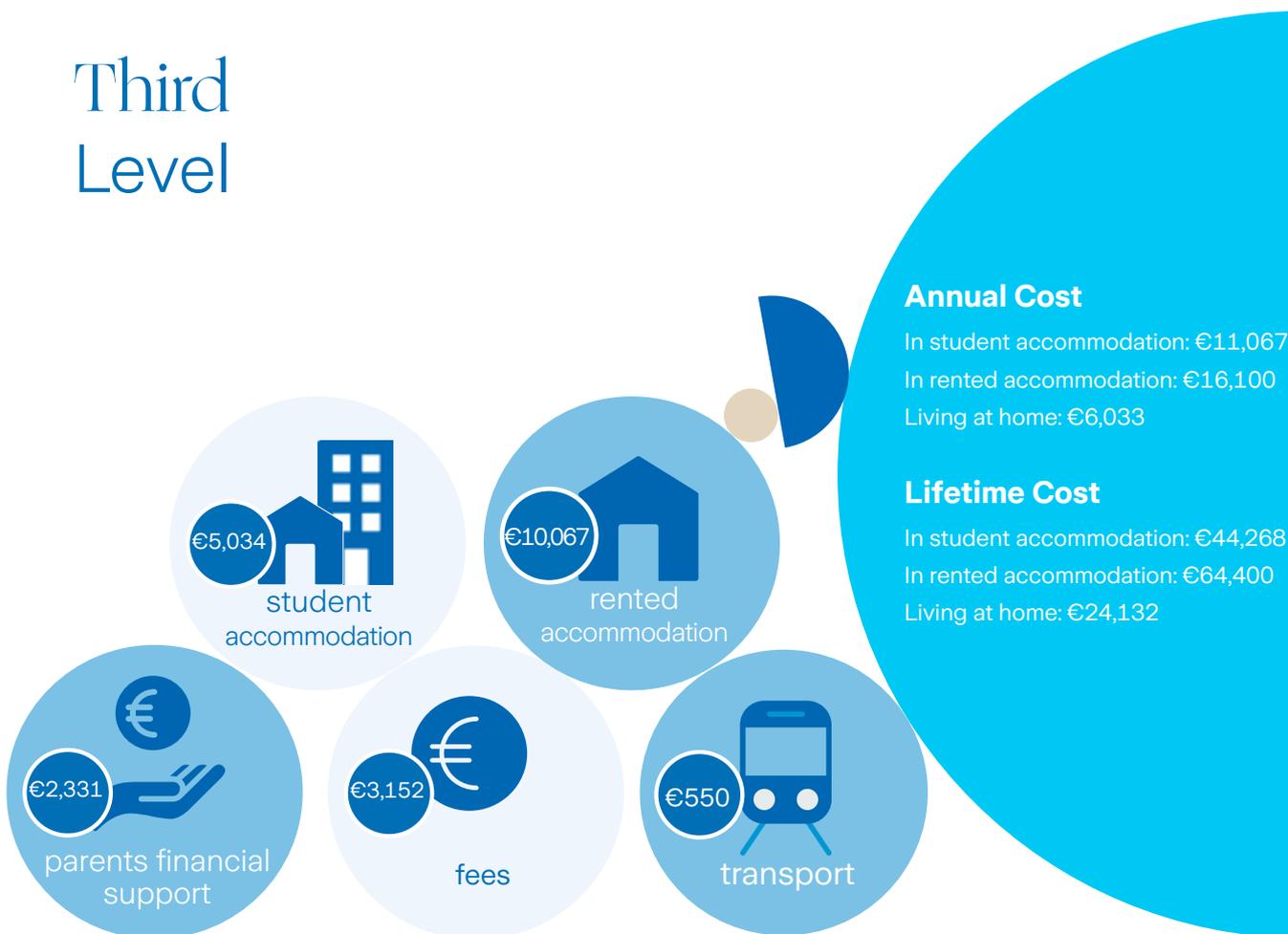
Parents aspirations for college education for their children

As part of our research into the cost of education in Ireland, we asked parents would they like their children to enroll in third level education when the time comes? 90% of parents with children in primary or secondary school said yes, they would like their children to go onto third level education.

For parents without a child in third level education, the estimated cost for one child in college for one year is €10,474. However, our research into the cost of college education shows that the cost of third level education can in fact be much higher than this depending on a child's accommodation costs while in college.

The good news is that 40% of parents are already saving for their child's potential third level education. And almost 1 in 4 of parents with a savings plan for their child's future third level education, started saving when their child was born.

Third Level



Source: Zurich Cost of Education Survey 2024

If you're planning to support your children when they reach university, it might be wise to start saving now. The Zurich Cost of Education research reveals the costs for college students living at home and in rented or student accommodation.

The majority (64%) of students studying at third level education, currently live at home which comes as no surprise given the high cost for accommodation for students. The average annual cost of student accommodation for students in third level education was €5,034 and rented accommodation had an average annual cost of €10,067.

