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UNIVERSITY STUDENTS IN HONG KONG TAKE UP PART-TIME JOBS TO KEEP UP WITH COSTS AND ENHANCE JOB PROSPECTS

Parents make personal and financial sacrifices to pay for their children's HKD402, 533 university education

Over nine in ten (92%) university students working in paid employment while studying

Over a quarter (27%) of parents wish they had taught their child more about managing money

Parents in Hong Kong are taking on extra work, sacrificing holidays and turning to loans to pay for all aspects of their children's university education. At the same time, students are taking up paid employment while studying to earn extra money and enhance their employability, HSBC's The Value of Education - The Price of Success report reveals.

According to HSBC's study, parents in Hong Kong contribute an average of HKD402, 533 to their children's tertiary education, the highest across the globe. Four out of five parents (85%) surveyed in Hong Kong say they rely on their day to day income to support their child's university education, as opposed to savings or borrowings. Only 18% of Hong Kong parents surveyed are funding their child's education from a specific education saving or investment account and 18% say they have taken on debt to put their kids through university.

In the face of financial pressure, many parents are making personal sacrifices to support their children during their studies. More than half (56%) say they are taking fewer holidays, and 43% say they are spending less on leisure activities such as eating out at restaurants and trips to the cinema, while 27% have forfeited me-time and 23% have taken on extra hours at work and/or a second job.

When it comes to how university students spend their money, those surveyed generally estimate they spend HKD144,984 on tuition fees, and HKD73,006 on lifestyle costs, including eating out, clothes/make-up, holidays, and entertainment (i.e. cinema, bars, gaming), over the course of a degree, apart from other living cost.

Student working rates around the world

- 1) **UAE** – 98%
- 2) **Mainland China** – 94%
- 3) **Hong Kong** – 92%
- 4) **Mexico** – 92%
- 5) **Malaysia** – 89%
- 6) **Australia** – 89%
- 7) **USA** – 85%
- 8) **Turkey** – 81%
- 9) **Indonesia** – 80%
- 10) **UK** – 79%
- 11) **Taiwan** – 79%
- 12) **India** – 74%
- 13) **Singapore** – 74%
- 14) **Canada** – 72%
- 15) **France** – 69%

Global average: 83%

While student expenditure might be high, many are taking on extra-curricular jobs for further financial support, with more than 4 in 5 (83%) students globally relying on paid employment to cover their costs. In Hong Kong, almost all students (92%) take up part-time job while studying. For the majority (61%) this is to earn extra income, ranked at number four across 15 markets surveyed. Fifty-one per cent of surveyed students in Hong Kong said they are working to gain experience that will improve their future job prospects compared to 43% globally. Volunteering is also popular among the current generation of students, with 62% of students in Hong Kong undertaking unpaid voluntary work, on par with the global average (64%).

Greg Hingston, HSBC's Head of Retail Banking and Wealth Management, Hong Kong, said:
"University is a major investment and an expensive time for both parents and students. Proactive planning

and upfront conversations could ensure better financial outcomes for parents and students

alike. It's clear from our research that many parents regret not thinking ahead when it comes to funding their children's education, with almost half wishing they had started saving earlier. Professional advice from a trusted advisor can help parents have a realistic understanding of education cost and make sound financial plans that enable children to fulfil their potential and avoid pressures on family finances."

According to the survey, almost half of the parents (48%) in Hong Kong wish they had started saving earlier for costs associated with their child's university education. One-third of these parents (31%) worry they will not have the financial resources to support their child's education comparing to 48% globally, and 27% who are contributing do not know how much they or others are spending on tertiary education. In addition, over a quarter of respondents (27%) in Hong Kong admit wishing they had taught their child more about managing money. Globally, almost one fifth (17%) of the parents surveyed said they should have talked to their child earlier about finances.

"For many young adults, university marks the beginning of greater financial independence, making it a practical time for parents to sit down and have an honest discussion about how to manage their money. Instilling good financial habits by taking advantage of the budgeting tools and calculators available online, can help the children to better plan and manage the costs of student life." added Hingston.

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The research

The Value of Education is an independent consumer research study into global education trends, commissioned by HSBC. It provides authoritative insights into parents' and students' attitudes and behaviour towards education around the world.

The findings are from the fifth survey in the series which represents the views of 10,478 parents and 1,507 students in 15 countries and territories: Australia, Canada, Mainland China, France, Hong Kong, India, Indonesia, Malaysia, Mexico, Singapore, Taiwan, Turkey, United Arab Emirates, United Kingdom, United States.

The research is based on a sample of parents with at least one child aged 23 or younger currently (or soon to be) in education, and on a sample of students aged 18 to 34 in university undergraduate and postgraduate education, drawn from nationally representative online panels in each country and territory. The Hong Kong findings represents the views of 500 parents and 100 students in Hong Kong.

Note to editors:

The Hong Kong and Shanghai Banking Corporation Limited

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