



# Financial education for youth and in schools

---

**OECD/INFE POLICY GUIDANCE,  
CHALLENGES AND CASE STUDIES**



**FINANCIAL EDUCATION FOR YOUTH AND IN SCHOOLS:  
OECD/INFE POLICY GUIDANCE, CHALLENGES AND CASE STUDIES**



## FOREWORD

The post-crisis world has notably evidenced the needs for new individual skills, including financial literacy. Younger generations will face increasing financial risks, will be confronted with more sophisticated financial products than did previous generations and they are now given access to financial services and products at an ever younger age. However, these developments do not appear to be matched by an equivalent increase in their financial skills. Evidence from national and OECD/INFE surveys shows that younger generations have lower levels of financial literacy compared with those of their parents, leading to potential new vulnerabilities. This mismatch potentially has important implications for example in terms of responsible use of credit, adequacy of saving for retirement or even social and financial inclusion of future generations.

Back in 2002, recognising the negative consequences of a lack of financial literacy, the OECD established a comprehensive project on financial education, under the aegis of the Committee on Financial Markets and the Insurance and Private Pensions Committee. In 2008, the OECD International Network on Financial Education (INFE) was created to outreach beyond the OECD Member countries and strengthen information sharing, collect evidence, develop analytical work and related policy instruments. The OECD/INFE currently comprises more than 220 public institutions in 107 countries.

With the support of the Russia/WB/OECD Trust Fund for Financial Literacy and Education, the OECD has led the development and worldwide dissemination of the following three main types of products and tools:

- Broad and detailed reviews and inventories of effective financial education activities and policies worldwide, thanks to the wide membership and involvement of the OECD/INFE.
- Policy, analytical and comparative reports and research highlighting good practices and detailed case studies on financial education and literacy across member countries.
- Criteria, standards, principles and guidelines as well as practical tools to facilitate and improve strategic financial education efforts

In the framework of the Russia/WB/OECD Trust Fund for Financial Literacy and Education the OECD and its INFE have focused on financial education for youth and in schools. The first OECD Recommendation on Principles and Good Practices for Financial Education and Awareness in 2005 already acknowledged that “financial education should start at school. People should be educated about financial matters as early as possible in their lives”. In the aftermath of the global financial crisis, financial literacy has gained further international recognition as a critical life skill for individuals. In this respect, the tailored national strategies for financial education, which are developed in an increasing number of countries, almost systematically highlight the importance of financial education for youth and its introduction through schools.

Indeed, surveys conducted through 2008-2011 show that at least twenty-one countries have implemented financial education programmes in schools. The surveys also point to the major challenges policy makers and interested stakeholders and practitioners face when they seek to introduce financial education in schools from crowded curricula to the reluctance of educators and teachers and the lack of sustainable resources.

This publication aims at addressing these challenges by providing interested policy makers and stakeholders with international guidance, a set of complementary case studies of efficient practices in countries with diverse circumstances and education systems and a comparison of existing learning frameworks on financial education.

Furthermore, the findings from this publication have been instrumental in the design of a financial literacy assessment framework for the first ever financial literacy option in the OECD Programme for International Student Assessment (PISA) in 2012. The results of the PISA assessment will, in turn, provide policy makers with essential empirical evidence on the levels of financial literacy in schools, which can be used to modify and expand existing practices as well as raise awareness of the importance of financial education in schools among all stakeholders.

## ACKNOWLEDGMENTS

*Financial education in schools and for youth: OECD/INFE policy guidance challenges and case studies* is the result of a collaborative effort on the part of the OECD Secretariat and delegates to the OECD International Network on Financial Education (INFE). OECD/INFE delegates, and their counterparts within national administrations, helped in co-drafting substantial parts of the different chapters and provided important inputs into the drafting of the Guidelines on Financial Education in Schools. Though INFE delegates are too numerous to mention by name, their contribution to this book is gratefully acknowledged.

The OECD would like to acknowledge in particular the contribution of the members of the INFE Expert Subgroup on Financial Education in Schools: Ms. Sue Lewis (Subgroup Leader), HM Treasury United Kingdom, Ms. Delia Rickard, Australian Securities and Investments Commission, Ms. Jane Rooney, Financial Consumer Agency of Canada, Ms. Ryouko Okazaki, Bank of Japan, Ms. Koid Swee Lian, Central Bank of Malaysia, Ms. Wilna Van Rossum, Dutch Ministry of Finance, Ms. Diana Crossan, Financial Literacy and Retirement Income Commission of New Zealand, Mr. Michal Nalepa, Polish Financial Supervision Authority, Mr. Andrei Markov, The World Bank, Ms. Olivia Davids, Financial Services Board of South Africa. A special thank goes to Dr. Susan Watson, Education Consultant, who contributed to the preparation of early drafts of parts of the publication.

In the OECD Secretariat, the publication was prepared under the direction of Ms. Flore-Anne Messy, manager of the financial education project and Secretary of the INFE, and by Mr. Andrea Grifoni, Policy Analyst within the Financial Affairs Division.

The research for this book was conducted as part of the programme of work of the OECD's financial education project, which has been supported by the Russian/World Bank/OECD Trust Fund on Financial Literacy and Education.

The publication is updated as of December 2012.





## Table of Contents

FOREWORD.....	3
ACKNOWLEDGMENTS .....	5
EXECUTIVE SUMMARY.....	9
<b>CHAPTER 1: INFE GUIDELINES FOR FINANCIAL EDUCATION IN SCHOOLS .....</b>	<b>11</b>
I - Guidelines for financial education in schools .....	13
II - Guidance on learning frameworks on financial education.....	22
REFERENCES .....	27
<b>CHAPTER 2: FINANCIAL EDUCATION IN SCHOOLS: MAIN ISSUES AND SELECTED CASE STUDIES.....</b>	<b>29</b>
I - Ways to promote and influence political willingness .....	31
II - Effective approaches for the introduction of financial education into school curricula .....	38
III - Training the teachers .....	43
IV - Tools and pedagogic materials .....	47
V - Role of private financing: importance and challenges .....	53
VI - Evaluation of financial education programmes.....	59
Notes.....	67
REFERENCES .....	68
<b>CHAPTER 3: COMPARATIVE ANALYSIS OF SELECTED FINANCIAL EDUCATION LEARNING FRAMEWORKS.....</b>	<b>71</b>
I - Scope and definition .....	73
II - History of the development of existing frameworks .....	74
III - Comparative analysis of content and pedagogical features.....	76
IV - Existing financial education learning frameworks.....	83
Notes.....	114
REFERENCES .....	115
<b>ANNEX 3.A1: COMPARISON OF FINANCIAL EDUCATION LEARNING FRAMEWORKS IN SELECTED COUNTRIES .....</b>	<b>117</b>
<b>ANNEX 3.A2: JAPAN: CONTENTS OF FINANCIAL EDUCATION BY AGE GROUP.....</b>	<b>123</b>
<b>ANNEX 3.A3: THE NETHERLANDS: LEARNING TARGETS.....</b>	<b>135</b>
<b>ANNEX 3.A4: NEW ZEALAND: POSSIBLE PROGRESSIONS OF LEARNING IN FINANCIAL LITERACY .....</b>	<b>151</b>

