



YOUNG PEOPLE WANT TO LEARN MORE ABOUT MONEY: NEW REPORT

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Young Australians recognise that small steps can make all the difference when it comes to handling money and are keen to learn more, according to a recent report by the Australian Government's Financial Literacy Foundation.

Financial literacy: Australians understanding money is a study of financial literacy attitudes and behaviours of 7,500 Australians, including 553 young people aged 12 to 17. Despite their lack of financial experience, the majority of young people (70 to 90 per cent) were interested in improving their knowledge across a range of money issues including budgeting, saving and managing debt.

"It's really encouraging that young people recognise the importance of learning how to manage their money well," said Paul Clitheroe, Chairman of the Financial Literacy Foundation's Advisory Board.

84 per cent of young Australians think it's important to learn more about budgeting, compared with 57 per cent of adults.

"Managing money is a life long skill and takes time to develop. But we can all become better and more confident by practicing a few simple habits on a regular basis," he said.

Other key findings of the report include:

- Seventy two per cent of young people agreed that saving a small amount regularly from a young age is the most effective savings strategy, but only half reported that they save regularly.
- Around 65 per cent of young people said they have the ability and understanding to invest, but only 13 per cent would consider both risk and return before making an investment decision.

The survey also found strong support amongst young people for financial literacy education in schools. Approximately half of the young people surveyed believed 'during school days' or 'when finishing high school' was the ideal time to begin planning their finances.

"And it's positive that young Australians recognise the importance of learning about money from an early age. From 2008, all Australian school children will benefit from efforts to include financial literacy education in the curriculum for core subjects during the compulsory years of schooling."

"If we're going to achieve lasting improvements in the financial literacy of all Australians, then we need to start with our children and give them the chance to establish good money habits that will last them a lifetime," said Mr Clitheroe.

About the *Financial literacy: Australians understanding money* report

The report provides a view of Australians' self-assessed ability, understanding, attitudes and behaviour in regard to using and managing money, and covers a full range of money management issues from budgeting and saving to investing and protecting money. For more information on the report please visit www.understandingmoney.gov.au/report.