

January 2009

Families Prepared To Go Without To Educate

Summary of survey findings:

- Ninety-nine per cent of people with children or grandchildren under 10 considered education to be important (88 per cent very important) in preparing their child or grandchild for life, a similar level to the previous survey period (98 per cent).
- Fifty-six per cent of people with children or grandchildren under 10 feel financially prepared to meet the costs of educating their children, significantly fewer than the 61 per cent previously recorded.
- Thirty-four per cent of people with children or grandchildren under 10 consider that the current global economic climate is affecting them from being prepared to meet the costs of educating their children, while 57 per cent were not being affected and 9 per cent were uncertain.
- Thirty-five per cent of people with children or grandchildren under 10 had financial arrangements in place to save for the cost of future education, slightly above the 33 per cent previously recorded.
- The type of financial arrangements people had in place to save for the cost of their children's future education included: a separate bank account (16 per cent), education savings plan (9 per cent), investment portfolio (8 per cent) and investment property (5 per cent).
- The lifestyle changes most people would be prepared to make in order to meet their children's future education expenses included: going without luxuries (49 per cent), cutting back on everyday expenses (45 per cent), having a weekly savings plan (42 per cent) and going without a holiday (41 per cent).

Survey notes:

The Australian Scholarships Group commissioned Nexus Research to undertake a telephone survey of 1201 Australians aged 18 years and over representative of the population in the five main capital cities of Australia. The figures were then weighted to represent 9634 thousand people. Twenty-three per cent of the sample had a child under 10 years of age and 15 per cent had a grandchild under 10 years of age, indicating 38 per cent of the population, or 3.7 million people. The survey was undertaken in November 2008 and the results compared to a previous survey undertaken in November 2007.

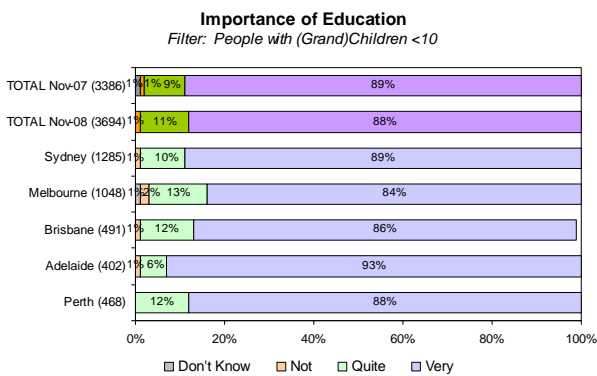
Importance of Education

The following questions were asked of people with a child or grandchild under 10 years of age, 491 people in total weighted to a population sample of almost 3.7 million.

Ninety-nine per cent of people considered education to be important (88 per cent very important) in preparing their child or grandchild for life, similar levels to November 2007; with highest levels of very important scores recorded in Adelaide (93 per cent) and Sydney (89 per cent) this survey.

Three per cent or fewer people in each state considered education not to be important or they were undecided.

Question: How important is education in preparing your child or grandchild for life?

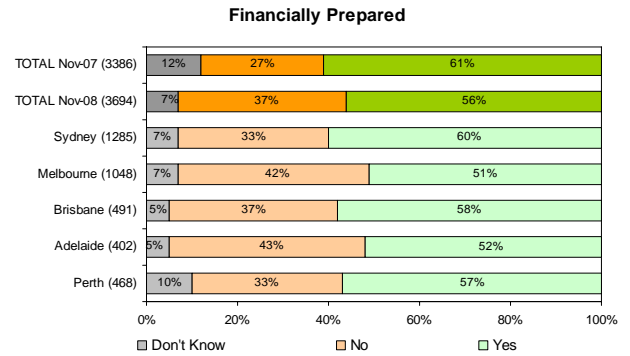


Financially Prepared

Fifty-six per cent of respondents with children or grandchildren under 10 feel financially prepared to meet the costs of educating their child or grandchild, significantly below the 61 per cent recorded in November 2007. This survey 37 per cent were not prepared to meet the costs and 7 per cent were uncertain.

This result did not differ significantly amongst the states, with highest preparation in meeting the costs of education recorded in Sydney (60 per cent) and lowest in Melbourne (51 per cent) and Adelaide (52 per cent).

Question: Do you feel financially prepared to meet the costs of educating your child/grandchild?