## Boxes

Box 1.1.	Education systems' involvement and support.....	15
Box 1.2.	Managing possible conflicts of interest relating to private financing and involvement in financial education in schools.....	16
Box 1.3.	Criteria for identification and development of suitable resources on financial education.....	21
Box 2.1.	Timeline of the Brazilian evaluation of financial education in schools.....	61
Box 3.1.	Learning outcomes: the Australian and New Zealand examples for the same year .....	78

## Tables

Table 3.1.	Summary of learning frameworks on financial education .....	74
Table 3.A1.1.	Main characteristics of the frameworks .....	118
Table 3.A1.2.	Modalities of integration, assessment of outcomes and teaching practices .....	119
Table 3.A1.3.	Focus of the learning framework .....	121
Table 3.A1.4.	Dimensions included in financial education frameworks .....	122
Table 3.A2.1.	Learning framework goals for different age groups .....	124
Table 3.A3.1.	Primary education, middle section (age 8-10) .....	136
Table 3.A3.2.	Primary education, senior section (age 11-12) .....	137
Table 3.A3.3.	Special education (age 8-12) .....	138
Table 3.A3.4.	Preparatory secondary vocational education .....	139
Table 3.A3.5.	Senior general secondary education.....	141
Table 3.A3.6.	Senior general secondary education.....	143
Table 3.A3.7.	Preparatory secondary vocational education .....	145
Table 3.A3.8.	Senior secondary vocational education .....	148
Table 3.A4.1.	Learning outcomes.....	152

## EXECUTIVE SUMMARY

The term “financial education” in a school context is used to refer to the teaching of financial knowledge, understanding, skills, behaviours, attitudes and values which will enable students to make savvy and effective financial decisions in their daily life and when they become adults. The outcome of financial education is typically referred to as financial literacy or financial capability; for the sake of clarity and consistency with OECD and INFE terminology, in this publication the term “financial literacy” will be used except when referring to programmes or documents developed by countries that use different terminology.

National financial education strategies are increasingly involving the introduction of financial education into the school curriculum and the design and implementation of dedicated learning frameworks. The rationale for these new policy endeavours is multi-fold. First, while financial education concerns all ages, the education of younger generations on financial issues has become all the more important since they will likely bear more financial risks and be faced with increasingly complex and sophisticated financial products than their parents. Second, the young have access to, and are being offered, financial services at ever earlier ages (through pocket money, cell phones, bank accounts, or even credit cards). Yet, most recent surveys show worrying low levels of youth financial literacy and, in many cases, significantly lower levels than older generations.

Against this backdrop, including financial education in the formal school curriculum is recognised as one of the most efficient and fair ways to reach a whole generation on a broad scale. In addition, since the curriculum spans several years and can start as early as kindergarten, it is a unique means to inculcate and nurture a sound financial culture and behaviours amongst future adults. This is especially important since parents are unequally equipped to transmit to their children sound financial habits. Besides, as demonstrated in other related education fields (such as health), young people are potentially good disseminators of new habits in the rest of the population.

Yet the successful integration of financial education in school curricula can be challenging in many respects owing to a vast range of constraints, notably due to the fact that this is a new endeavour for most national administrations. These challenges include: lack of resources and time; overloaded curricula; insufficient expertise and know how; lack of high quality materials; the variety of stakeholders involved; and the lack of strong and sustainable political willingness, commitment and overall accountability.

To address these challenges, the OECD International Network on Financial Education (INFE) decided to develop research and guidelines to support the introduction and implementation of financial education in schools. This work has been conducted through a dedicated group of experts and built on preliminary surveys conducted by the OECD Committee on Financial Markets in 2008, broad data collection conducted through the OECD/INFE in 2008/2009 as well as analytical reports prepared by the OECD/INFE and the Secretariat.

The publication is a compendium of this work and provides policy makers with international guidelines and case studies that present the most common challenges faced when trying to introduce financial education in schools, and examples of countries that successfully overcame them.

The first chapter is dedicated to the INFE Guidelines for Financial Education in Schools and to guidance on learning frameworks. It addresses the main steps for the introduction of financial education into schools and provides guidance on the development of a consistent and sustainable framework for its integration in school programmes. A successful introduction is better achieved through the setting of quantifiable and appropriate goals, matched by flexible modalities of introduction and taking into account resources and impact monitoring. This first section also explains the need to ensure a suitable level of involvement of public authorities and educational system, teachers and parents, and other important stakeholders such as the private sector and NGOs. The Guidelines also highlight the importance of the design and promotion of efficient means and incentives, methods for training teachers, the provision of adequate pedagogical material, evaluation of programmes and assessment of students.

This chapter also includes guidance on the design of an appropriate learning framework for financial education, introducing topics that will be addressed more in detail through concrete examples in chapter three. The focus of this section is on the purpose of the framework, the outcomes that students are expected to develop, and on characteristics such as length of courses and specific content, pedagogical tools, assessment of students' results, monitoring and evaluation.

The second chapter presents the main issues to be taken into consideration when introducing financial education in schools, and specific case studies showing the ways in which countries with different institutional frameworks and uneven resources have addressed similar challenges. These selected relevant experiences support the implementation of the Guidelines and assist countries in the design and implementation of financial education programmes in schools.

The topics of the case studies were identified by the OECD/INFE due to their importance and their relevance to policy makers. They include crucial elements such as political support to make financial education in school effective and sustainable over time, modalities of its introduction in schools, the training needed for teachers, the tools and pedagogical materials, the role of resources as well as the importance of programme evaluation.

Finally, chapter three provides a comparative analysis of existing learning frameworks for the formal school sector in Australia, Brazil, England, Japan, Malaysia, The Netherlands, Northern Ireland, Scotland, South Africa and the United States. These are followed by detailed examples of learning outcomes and standards for financial education, at the primary or secondary level. The chapter is articulated around two sections. The first one provides a comparative analysis of existing learning frameworks in relation to their institutional and organisational development, their content and pedagogical features. The second section presents each of the frameworks in relation to their key characteristics.

The experiences clarify the history of the development of the frameworks, putting them in a bigger picture that includes national strategies for financial education and analysing the role played by key institutions in initiating such programmes. They provide further details over the learning outcomes and the topics and objectives addressed in different school grades.

## *Chapter 1*

### **INFE GUIDELINES FOR FINANCIAL EDUCATION IN SCHOOLS\***

This chapter reproduces the INFE Guidelines for Financial Education in Schools. The Guidelines are aimed at providing high-level non-binding international guidance to assist policymakers and interested stakeholders in designing, introducing and implementing efficient financial education programmes in schools. They are complemented by the Guidance on Learning Frameworks, defined as planned and coherent approaches to financial education in the formal school sector that define overall learning outcomes or standards for financial education.

