

Credit Unions Press Release:

BACK TO SCHOOL COSTS 2016

Credit Unions say "Avoid Moneylenders, Shop Around, Plan a Budget".

(13th July 2016) School may have only just broken up for the summer but already many retail outlets are fully stocked with 'back to school' materials. Many parents of school going children are already looking ahead to the back to school shopping season and the challenges it brings for family finances. The cost of school going children to parents is a significant financial burden and can put pressure on other areas of the family budget.

The Irish League of Credit Unions has once again taken a look at just what the costs for both primary and secondary school children are and reminds parents to avoid moneylenders, shop around for best value and to plan a budget and stick to it where possible.

Average spend on School Related Costs

In the 2016 survey, parents stated that they believe extra-curricular activities (average €189 for primary and €180 for secondary) are the biggest expense during the school year. This is the first time since 2012 that this category has come in top of the list, ahead of uniforms / school clothing.

School uniform costs come in second and remain high at (€145 for primary and €234 for secondary) followed by school books (€94 for primary and €214 for secondary)

Implications of Back to School Costs

67% (down from 72% in 2015) of all parents admitted that back to school costs will negatively impact household bills and family plans. 67% (vs 70% in 2015) of parents will have to sacrifice a family holiday or children's summer camps this year to cover the cost of sending their children back to school. Back to school expenses will also have a negative impact on 26% (down from 29% in 2015) of household bill payments. Additionally 13% will have to sacrifice spending on food to meet back to school expenses.

School Contributions

79% of parents in 2016 (up from 73% in 2015) are expected to make a contribution amounting on average €118 per child in 2016 (increase from €118 in 2015). Secondary schools are more likely to request voluntary contributions (81%) than primary schools (78%). Parents of secondary school children are required to pay higher contributions of €149 than parents of primary school children €86. Voluntary contributions across the board (primary & secondary) are up on 2015 figures.

Shopping for Better Value

60% are now shopping online for back to school items for their children (this represents a significant increase from 47% in 2015). Saving money (60%) and accessing better deals (57%) as well as convenience (54%) continue to be the main reasons why parents are shopping online.

School Uniforms

Dunnes Stores (21%) continues to be considered the best value retailer for school uniforms and clothing by parents. Dunnes is followed closely by Marks and Spencer (19%) and Tesco (15%). 31% of parents feel

pressurised to buy branded school supplies over cheaper generic goods (this is down from 42% in 2015) Secondary school parents feel this pressure more than their primary counterparts.

School Support to Parents

75% of parents believe that Irish schools do not support parents enough in keeping costs down, this is up marginally from 74% in 2015. These negative attitudes are more pronounced in parents of secondary school children (83%) where the costs are more.

Technical Advancements in the Classroom

1 in 4 school going children have access to e-books in their classroom (highest presence is among secondary school children - 31%) 15% of parents have bought a tablet / laptop for their children to use in school (highest presence amongst parents of secondary school children - 25%)

Over half of parents (52%) express a preference for laptops / e-book readers as part of the in-class educational experience (down from 67% in 2015). This is more pronounced in parents of secondary school children. 47% of parents agreed that using laptops would be much more cost effective. When it comes to building / facilities, three quarters of all parents are happy with the overall quality provided.

Commenting on the publication of the results, Ed Farrell, CEO ILCU said: "Covering the considerable costs of school has become very challenging for many families arounds the country. 80% of parents feel that the cost of sending their children back to school is a significant financial burden with 67% stating that these costs have a negative impact on household bill payments and family plans. While it can be tedious, we would urge parents to shop around for the best value deals. Many of the major retailers will offer fantastic deals on uniforms and school supplies.

He added: " A significantly larger number of parents have said that they will do their back to school shopping online in order to cut costs. Remember to check what you have left over from last year and also check with parents of older children who may have uniform items or books that they no longer need that may be usual to you. Make a list of everything you need, set a budget and stick to it. Most importantly avoid using moneylenders. If you are considering a loan, make sure to visit your local credit union to see what is available to you."

About the Research

The survey was conducted by Market Research Company iReach during the period June 2016 using iReach Consumer Decisions Research Panel which delivered 1,000 responses from adults in Ireland aged 18+ to 65+ and is nationally representative by Age, region, Gender and Social Class. This research has a confidence level of 95% and confidence interval of 4%.