



The Value of Education

Springboard for success

Hong Kong Report

HSBC 

Key findings



When presented with different options for supporting their child financially in life, parents would ideally allocate 45% of their funds to education, much more than for anything else. The next most important priorities are long-term investment funds (13%) and a deposit for a house (12%).



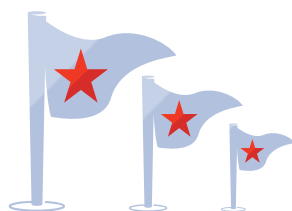
For three in five (60%) parents, making decisions about their child's education is a daunting prospect. Yet, most have high expectations with 89% hoping their child will go to university.



More than two in five (43%) believe that paying for a child's education is the best investment you can make. However, a similar proportion (44%) wish they had begun saving and planning earlier for their child's education.



The majority (85%) of those who have a child in paid-for education fund it themselves, predominately through savings (67%), current income (65%) and investments (44%).



More than two in five (42%) believe that the quality of education in Hong Kong is not as good as the best education available in other countries. The UK is seen as offering the best quality education; three-quarters (75%) rank it in their top three, followed by Australia (56%), the USA (52%) and Canada (33%).



Almost nine in 10 (86%) parents would consider sending their child abroad for a better university education.

Changing expectations

What parents want from their children's education evolves as their children grow up

During primary school, parents believe a good education should instil self-discipline (62%) and confidence (48%), and provide access to extra-curricular activities (39%).

At secondary school, parents' priorities change. Analytical thinking and problem-solving skills are the most important to parents (46% each), followed by skills in the core subjects (41%) and foreign language skills (40%).

When it comes to a good university education, expectations change again. There is more emphasis on developing the skills and knowledge needed for success in later life. More than two in five (43%) parents think university should provide students with the ability to compete in the workplace, while 40% believe it should help to develop social/networking skills. Vocational/professional training is also important (36%).

Income differences

Almost half (47%) of parents with higher household incomes (above HKD\$50,000 per month) are more likely to see access to extra-curricular activities as important at primary school compared with just over a quarter (28%) of parents with lower household incomes (below HKD\$25,000 per month).

Gaining independence at primary school is more important for parents with lower household incomes (37%) compared with those parents with higher household incomes (22%).

Mothers and fathers

At secondary school, mothers have different expectations to fathers. Over half (51%) of mothers rate problem solving skills as important at this stage of education, compared with less than two in five (38%) fathers.

At university one in five (20%) fathers consider self-discipline to be important compared with just 11% of mothers.

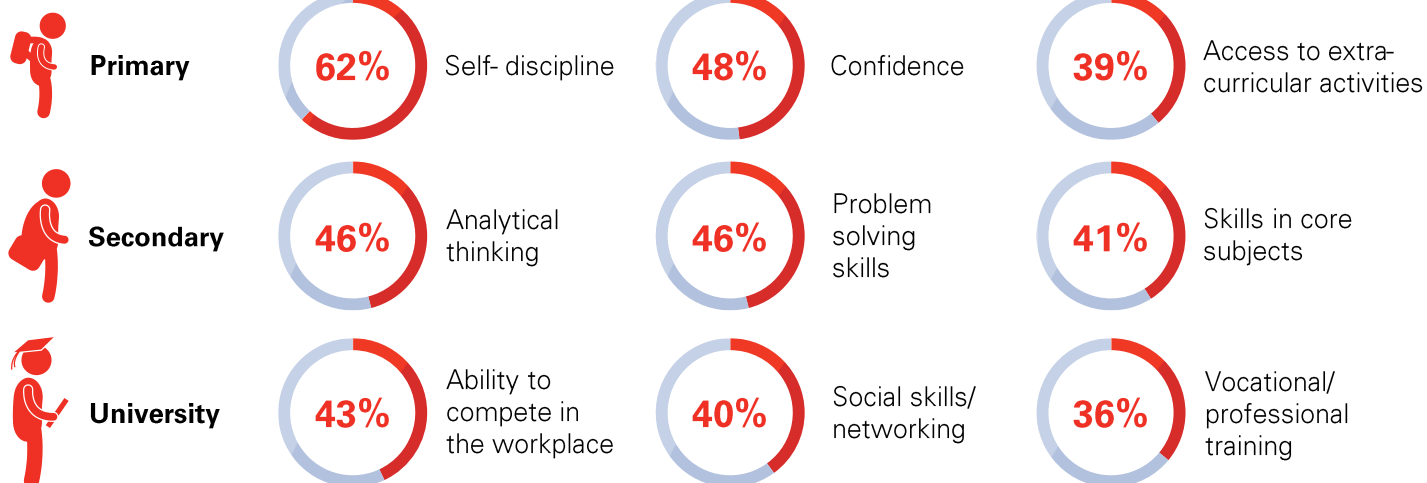


43%

of parents think a good university education should provide students with the ability to compete in the workplace



The top three things a good education needs to provide at each stage



Q: Which of the following do you think a good education needs to deliver at each stage? (Base: All parents)



50%

of parents believe the key benefit to a private education is access to better facilities

Public or private education?