---

\* The Guidelines and accompanying Guidance were developed and finalised through a comprehensive consultative process which involved a very wide range of stakeholders. The INFE elaborated and then approved the Guidelines and Guidance for further consultation in October 2010. The Guidelines and Guidance were reviewed and positively received by the Education Policy Committee in November 2010. In April 2011, they were approved by the Committee on Financial Markets and Insurance and Private Pensions Committee (the two committees in charge of the financial education project) for public consultation, which took place in August-September 2011. The revised versions of the Guidelines and Guidance were approved by the INFE in October 2011; and the final versions as well as the present OECD/INFE guidelines were approved by the CMF and the IPPC on 1 March 2012.



## **I - Guidelines for financial education in schools**

### ***Framework for the integration of financial education into school curricula***

#### *Financial education in school programmes: an integral part of national coordinated strategies*

Financial education should ideally be integrated into the school curriculum as part of a co-ordinated national strategy for financial education involving the wider community. School programmes should allow every child in a country or jurisdiction to be exposed to this subject matter through the school curriculum. The introduction of financial education should be preceded by, and based on, an assessment and analysis of the status and level of financial education provided through existing curricula and the current level of financial literacy of children and young people.

The identification of a public leader or co-ordinating body at national level should ensure the relevance and long-term sustainability of the programme. This could be a Government Ministry, such as Finance or Education, a financial regulator, a central bank or a committee/council gathering several public authorities. Whichever co-ordinating body is chosen, it is essential to secure the involvement and support of the Ministry of Education and of the education system at national, regional and local levels, preferably from the beginning of the project (see also Box 1.1).

#### *Appropriate, tailored and quantifiable goals*

The overarching goals of the introduction of financial education in the school curriculum should be set through the nationally coordinated strategy and based on relevant education principles. More detailed objectives and outputs should preferably be established in dedicated learning frameworks<sup>1</sup> on financial education. Such learning frameworks should preferably be endorsed by the public educational authorities.

The content of the learning framework may vary according to national, regional or local circumstances, the identification of particular talents, needs, aspirations and gaps, the structure and requirements of the education system, and cultural or religious considerations, as well as the approach adopted for the introduction of financial education in schools. In this respect, in some countries or jurisdictions, learning frameworks on financial education may need to be developed at regional or local level.

Learning frameworks on financial education should ideally encompass knowledge and understanding; skills and behaviours; as well as attitudes and values. These may also encompass entrepreneurial skills. In general, learning frameworks on financial education in schools provide some guidance either to schools and teachers or to local authorities on:

- Learning outcomes
- Topic/content of financial education classes which can include, according to school age/grade:
  - Money and transactions;

---

<sup>1</sup> See also the following section: II - Guidance on learning frameworks on financial education.

- Planning and managing finances;
- Risk and rewards; and,
- Financial landscape.
- Pedagogical approaches and methods
- Resources:
  - Number of hours per week and/or per year depending on school grade;
  - Time span in the curriculum.
- Assessment and monitoring criteria

### *Flexible implementation*

The introduction of financial education in schools should ideally involve a flexible approach and be adaptable to national, regional and/or local circumstances.

It is often preferable for financial education to be introduced as a mandatory and statutory component of the national curriculum in order to ensure it is actually taught to all children through their time at school.

The introduction of financial education as a stand-alone subject or module would in principle ensure that sufficient time and resources were devoted to its teaching. However, considering the constraints on most education systems, the inclusion of financial education in some specific subjects (e.g., mathematics, economics or social sciences, home economics, citizenship, literature or history) or as a horizontal subject integrated in a wider range of classes can also be effective.

Indeed, the inclusion of financial education through a cross-curricular approach may overcome the difficulties posed by overloaded curricula, and allow for the development of more diverse and potentially innovative and engaging ways to link financial literacy to more familiar topics for teachers and students. If this approach is used, it will be important to develop mechanisms to monitor the actual teaching of financial literacy. It will also require the identification, within the dedicated learning framework on financial education, of specific links with other subjects and to provide teachers in the relevant classes with case studies and examples.

Financial education in schools should start as early as possible (ideally in kindergarten and primary schools) and last at least until the end of the formal curriculum and, to the extent possible, the end of high school. The learning framework will have to be adapted to age/grade with the objective of developing sound financial competencies throughout students' time at school.



### **Box 1.1. Education systems' involvement and support**

The involvement of the education system and of the Ministry of Education with the objective of the inclusion of financial education in schools should be encouraged and promoted by interested policy stakeholders (which may be other parts of the government and/or public financial regulatory and supervisory bodies and/or Central Banks) in various ways.

First, depending on national circumstances, stakeholders should, to the extent possible, try to take advantage of "teachable moments" when the population and the education system may be more easily convinced of the importance of financial skills and knowledge for individuals' well-being. The aftermath of the financial crisis has established, albeit in an unfortunate manner, the conditions for the emergence of such awareness in the population in many countries or jurisdictions and throughout national/regional/local education systems. The recent period clearly stands as a unique opportunity to develop long-term programmes and partnerships in this field.

Another method is to develop evidence of need, through the development of surveys on the level of financial literacy and skills of youth in order to bring to the attention of the public and educationalists the gaps and needs of young generations in this critical field. The development of international indicators and benchmarks on financial literacy (including through the inclusion of financial literacy assessment in the OECD Programme for International Students Assessment – PISA) will also represent a compelling tool.

Considering the lack of resources, time and possibly expertise of education systems (which are usually relatively unfamiliar with financial issues as a learning topic), interested public stakeholders may wish to consider directly supporting the development of the financial education curriculum in schools. In this respect, they can seek to provide appropriate solutions to identified constraints of the system and help establishing long-term and flexible roadmap and objectives. For instance, public financial authorities could:

- promote the introduction of financial education in the curriculum through a graduated approach: they could first suggest integrating the subject as a voluntary one, and then, where feasible, as a mandatory horizontal topic in other courses. This approach may be effective where the introduction of financial education as a stand-alone and/or mandatory subject is expected to foster stiff resistance and lead to delays in its implementation;
- assist in the development of a financial education learning framework, taking into account the requirements of the education system;
- support the development and provision of materials to teachers as well as dedicated training; and/or,
- develop concrete partnerships with the Ministry of Education or the education system possibly through Memoranda of Understanding in order to ensure the actual involvement of key education stakeholders as well as establish clear responsibilities, goals, outputs and timescales.

The development of internationally recognised OECD guidelines and recommendations could also provide a powerful argument for policy actions in this area.

### *Suitability and sustainability of resources*

Appropriate, commensurate and long-term financial and in-kind resources should be identified to ensure the sustainability and credibility of the development and implementation of a learning framework on financial education in schools. Such resources can come from public or private sources as long as suitable mechanisms are in place to ensure the objectivity and quality of programmes (see also Box 1.2). In this respect, private funding or in-kind involvement can be sought to secure sufficient financial support and to benefit from the financial expertise of private stakeholders.