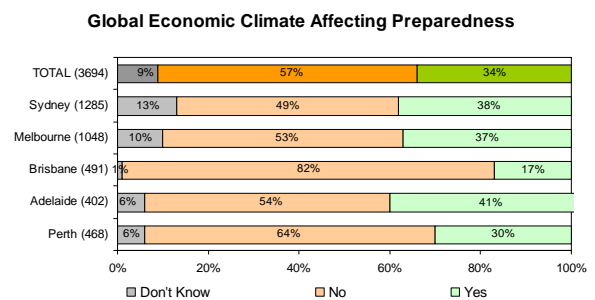


Effect of Global Economic Climate on Preparedness

Thirty-four per cent of respondents with children or grandchildren under 10 consider that the current global economic climate is affecting them from being prepared to meet the costs of educating their child or grandchild, while 57 per cent were not being affected and 9 per cent were uncertain.

This result was somewhat higher in Adelaide, where 41 per cent of respondents considered the current economic global climate was affecting them from being prepared to meet the costs and somewhat lower in Brisbane (17 per cent).

Question: Is the current global economic climate affecting you from being prepared to meet the costs of educating your child or grandchild?

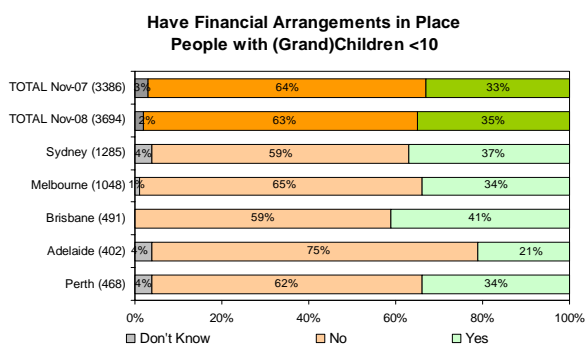


Arrangements in Place

Thirty-five per cent of the respondents with a child or grandchild under 10 had financial arrangements in place to save for the cost of the child’s future education, slightly above the 33 per cent recorded in November 2007.

Somewhat more people in Brisbane (41 per cent) and fewer in Adelaide (21 per cent) had financial arrangements in place this survey.

Question: Do you have any financial arrangements in place to save for the cost of future education?



Question: Which of the following lifestyle changes would you be prepared to make in order to meet your child’s or grandchild’s education expenses?

Action	This Survey	Previous Survey
• Going without luxuries	49%	42%
• Cutting back on everyday expenses	45%	35%
• A weekly savings plan	42%	39%
• Going without a holiday	41%	34%
• Take on extra work	33%	26%
• Return to the workforce	31%	26%
• Take out a loan	16%	11%
• Move house	15%	12%
• None	24%	23%

Survey sample and methodology information can be found on the next page.

Lifestyle Changes

When asked which of a list of lifestyle changes they would be prepared to make in order to meet their child’s/grandchild’s education expenses, almost half of the sample mentioned going without luxuries; while more than 40 per cent mentioned cutting back on everyday expenses, having a weekly savings plan and going without a holiday.

All lifestyle changes had increased when compared with the previous survey period, particularly cutting back on everyday expenses.

Survey Sample and Methodology

The research involved interviews with 1,201 people aged 18 years and over representative of the population in the five main capital cities of Australia.

- 1,201 telephone interviews were conducted during November 2008 with people aged 18 years and over representative of the population in the five main capital cities of Australia. The figures were then weighted to represent 9,634 thousand people.
- Twenty-three per cent of the sample had a child under 10 years of age and 15 per cent had a grandchild under 10 years of age, indicating 38 per cent of the population, or 3.7 million people in the ASG target audience this survey.
- The sample was then weighted to accurately represent the population in each capital city as follows:

Research Sample

	Sample	Population 000's
Sydney	300	3,295
Melbourne	301	2,901
Brisbane	200	1,379
Adelaide	200	898
Perth	200	1,163
	1,201	9,634

For more information:

The Australian Scholarships Group (ASG) helps people prepare for the costs of their children's education. For more information about supporting children's education, please contact ASG by phone on (03) 9276 7777 or visit the website: www.asg.com.au

Child in the Target Group

Twenty-three per cent of the sample currently had a child under 10 years of age, while 15 per cent had a grandchild under 10 years of age and 62 per cent of the sample were not in the appropriate ASG target audience. As the percentages add over 100 per cent in a few states some respondents have both a child and a grandchild aged under 10.

The results in each capital city of Australia did not differ significantly from the total population sample, with highest incidence of children and/or grandchildren under 10 in Adelaide (45 per cent) and the lowest incidence in Melbourne and Brisbane (both 36 per cent).

With 38 per cent of the sample having a child or grandchild under 10 years of age, this equates to 3.7 million people

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