Opinions are divided when it comes to private education

Almost a third (32%) of parents believe that public schools are just as good as private schools, while just over a quarter (26%) believe that private schools are better.

More than two in five (43%) believe that paying for a child's education is the best investment you can make. This rises to half (50%) of parents with higher household compared with just over a third (34%) of parents with lower household incomes.

To pay or not to pay

Parents are more open to funding private education for later education stages. While 16% of parents would consider private education for primary school, this rises to just over a quarter (27%) by the time children reach secondary school.

Parents with higher household incomes are more likely to consider funding private education for both primary and

secondary school (23% and

35%), compared with parents with lower household incomes (4% and 13%).

Benefits and drawbacks to private education

Parents see the benefits of a private education. The most mentioned benefit, stated by half (50%) of parents, are better facilities and more equipment. This is followed by providing more enjoyable school days (31%).

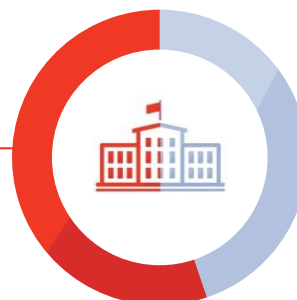
benefits of private education they also acknowledge that there are drawbacks.

The main drawbacks to private school are that they are not worth the money and are too elitist (both 49%).

Private schools creating an unhealthy pressure to succeed is an additional concern (41%), as is a negative stigma attached to private education (40%).

Public schools provide an education that is as good as a paid-for education

32%
Agree



26%
Disagree

Q: To what extent do you agree or disagree with the following statement
(Base: All parents)

Although many parents see the



77%

of parents rank foreign language skills as the biggest benefits of an education abroad

Education here or abroad?

Appetite for university education abroad to pursue foreign language skills and independence

More than two in five (42%) parents believe Hong Kong has a better quality education system than the best available abroad. However, a quarter (25%) feel the quality of education is better in other countries.

The UK is seen as offering the best quality education. Three-quarters (75%) of parents rank it in their top three globally, followed by Australia (56%), the USA (52%) and Canada (33%).

When to go?

There is little appetite to send children abroad to study when they are very young. Less than one in 10 parents (8%) would consider sending their child abroad for a better primary school education, while they are much more open to sending their child abroad for secondary school (46%). By university, 86% of parents would consider sending their child abroad to study.

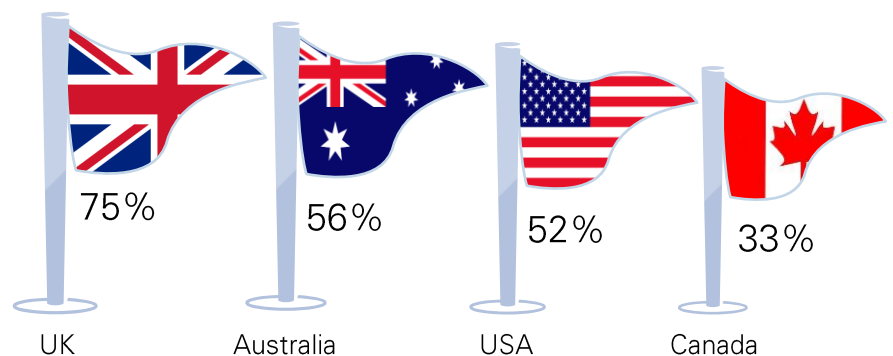
Foreign language skills and independence are key

Foreign language skills (77%) and independence (69%) are the most highly ranked benefits of an education abroad. Openings to opportunities (46%), breadth of experience (41%), international work experience (40%) and understanding different cultures

(40%) are also important to parents.

Parents with higher household incomes are more likely to see education abroad as providing openings to opportunities in life (56%) compared with parents with lower household incomes (39%).

Countries perceived to offer the highest quality education



Q: Which countries would you say offer the highest quality of education?
A: Countries ranked either 1, 2 or 3. (Base: All parents)

High expectations, tough decisions

Parents are united in wanting a university education for their children. Planning for this starts early, but not early enough for some

Almost nine in 10 (89%) parents aspire for their child to go to university, and just under one in five (19%) would like their child to study at a postgraduate level.