#### **Box 1.2. Managing possible conflicts of interest relating to private financing and involvement in financial education in schools**

Several means can be considered and established to monitor private funding and manage possible conflicts of interest with the commercial activities of financial institutions involved in financial education in schools:

- Public authorities or independent not-for-profit institutions (such as self regulatory bodies) can channel and monitor the use of private funding;
- Private funding can be combined with public money;
- In-kind private resources (such as the provision of materials, the development and organisation of training or the intervention of private volunteers in the classroom) should, as far as possible, be the subject of certification (quality marks) or accreditation by public authorities or an independent not-for-profit organisation;
- Rules and standards can be developed to ensure the objectivity of private initiatives in a school context (e.g., avoidance of the use of logos and brands); and,
- Any direct intervention of private volunteers in the classroom should be conducted under the close oversight of teachers and/or the education system's management at large.

### *Monitoring of progress and impact*

Methods and criteria to evaluate the progress and impact of financial education programmes in schools and the efficiency of the different approaches should be planned and established at the outset of the programme. These should preferably involve the monitoring of each stage of the programme's implementation and the quantitative and qualitative measurement of short-term outcomes and long-term impacts in order to improve its efficiency and the accountability of involved stakeholders over time.

In order to ensure the relevance and efficiency of programmes, pilot exercises involving the introduction of financial education in a smaller number of schools or at regional/local level can be considered before spreading the experience on a broader scale.

Various monitoring and evaluation processes can also be put in place including:

1. Monitoring of programmes' implementation and process assessment:

- Monitoring/evaluation of the actual teaching of financial education in schools (through oversight mechanisms at local, regional and/or national level and case studies);
- Evaluation of the relevance and impact of programmes, learning framework, related material, and teacher training on financial education. Such evaluation can be based on the collection of feedback from relevant stakeholders in the process (e.g., teachers, education systems management, school leaders, trainers, students, parents and the community); and,
- Evaluation of students’ competencies in financial literacy throughout the curriculum via appropriate assessment tasks in the classroom on a regular basis, formal examinations or through ad hoc national contests.

2. Impact evaluation in the longer term:

- Inclusion of financial education in examinations at the end of the formal school curriculum;
- Establishment of baseline surveys on the level of financial literacy and skills of students (covering assessment of financial knowledge, understanding, skills, behaviour, attitudes and values), to set a benchmark and establish gaps and needs. These surveys should ideally be repeated at regular time intervals (e.g. 3/5 years) to measure progress over time; and,
- Participation in, and use of, available international survey results on the level of financial literacy of students such as the PISA exercises starting in 2012.

***Ensuring a suitable involvement of important key stakeholders***

In order to be effective, financial education in schools should be integrated into wider community, national and/or regional initiatives. It also requires the commitment and involvement of a potentially vast range of stakeholders from diverse horizons: government, financial regulatory bodies, central banks, education systems, teachers, parents, the community and students should be involved. It may also be relevant and appropriate to seek the commitment of private financial institutions, business leaders and experts from non-for-profit associations, local networks and international organisations.

The role of each stakeholder and extent of involvement will vary depending on national circumstances, education systems and culture. However, the definition of each stakeholder’s responsibility and accountability in the process should preferably be established at the outset of the project. Key and central functions should be fulfilled by a central coordinating body (usually composed of public authorities), with the support of the education system, teachers, parents and the community as well as students.

*Government, public authorities and education system: a leading and coordinating role*

The Government and in particular, the Ministry of Education and other public authorities (such as financial regulatory and/or supervisory authorities and Central Banks) have a leading role to play in:

- assessing needs and gaps;
- mapping and evaluating existing initiatives;

- raising awareness of the importance of financial education in schools;
- defining the education framework and standards for financial education;
- leading and providing guidance on the introduction of financial education in schools and best practice models;
- framing the overall structure of the programme: setting responsibilities, monitoring the process and evaluating intermediate and final results; and,
- co-ordinating the actions of other stakeholders and overseeing the implementation phase.

The education system, its key local stakeholders and management at various levels, including school level, should be closely involved.

Appropriate mechanisms should be in place to make sure these actors are directly engaged in:

- the promotion of the successful inclusion of financial education in schools; and,
- the elaboration and identification of the best and most efficient ways and tools to meet this goal (including the development of relevant pedagogical methods).

*Teachers and school staff; parents and the community; students: a pivotal role*

Owing to their pedagogical expertise and close relation to students, teachers should be at the centre of the introduction of financial education in schools. Particular efforts should be made to involve teachers at all stages of the process, convince them of the importance of financial literacy for students and themselves, as well as to provide them with the necessary resources and training so that they feel confident teaching financial literacy in classes.

If external experts and volunteers are engaged in the classroom, teachers should preferably also be involved in, and monitor their work.

Parents and the local community should also be closely engaged, possibly through dedicated programmes and initiatives.

Incentives and signals should in particular be designed to ensure that parents and the community, as well as students, are aware of the importance of financial education for individuals' financial and general well-being and successful interaction with, and inclusion in, society and economic life (see also Section III).

School leaders, such as school principals and executive staff, can also play an instrumental role in efficiently promoting financial education amongst teachers, students and their parents, relatives and the wider community.

*Other stakeholders*

Other stakeholders such as the business/financial sector, expert consultants and not-for-profit institutions can also play a role in financial education in schools.

Financial institutions directly, or through national associations, can be involved in the introduction of financial education in schools. For instance, they can provide in-kind expertise or financial support for the development of materials, training for teachers or volunteers to interact with students in the classroom. However, this involvement should be clearly separated from their commercial activities and closely monitored and managed to prevent any possible conflict of interest (see Box 1.2).

Consulting firms or not-for-profit institutions with special expertise in the area may also be involved, for example in the development of school materials (building on the learning framework) or in training for teachers.

International organisations such as the OECD, in particular through the International Network on Financial Education (INFE), also have a role in providing international guidance and (in-kind) support and tools to the efficient development of financial education in schools.

#### *Top-down and bottom-up approach*

The involvement of all interested stakeholders, especially those in the education system, should preferably be secured through both a top down and a bottom up approach. In this respect, the development of memoranda of understanding between concerned partners may be considered to facilitate the smooth and efficient implementation of the programme, and to ensure clear accountabilities.

#### ***Designing and promoting efficient means and methods***

Adequate supporting tools and means should be identified, devised and made available to key stakeholders in the education system to facilitate the efficient introduction of financial education in schools.

#### *Appropriate information and training of teachers and other school staff*

Appropriate training should be made available to ensure that teachers and other relevant school staff (such as school leaders) are adequately equipped and feel confident and competent in building students' financial competencies.

Such training should be put in place for all teachers who may be in a position to deal with financial education in the classroom either as a stand-alone subject or through other topics (e.g., mathematics, economics, social sciences, home economics, citizenship, literature or history). It should take place as part of the initial teacher training/education (that is, a pre-service course before entering the classroom as a fully qualified teacher), and carried on regularly as part of teachers' continuous professional development.

The main goals of this training should encompass:

- raising teachers' awareness on the importance of financial education in lifelong learning;
- providing them with pedagogical methods to use available teaching resources; and,
- developing teachers' own financial literacy.

