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UK THE FOURTH MOST EXPENSIVE COUNTRY TO STUDY IN FOR ENGLISH STUDENTS IN 2012/13

** English-speaking countries are most costly **

The UK is the fourth most expensive country for English¹ university students to study in, according to a report by HSBC which looks into further education costs around the world.

The research found that for English students, the UK falls only marginally behind Australia, USA and Canada in expense despite the additional cost of flights to these countries. Germany is the least expensive country, with one year of student living in the UK almost four times (3.7) higher than the cost of a year there.²

The average cost of tuition, living and accommodation for English students in the UK is £15,586 for this academic year (2012-13). The UK has drawn almost level with Canada in third place, as the introduction of the raised cap on tuition fees has seen its education costs rise 56%. Canada's average combined cost this year including flights is £15,671 – less than £100 higher than the UK total, despite two return flights a year to Canada from the UK costing around £1,200.

James Yerkess, HSBC Head of FX, said: “Our UK-based International Banking Centre has been increasingly dealing with requests for assistance from parents whose children are heading overseas to study.

“While many people have focussed on English speaking destinations, our research shows that these are among the most expensive places for English students to study. With studying costs in Europe falling, the continent should be given serious consideration. Many universities offer courses taught in English, and the benefits of speaking another language may add to students' employability after graduation.

“Given students' higher than average total of regular payments – for monthly accommodation charges, books, and travel expenses – they are well placed to take full advantage of favourable exchange rates and the much lower cost of studying abroad.”

Favourable Exchange Rates Mean Prices Fall in Europe

For English students seeking more affordable education, Europe is a favourable option, with costs falling by 3.6% over the past year due to positive exchange rates and low inflation for both Eurozone and non-Eurozone countries. English students studying in the Eurozone stand to benefit significantly from this when paying for accommodation, transport and any education fees.

Germany is the least expensive student destination for English students; with education over the past three years costing just £12,893. At current prices funding an entire degree in Germany costs less than a single year in a British university for English students. Germany also has the lowest living costs and has seen the biggest fall in overall cost this year of 5.47% thanks to favourable exchange rates and low inflation.

Percentage Change between Yearly Costs for English Students – 2009-10 to 2010-11 and 2010-11 to 2011-2012

2010-11 % Change		2011-12 % Change	
Australia	9.56%	UK	56.23%
Norway	8.62%	USA	4.56%
Finland	7.22%	Canada	3.41%
Sweden	6.56%	Australia	2.42%
Denmark	6.52%	Sweden	1.95%
Netherlands	5.96%	Norway	-1.77%
France	5.56%	Finland	-4.84%
Germany	5.34%	Netherlands	-4.90%
Canada	4.64%	France	-4.99%
UK	3.70%	Denmark	-5.04%
USA	2.80%	Germany	-5.47%

Other European countries have experienced similar decreases, due to a fall of more than 7% in the value of the Euro, Danish Krone and Finnish Markka against the pound. The cost of studying in Denmark fell by 5.04% for English students in the past year. Similarly there was a 4.99% reduction in France.

Australia is the most expensive study destination. As well as the cost of flights for English students, exchange rates have added to costs here, with a 7% rise in the value of the Australian dollar against the pound.³ Students in Australia also have the most expensive living costs, which, at £8,201 in 2012-13 are almost £2,000 higher than any other destination giving Australia a total cost of £19,986.

Most Expensive Study Destinations for a Three Year degree 2010-11 to 2012-13 and 2012-13 Costs

Country	2010-2012	Country	2012
Australia	£57,311.13	Australia	£19,986.31
USA	£56,607.74	USA	£19,609.97
Canada	£45,306.13	Canada	£15,670.79
UK	£29,993.99	UK	£15,586.95
Netherlands	£21,355.69	Netherlands	£7,015.74
Denmark	£20,863.97	Sweden	£6,938.50

Sweden	£20,131.39	Denmark	£6,859.14
Norway	£17,965.83	Norway	£6,079.35
Finland	£17,477.05	Finland	£5,766.03
France	£16,206.00	France	£5,314.19
Germany	£12,892.61	Germany	£4,210.30

However, US costs rival those in Australia, with this year's total at £19,610. Inflation in tuition fees is around 8% as a result of US cuts to state budgets creating restrictions on study fee subsidies. In addition university courses are typically 4 years in the US, meaning students undertake an extra year of expenditure, further increasing the cost of studying stateside.

Paying for Children's Studies

According to separate research from HSBC⁴, a third of British parents are planning to foot the majority of their child's university bill and 10% are having to take on a second job to be able to afford British university fees. More than half said they plan to save more to meet these costs, and for UK university costs, these parents would have to save more than £3,000 per year from when their child was born. However, for German education costs, this figure falls to just over £700 per year.

If you're planning to study overseas, useful hints, tips and advice on moving abroad and opening an account, as well as the best way to transfer money to family members is available at - <http://financialplanning.hsbc.co.uk/events/moving-abroad>

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Notes to editors

Methodology and full sources available on request

References:

¹ Scotland, Wales and Northern Ireland have subsidised fees for home students but charge up to £9,000 for English students to study at their universities.

²The cost of living and studying were sourced from the Higher Education Strategy Associates (HESA) 'Global Higher Education Rankings 2010' Report, and education inflation from the HESA '2011 Year in Review' Report.

³Exchange rates supplied by HSBC at 2pm on 14th September

⁴HSBC Saving for Students (June 2012)

Further hints, tips and advice on moving abroad and opening accounts is available at <http://financialplanning.hsbc.co.uk/events/moving-abroad>

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