Parents with a postgraduate degree themselves are more likely (37%) to expect their children to study for a postgraduate degree than those with an undergraduate degree or no degree (12%).

Parents with higher household incomes are also more likely to want their child to study to postgraduate level than those with lower household incomes (28% compared with 9%).

While most parents have high expectations, three in five (60%) find making decisions about education daunting. Parents who would consider sending their child to private school for primary or secondary, find decision-making even more daunting (71%, 72% respectively) than those who would not consider it (54%).

A good investment

When presented with different options for supporting their child financially in life, parents would ideally allocate 45% of their funds to education, much more than for anything else. The next most important priorities are long-term investment funds (13%) and a deposit for a house (12%).

Despite this, more than two in five parents (44%) wish they had begun saving and planning earlier for their children's education.

How to pay?

Amongst those parents who currently have a child in paid-for education, more than four in five (85%) fund it themselves, either fully or partially. Scholarships (21%), children helping to fund their own education (16%) and help from an employer (15%) are less common sources.

Parents who fund private education themselves draw primarily on their savings (67%), current income (65%) and investments (44%). Specific education plans are less common (23%).

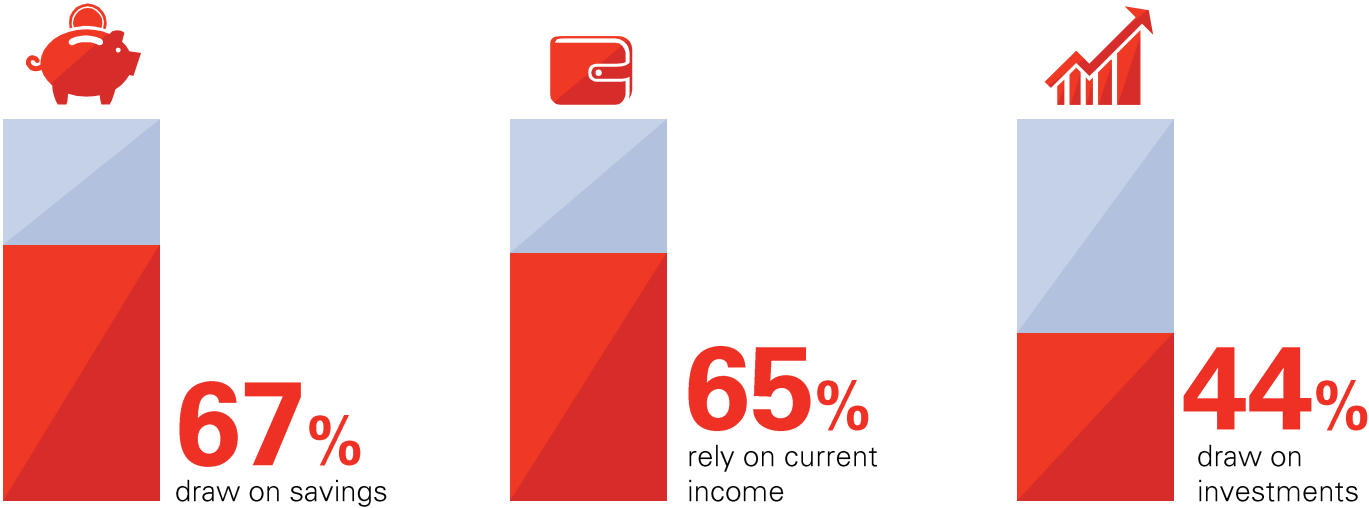


28%

of parents with higher household incomes want their children to study to postgraduate level compared with 9% of parents with lower household incomes



Parents are most likely to rely on savings to fund their child’s paid-for education



Q: How do you/your partner currently fund your child’s paid-for education?
(Base: Parents who pay for education at any stage and fund it themselves)

Part 5: Practical steps for planning your child's education

Based on the research findings, here are some important insights and practical actions for parents to consider when planning for their child's education.

1 Start saving early

44% of parents wish they had started saving for their child's education earlier. It is never too early to start planning for the future.

2 Know what is available

60% of parents find making decisions about their child's education daunting. Parents should ensure that they have enough information to make informed choices, and the funds to support the path they want their children to take.

3 Evaluate the options

31% of parents would consider private primary or secondary school for their child. The majority (86%) would consider university abroad and almost nine in 10 (89%) would like their child to go to university. It is a good idea to think ahead and research all of the options for you and your family.