Such training should be provided by qualified staff following predefined guidance. Trainers for teachers should in particular possess a sound knowledge of the education system, the requirements of the financial education learning framework, and of efficient pedagogical tools and resources on financial education. If such trainers do not exist, priority should be given to developing the skills of the trainers.

#### *Availability and provision of high quality, objective and effective tools*

Availability of, and easy access to, high quality, objective and efficient material and pedagogical methods should be secured and actively promoted with a view to offer teachers the best resources on financial education.

In order to do so, it may be necessary, in some countries or jurisdictions, for government or relevant public bodies to:

- map and assess the quality of available materials and resources such as books, brochures, guides, on-line tools, case studies, games, surveys and pedagogical methods; and,
- select most relevant tools and material to be provided to teachers and schools.

In others, it may be necessary to develop such resources from scratch.

In both cases, criteria and principles for the identification and development of suitable tools should be established (see Box 1.3). Financial education resources made available in a country or a jurisdiction should be assessed by a governmental or independent body according to these criteria. Such a body should preferably introduce a special quality mark or accreditation acknowledging resources matching these criteria.

The appropriate resources should then be made easily accessible to schools and teachers possibly, through a single trusted source or through relevant public authorities (e.g., government, financial regulators; well-known and public or independent website; education system; local network, etc.).

A single source (or maybe several sources) can act as a clearing house on financial education materials available for the classroom. A central source should thus be well organised, and contain clear signposting in order to allow the easy identification of materials and tools according to age, grade, contents and learning outcomes to be achieved.

A central source should also be actively promoted to teachers so that they are aware of the existence of this support and know how to access it.

### **Box 1.3. Criteria for identification and development of suitable resources on financial education**

With a view to efficiently embedding financial education in schools, related resources and pedagogical methods should preferably encompass the following characteristics:

- be in line with the requirements of the national/regional/local learning framework on financial education, and with any national curriculum guidelines of the country or jurisdiction;
- be adapted to students according to their age, talents, needs, aspirations and background; be culturally and gender inclusive and evolved following the school curriculum;
- be relevant for students, taking into account their interests and potential access/use of financial products;
- emphasise the benefits of financial literacy for students' future well-being;
- be objective and marketing free (e.g., avoiding the use of financial firms' logos and promotion of particular financial products);
- be of high-quality, diversified, engaging and attractive for students, using real-world contexts, case studies, inquiry/activity-based learning and problem solving approaches or community-based activities directly involving students (e.g., through simulation, games and interaction with the concrete world);
- make use of the benefits of cross curricular approaches where relevant (e.g., taking advantage of the possibility to include financial education in diverse subjects);
- involve the monitoring of progress and the quantification of impact on students throughout the curriculum and at its end (through examinations); and,
- be trialled to evaluate their relevance and efficiency with teachers, parents and the community as well as students.

#### *Promotion of appropriate incentives*

In order to encourage deeper involvement and motivation of teachers and students in financial education programmes, appropriate incentives can be put in place, such as:

1. Recognising achievements through:
  - Regular examination of students in order to monitor progress;
  - Setting community and national outcome goals in order to evaluate performance;
  - Organisation of special school, local, regional or national contests with the granting of awards and prizes.

## 2. Making financial matters more visible and attractive through:

- Organisation of special events on financial education (e.g. ‘money’ or ‘saving’ days/weeks) with the participation of well-known community stakeholders;
- Designing teachers’ training on financial education so that they perceive it as a component of their personal development and as a way to improve their own financial well-being; and,
- Similarly, focusing the teaching of financial literacy in schools on the (immediate) positive outcomes for students, their parents and the community.

### *Exchange and promotion of international good practices*

The development of internationally recognised guidelines and practices and strengthening of policy dialogue and cooperation on the exchange of good practices are also instrumental to the efficient and successful introduction and implementation of financial education in schools. Such guidelines can help policymakers and involved stakeholders in designing and successfully implementing their own strategy on financial education in schools building on, and tapping into, relevant experiences and internationally recognised good practices.

## **II - Guidance on learning frameworks on financial education**

### ***Definition***

A definition of the overall objective for financial education programmes is the first main component of related learning frameworks. In most cases, depending on countries’ or jurisdictions’ culture, this is referred to as either financial capability or financial literacy, but basically involves a similar content.

Such definition encompasses the competencies that students need to develop in order to make effective and responsible financial decisions in their daily life and when they become adults. Competencies cover financial knowledge, understanding, skills, attitudes and behaviours and the ability to use these effectively.

The definition may focus solely on the personal use and management of money and the impacts of financial decisions on the lives of individuals or it may include a broader perspective that takes account of the interaction between personal financial decision-making and wider society and environment.

### ***Purpose and goals of the framework***

#### *Purpose*

A financial education learning framework is defined as a planned and coherent approach to financial education in the formal school sector at the national, regional or local level. A financial education learning framework should operate at a meta-level, providing overall learning outcomes or standards for financial education. The framework can then be implemented at the national, regional, local, school or classroom level in the way that is most appropriate for the context.



The framework should begin by explaining its purpose, including:

- Who developed the framework and the development process;
- When the framework was developed;
- The overall aims of the framework;
- How the framework supports the achievement of national, regional or local curriculum objectives;
- Whether the framework has been endorsed and, if so, by whom.

Providing the framework on a web-based platform enables easy access and distribution and for links to be made to relevant supporting information such as teaching resources, assessment tools and relevant curricular materials.

### *Goals*

The overall goals and objectives of the framework should be reflected in a more detailed description of the dimensions of financial literacy. These may include a description of the specific outcomes that students are expected to develop and that will be covered by the financial education programme. The following dimensions can be considered and included:

- Knowledge and understanding;
- Skills and competencies;
- Behaviours;
- Attitudes and values;
- Entrepreneurship.

The descriptions of each of these dimensions should reflect the focus on personal and/or collective aspects needed to be consistent with the definition of financial literacy in the framework.

These descriptions are important in developing teachers' understanding of financial literacy.

### *Learning outcomes/standards*

The framework should provide a description of the desired learning outcomes. These should be related to each of the dimensions of financial literacy.

Outcomes may be statements of the overall outcomes for each of the dimensions or they may be shown as a learning progression across years or curriculum levels. The latter shows the way that the specific dimensions of financial literacy are progressively developed as students move through their schooling career.

### ***Approach to inclusion of financial education in the curriculum***

The framework should describe the overall approach to the inclusion of financial education in the curriculum. This should be consistent with the overall approach to the curriculum.

In countries or jurisdictions where national curriculum objectives are outlined but schools have considerable discretion as to how these are implemented at the local level, financial education will not easily be introduced as a compulsory component. The framework may describe how financial education supports the achievement of national curriculum objectives and provide guidance as to how financial education can be integrated into existing subjects or a cross-curricular approach taken. In a cross-curricular approach, financial education is recommended as an engaging and real-world context in which other curricular objectives can be achieved alongside financial education objectives.

In countries or jurisdictions where a more centralised approach is taken, financial education may be mandatory. There is a range of ways for this to occur including as a stand-alone subject; as an explicit module or component of one or more subjects; or integrated into relevant subjects at the school's or teachers' discretion. If an integrated approach is used, it is important to provide specific links between the financial education learning outcomes and the learning outcomes for specific subjects.