Parents of third level students estimated it costs them €9,511, to send their child to third level. Although the cost per child for those living at home is €6,033, if a child is in student or rented accommodation, the costs are likely to be much higher as illustrated above.

The most popular modes of transport for third level students when travelling to and from college is public transport (60%) and by car (39%). The average cost is €550, up €27 from 2023.

When asked if parents support their child financially outside of rent, transport and college fees, 77% of parents said they do provide financial support to their child in third level. The average monthly financial support parents provide is €259, which is approximately €2,331 for the duration of the academic year (nine months).

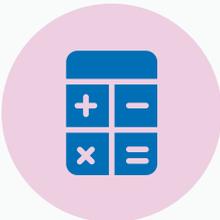
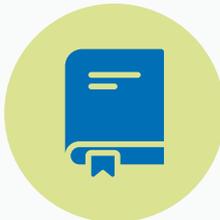
Almost 3 in 5 think their child is under financial strain in college. A part-time job is the top way that third level students mitigate against financial strain with 66% of parents stating that their child has a job as well as attending college.

A breakdown of third level education costs*

Item	Estimated Cost
Student accommodation	€5,034
Rented accommodation	€10,067
Fees	€3,152
Parents financial support	€2,331
Transport	€550
	Annual Cost
With student accommodation	€11,067
With rented accommodation	€16,100
Living at home	€6,033
	Lifetime Cost
With student accommodation	€44,268
With rented accommodation	€64,400
Living at home	€24,132

*Assumption: For the lifetime cost of third level education, we have assumed fees, plus parent's financial support, plus transport occur for four years in all cases. The cost of student accommodation for four years or rented accommodation for four years are also included in the lifetime cost as appropriate. No additional cost has been assumed for living at home.

Useful calculators and tools

Cost of Secondary School Calculator	Cost of College Education Calculator	Benchmarking Tool	Financial Health Check
			
Our Cost of Secondary School Calculator is a tool that helps you work out how much you need to save to cover the costs of putting children through secondary school.	Use our Cost of College Education Calculator to work out the estimated costs of sending your children to college and to see how much you might need to save each month to meet these college costs.	You can use our Cost of Education Benchmarking Tool to see how education costs compare and pinpoint where savings could be made.	Our Financial Health Check tool is a quick and easy review of your personal finances. At the end, we'll provide you with helpful tips, ideas and steps you can take to improve your financial wellbeing.
Cost of Secondary School Calculator	Cost of College Education Calculator	Benchmark Tool	Financial Health Check

Financial planning for the future

For parents with children in education – whether that’s primary, secondary or third level – finding the money each year for school and college terms can put a strain on their finances. When researched, 48% of primary parents see the cost of education as a financial burden, 65% of secondary school parents say the same, as do 81% of third level parents.

To alleviate some of these financial burdens, parents are constantly looking at ways to reduce their children’s school and college costs. However, there are many expenses that are unavoidable.

Thankfully, 50% have family savings in place and helping to cover education costs is still the top savings priority for parents. It is encouraging to see the rise in the number of families intending to start saving to plan for the future. In terms of saving for your child’s education, planning ahead and opening a savings account when children are young will help you to manage education costs before they become a significant financial burden.

This table illustrates the top methods of payments parents are using to fund the cost of their children’s education and compares these over the last four years*:

	Primary				Secondary				Third level			
	2024	2023	2022	2021	2024	2023	2022	2021	2024	2023	2022	2021
General income	84%	60%	78%	76%	86%	66%	56%	59%	62%	55%	60%	46%
Savings	31%	41%	26%	34%	30%	36%	38%	37%	47%	40%	46%	55%
Back to school allowance	8%	27%	18%	10%	15%	20%	21%	18%	4%	11%	5%	3%
Bank loan	1%	13%	5%	1%	4%	13%	10%	7%	9%	7%	18%	7%
Credit Card	10%	11%	15%	16%	11%	14%	25%	14%	13%	15%	9%	11%

*This question was a multiple select question, therefore respondents could choose more than one method of payment to fund the cost of their children’s education.

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. Our Cost of Education research clearly shows the expenses associated with primary, secondary and third level education in Ireland.

We have also provided lots of insights into how parents are finding ways to reduce the financial burden and how they are saving for their children’s educational needs.

Hopefully this report into the cost of education in Ireland has been useful and you are more equipped to plan financially for your children’s education.

Warning: The value of your investment may go down as well as up.

Warning: If you invest in this product you may lose some or all of the money you invest.

Warning: These figures are estimates only. They are not a reliable guide to the future performance of your investment.

Warning: This product may be affected by changes in currency exchange rates.

Warning: Past performance is not a reliable guide to future performance

Sources:

1. Zurich Cost of Education Survey 2024 conducted by iReach Insights.
2. Gov.ie: [Primary schoolbooks scheme](#)
3. Citizens Information: [Child benefit](#)

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Zurich Life Assurance plc is regulated by the Central Bank of Ireland.

The information contained herein is based on Zurich Life’s understanding of current Revenue practice as at August 2014 and may change in the future.

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