The financial education learning outcomes should be linked to over-arching national curriculum objectives, as well as to the learning outcomes for specific subjects.

The framework should describe the year levels or curriculum levels in which financial education should be taught. This may be across the compulsory school sector or it may focus on the levels where it aligns most closely with the curriculum objectives at that level, for example, senior secondary school.

### ***Content and length of courses***

The framework generally provides a list of suggested topics. These should not solely be based on developing knowledge and understanding but should also enable students to explore and develop values, attitudes, skills and behaviours.

Where financial education is mandatory or explicitly included as a stand-alone subject or as a module of a subject, the length of the course should preferably be explicitly stated. In other cases, the amount of teaching time given to financial education is not stated.

The framework generally describes the recommended or suggested content for financial education. These should be related to the overall outcomes described in the definition, and the dimensions of financial education set out in the learning framework.

The framework generally provides a list of topics, themes or issues that can be included in the financial education programme. These may be linked to specific subject areas or they may be presented in a way that can be incorporated in a range of subject areas. Topics that are most commonly included in financial education learning frameworks are:

- money and transaction;
- planning and managing finances (including saving and spending; credit and debt; financial decision-making);

- risk and rewards;
- financial landscape (including consumer rights and responsibilities and understanding of the wider financial, economic and social system).

The topics should be relevant to the concerns of students at specific year levels but, at the same time, recognise that financial education needs to prepare students for adult life.

### ***Resources and pedagogical tools***

The framework can also provide guidance about the teaching methods that are most effective in developing financial literacy. These may include a description of the overall recommended approach such as using real-world, relevant examples, or inquiry-based learning. Teaching methods should not be solely focussed on developing knowledge but they should provide engaging contexts in which students can develop skills, attitudes and behaviours. Opportunities for students to practice their skills and develop behaviours in authentic and engaging contexts should be recommended and examples provided. Interactive and experiential learning opportunities are recommended.

As well as classroom-based learning, suggestions for learning outside of the classroom such as through extra-curricular activities can be provided.

The framework can provide case studies of the ways that schools and teachers have effectively taught financial education.

The framework should also preferably provide recommended teaching and learning resources and guidance about selecting effective resources. Guidance should be provided about quality assurance indicators and ways to avoid materials that are biased or contain marketing information.

Professional development for teachers and administrators can be provided by the relevant authority in support of the financial education framework and to develop teachers' capability to teach financial education. In some cases, the private sector or not-for-profit organisations may offer professional development, teaching and learning materials and/or volunteers who may be available to visit classrooms. Guidance should be given in the framework about ways to avoid conflicts of interest and to ensure that suitably qualified and, in some cases, approved providers are selected by schools.

### ***Assessment of students' learning in financial education***

The framework should provide guidance about appropriate methods for assessing financial education learning outcomes. This should be consistent with approaches to assessment in other areas of learning and for the year level of the student. It is recommended that assessment of skills is included as well as assessment of knowledge and understanding. Assessment involving students in problem-solving and real-world contexts are recommended so they have the opportunity to demonstrate their competencies. Examples of assessment activities may be provided.

Examination of students' achievement should be considered whenever possible. If so, the examination process and criteria need to be outlined in the framework. This includes information on the levels at which students will be examined and whether there will be a stand-alone examination for financial education or whether it will be included in the examination of the relevant subjects. In some

cases, formal recognition of student achievement in financial education can be provided by certificates, qualifications or credentials.

### ***Monitoring and evaluation***

Monitoring of the framework can occur at the local school level or at the national or regional level.

At the school level, the framework can provide guidance to administrators and teachers to support the planning and implementation of the financial education framework. This includes ways to monitor the outcomes of the financial education programme and the extent to which it is being progressively and consistently implemented across the school at the appropriate levels. This is of particular importance where financial education is not mandated and where schools and teachers are given discretion about how they incorporate financial education outcomes into their teaching programmes. In countries or jurisdictions where external agencies review schools, it may be appropriate to include a review of financial education provision and outcomes in relation to the financial education framework.

At the national or regional level, the implementation and outcomes of the financial education framework should be evaluated. This may be an independent evaluation that can be used to inform the development and implementation of the framework. An evaluation will provide evidence of the effectiveness of the framework in achieving the desired outcomes in terms of increasing financial literacy.

## REFERENCES

### ***OECD Recommendations***

OECD (2005), Recommendation on Principles and Good Practices on Financial Education and Awareness.

OECD (2008a), Recommendation on Good Practices for Financial Education relating to Private Pensions.

OECD (2008b), Recommendation on Good Practices for Enhanced Risk Awareness and Education on Insurance Issues.

OECD (2009), Recommendation on Good Practices on Financial Education and Awareness relating to Credit.

### ***OECD/INFE instruments and relevant outputs***

Atkinson, A. and F-A Messy, (2012), Measuring Financial Literacy: Results of the OECD/INFE Pilot Study, *OECD Working Papers on Finance, Insurance and Private Pensions*, No. 15, OECD Publishing, <http://dx.doi.org/10.1787/5k9csfs90fr4-en>

Grifoni, A. and F-A Messy, (2012), Current Status of National Strategies for Financial Education: a Comparative Analysis and Relevant Practices, *Working Papers on Finance, Insurance and Private Pensions*, No. 16, OECD Publishing, <http://dx.doi.org/10.1787/5k9bcwct7xmn-en>

OECD/INFE (2009), Financial Education and the Crisis: Policy Paper and Guidance.

INFE (2010a), Guide to Evaluating Financial Education Programmes, available at [www.financial-education.org](http://www.financial-education.org).

INFE (2010b), Detailed Guide to Evaluating Financial Education Programmes, available at [www.financial-education.org](http://www.financial-education.org).

INFE (2011), High-level Principles for the Evaluation of Financial Education Programmes, available at [www.financial-education.org](http://www.financial-education.org).

OECD/INFE (2012), High-level Principles on National Strategy for Financial Education, available at: [www.oecd.org/finance/financialeducation/OECD\\_INFE\\_High\\_Level\\_Principles\\_National\\_Strategies\\_Financial\\_Education\\_APEC.pdf](http://www.oecd.org/finance/financialeducation/OECD_INFE_High_Level_Principles_National_Strategies_Financial_Education_APEC.pdf)

OECD (2013), "Financial Literacy Framework", in OECD, PISA 2012 Assessment and Analytical Framework: Mathematics, Reading, Science, Problem Solving and Financial Literacy, OECD Publishing. doi: [10.1787/9789264190511-7-en](https://doi.org/10.1787/9789264190511-7-en)

OECD (2013 forthcoming), *OECD/INFE toolkit to measure financial literacy and inclusion: Guidance, Core questionnaire and Supplementary Questions*, OECD, Paris.



## *Chapter 2*

### **FINANCIAL EDUCATION IN SCHOOLS: MAIN ISSUES AND SELECTED CASE STUDIES**

This chapter complements and illustrates the INFE Guidelines for Financial Education in Schools presented in the previous chapter in the most challenging implementation aspects, presenting the main issues to be taken into consideration when introducing financial education in schools. It provides policy makers with selected relevant experiences and efficient practices from countries that developed or are currently developing financial education programmes in schools. The chapter provides examples of preliminary steps, such as securing the support of government and public authorities, and efficient ways of introducing financial education into schools, showing examples of cross-curricular or stand-alone approaches. It then addresses the provision of financial education programmes, from the training of teachers to the development of good pedagogic materials. It finally considers the important role that can be played by private sector resources and the evaluation of programmes in schools. These examples aim to assist in the design and implementation of financial education in schools by showing how different countries addressed the same issues in different ways given their peculiar institutional asset, educational framework, funding component and political support for the introduction of these programmes.

The case study topics were identified by the OECD International Network on Financial Education (INFE) due to their importance for the successful introduction and implementation of financial education programmes. The INFE conducted a survey in 2008-11 that was used to identify experiences that related directly to these case study topics.





## **I - Ways to promote and influence political willingness**

The development and implementation of financial education programmes in schools need the involvement of several stakeholders with diverse backgrounds. In this respect, it is important that the government and the relevant public authorities take a leading and coordinating role.

Public authorities are best placed to provide effective leadership at the national level and ensure the sustainability and the credibility of the programme. They also have the tools and the means to plan and implement effective communication strategies aimed at convincing policy and educational decision-makers of the importance of financial education. They can find ways to effectively incorporate financial education into school curricula and assess which tools are available to support effective practice. Finally, public authorities are best equipped to understand the context in which financial education programmes can contribute to the achievement of the requirements of school curricula, and are essential in ensuring the involvement of all the other relevant stakeholders.

However, most countries face difficulties in convincing policymakers and especially the educational system of the importance of introducing financial education in schools. In this respect, the international guidelines developed by the OECD/INFE can be a first powerful resource and an important unbiased reference.

At a national level, the four selected cases sketched out hereinafter (Australia, New Zealand, South Africa and the United Kingdom) provide different yet successful experience in influencing political willingness in order to incorporate financial education into national or jurisdictional curricula.

The Australian approach to securing the inclusion of financial literacy in school curricula has been based on the use of formal educational approaches and on the establishment of cooperative partnerships. In 2008, the national financial regulator- the Australian Securities Investment Commission (ASIC) – took over the lead responsibility for advancing financial education at school and through other education pathways. This role was previously undertaken by a new body, the Financial Literacy Foundation, that was established in 2005 by the then Australian Government within the Department of Treasury to raise awareness of consumer issues and encourage all Australians to better manage their money.

The New Zealand case proves the importance of baseline surveys in providing quality data for policy makers, the role played by a strong and defined leadership by one institution and the value of strategic partnership with the Ministry of Education and nation-wide private financial institution. The initial survey that portrayed low levels of financial literacy among the population provided an opportunity for a high-level public sector body to lead the partnership with the private sector, ensuring its control by the appointment of a Board of senior government officials that overlooked most aspects of the National Strategy.

South Africa is also a good example where in the absence of a national strategy and within a more general mandate to promote informational and educational programmes related to the use of financial products, it was left to stakeholders to elaborate and define the introduction of financial education in schools. Within the framework of an outcomes-based educational framework stressing the importance of life skills, the Financial Services Board managed to introduce financial education in schools' curricula thanks to the support of the Ministry of Education and of the Provincial authorities responsible for the local implementation of national programmes.

The United Kingdom, finally, provides a relevant example of a country where a financial authority has had the autonomy and strong willingness to suggest and back policy directions and that can effectively partner with both public institutions and Ministries as a result of support from the government. It is also a valuable case as it sets out the importance of defining different stages in the creation and implementation of a strategy for financial education in schools specifically: create awareness of the need for financial education and secure the support of the educational system and of teachers in particular.

### **Australia**

The structure of the Australian education system has presented several barriers to the integration of financial education in the school curriculum.

Australia has eight education jurisdictions made up of eight states and territories, each with constitutional responsibility for the delivery of school education and associated curriculum and assessment within their own state-based curriculum Framework. Overlaying state education responsibilities are national goals for schooling and national priorities agreed under a Ministerial Council comprised of federal, state and territory education ministers<sup>1</sup>. For the past thirty years the school education curriculum framework in each jurisdiction has had to comply with and support the national goals of schooling and their curriculum has had to align with national statements of learning across English, mathematics, science, civics and citizenship and information and communication technology. National funding and testing has been linked to these curriculum areas. Outside of these, jurisdictions have had flexibility to include other curricula.

Within each state and territory there are also three sectors of education: Government, Catholic, and the Independent school sector. In each jurisdiction schools systems and individual schools have to juggle and respond to local, state and national priorities. These priorities impact on jurisdictional curriculum frameworks and require states and territories to make difficult decisions on how these priorities will be addressed.

Until recently, financial education was not seen as a core educational skill across jurisdictions and it was an elective component of secondary schools. A key mechanism in securing political willingness to include financial education in school education has been the development of the National Consumer and Financial Literacy Framework. In 2005, the Education Ministers from each state and territory, as members of the Ministerial Council for Education, Employment, Training and Youth Affairs (MCEETYA), commissioned the development of the Framework<sup>2</sup>. This has ensured ownership of the Framework across all eight jurisdictions.

The Framework was endorsed by all jurisdictions in 2005 under the auspices of the then MCEETYA, and all states and territories agreed that from 2008 it would be integrated into all jurisdictional curricula. Responsibility for monitoring of this framework resides with each jurisdiction and progress is reported through ministerial meetings. The rationale for the Framework was updated in 2009 to reflect the global financial crisis and the declaration of new national goals at the end of 2008<sup>3</sup>. The changes to the Framework were agreed by all education jurisdictions.

From late 2008 to the present time Australia is undergoing significant reform in the school education sector, including the phased introduction of a national Australian Curriculum from 2011-2013. A newly established Australian Curriculum, Assessment and Reporting Authority (ACARA) is charged with implementation of the new Australian Curriculum from Kindergarten to Year 12 in specified learning

areas. It also has responsibility for overseeing a national assessment program aligned to the national curriculum that measures students' progress; national data collection and reporting program that supports: analysis, evaluation, research and resource allocation; and accountability and reporting on schools and broader national achievement.

The advent of a new national curriculum has presented an excellent opportunity to strengthen the consistency and coherence of financial literacy education taught in Australian schools. In 2009-2010, ASIC made one of its key priorities the integration of financial literacy in relevant learning areas of the national curriculum. In partnership with relevant professional associations, and with the support of the Australian Government Financial Literacy Board<sup>4</sup> it participated actively in the consultation process on draft curriculum (Mathematics, English and Science) for the first phase of curriculum development. As a result the integration of financial literacy content in these curriculum areas is strengthened. In 2011, ASIC also led a review of the National Consumer and Financial Literacy Framework so that the learning descriptions in the Framework could be better aligned to the structure and content of the new national Australian Curriculum and to take account of both national and international developments in education and financial literacy research and of rapid advances in technology that have impacted greatly on Australians' use of online and digital environments in their everyday lives.

The Australian approach to securing the inclusion of financial literacy in school curricula has been based on using the mechanisms available within well established educational approaches and cooperative partnerships. The ability to influence public policy and see linkages across government and education has been essential. In developing the Framework in 2005, consultation was key to inform the national approach. The MCEETYA Working Party who developed the Framework included a highly specialised team of educational experts from all jurisdictions and education sectors who knew the national and jurisdictional educational landscape well and had excellent stakeholder networks and formed productive and respectful relationships.

A significant challenge to the inclusion of financial literacy in the school curriculum since it was agreed nationally has been how to develop teacher capability nationally. In 2007-9 the Australian Government provided \$2 million to develop and fund a national professional learning programme for teachers to raise awareness of the National Consumer and Financial Literacy Framework and links to state and territory curriculum Frameworks. This professional learning program was delivered in partnership with the federal Department of Education and state and territory governments.

ASIC recognises that ongoing professional learning is vital and plans to address this in its work agenda in 2011-2013.

### ***New Zealand***

In 2007, financial literacy was included in the New Zealand Curriculum (NZC)<sup>5</sup>. Developing financial literacy is highlighted as an example of the type of theme that schools could use for effective cross-curricular teaching and learning programmes. It further highlights the fact that 'all learning should make use of the natural connections that exist between learning areas and that link learning areas to the values and key competencies'. The vision of the NZC is that students will be confident, connected, actively involved, lifelong learners. The cross curriculum theme of financial literacy supports this vision by providing a context for students to become:

- enterprising and entrepreneurial contributors to their own well-being and that of New Zealand
- informed decision makers
- financially literate and numerate

Supporting students to become responsible, confident and independent managers of money will enable them to live, learn, work, and contribute as active members of their communities.

Financial literacy is also a relevant context for strengthening general literacy and numeracy skills and understandings, developing the key competencies, and exploring values.

The New Zealand's first National Strategy for Financial Literacy (the Strategy) launched in June 2008, has been renewed and now includes a five year action plan; implementation of this rests with the many stakeholders involved. The Strategy sets the direction for improving financial literacy in New Zealand. Its focus is on developing the quality of financial education, extending its delivery, sharing what works and working together. The Strategy and action plan are aimed at encouraging agencies and organisations to work together towards a shared understanding of goals and the commitment and pathways to achieve them. The Commission for Financial Literacy and Retirement Income is the secretariat for the strategy and hosts the website [financialliteracy.org.nz](http://financialliteracy.org.nz) which is the home of the National Strategy. This website is a result of a successful public private partnership model and is co-funded by three finance industry bodies – the Investment Savings and Insurance Association, the New Zealand Bankers' Association and Workplace Savings NZ. The Strategy is overseen by a Board of senior government officials, including the Secretary of Education, and is chaired by the chair of a major finance sector body.

In June 2009 the Commission was able to transfer responsibility for the Financial Literacy Framework and for promotion and development of financial education in schools to the Ministry of Education.

However, there is yet to be a real sense of urgency in all schools to fully implement effective financial education programmes. The self governing structure of the school system in New Zealand does present some opportunities as well as challenges. The school principals as leaders of teaching and learning have a responsibility to plan, with their staff and communities, their school curriculum (aligned with the national curricula - NZC and Te Marautanga o Aotearoa -TMOA) and lead what is being taught in their schools.

The New Zealand Qualifications Authority has also made available a set of unit standards for senior secondary schools to provide assessment opportunities in the financial literacy of secondary school students. The use of the unit standards are being monitored for their usage by schools.

The Commission for Financial Literacy and Retirement Income and the Ministry of Education are working closely to develop resources to support teaching and learning in schools. A number of teaching and learning resources have been developed with the assistance of a range of providers. Some of the resources aim to link the Personal Financial Management Curriculum, the New Zealand Curriculum and a range of New Zealand Qualifications Authority unit standards.

All these resources are available through the Ministry of Education Website.

## ***South Africa***

In the absence of a national strategy for financial education in South Africa, it was left to stakeholders in the financial sector and in particular the Financial Services Board (FSB), who was given a mandate in 2000, to promote financial education in schools. The FSB is an independent institution established by statute to oversee the South African non-banking financial services industry. The mission of the FSB is “to promote sound and efficient financial institutions and services; maintain mechanisms to protect consumers of financial services and be a caring equal opportunity employer”.

In 2000 the Act was amended to mandate the FSB to:

“Promote programmes and initiatives by financial institutions and bodies representing the financial services industry to inform and educate users and potential users of financial products and services”.

To effect this amendment, the FSB developed a strategy for Consumer Financial Education. The vision of the strategy is to see that all South Africans manage their personal and family financial affairs soundly and that irresponsible financial services providers are reported. As part of the Strategy, the FSB identified the formal education sector as a key area for creating awareness about financial literacy and consumer education.

The election of the first democratic South African (SA) government in 1994 brought about the initiation of processes to restructure the SA educational system to address apartheid inequities. The restructuring brought about the establishment of a national and nine provincial Departments of Education (DoE) to govern the education system in South Africa. The national DoE is responsible for formulating policy, setting norms and standards, and monitoring and evaluating all levels of education. The national department shares a concurrent role with the provincial departments of education for school education. The Constitution of South Africa has, however vested substantial power in the provincial legislatures and governments to run educational affairs, subject to a national policy framework. The South African Schools Act, 1996, further devolves responsibility to school level by delegating the governance of public schools to democratically elected school-governing bodies, consisting of parents, educators, non-educator staff and (secondary school) learners.

The role of the national department is therefore to translate the education and training policies of government and the provisions of the constitution into a national education policy and legislative framework, which needs to be implemented by the provincial departments. The foundation for these educational changes was based on the development of a new curriculum framework called Outcomes-Based Education which aims to equip learners with the knowledge, skills and values necessary for self-fulfilment and meaningful participation in society, irrespective of their socio-economic background, culture, race, gender, physical ability or intellectual ability. It was during the design and development of the National Curriculum Statement (NCS) in 2003, that the FSB, together with other stakeholders in the financial sector, made recommendations to the DoE to enable the inclusion of financial education as part of specific subjects and learning areas. As a result, provision was made for the inclusion of consumer financial education in the learning area Economic and Management Sciences (EMS) for grades R to 9 (5 to 15- year-olds), and in the subjects accounting, mathematics, mathematical literacy, business and economics for grades 10 to 12 (16 to 18- year-olds). This initial inclusion led to future specifically targeted areas for financial education, namely in mathematical literacy (2006 – 2010) and EMS (2007 – 2010)

In a South African context, convincing the National DoE to change policy to include financial education goes hand-in-hand with convincing provincial education authorities to implement programmes approved on a national level.

However, the FSB managed to gain the support of the Minister of Education for their teacher development programmes. Regular communication with the Minister and/or designated staff including reporting on financial education programmes in the schools has resulted in a valuable relationship between the regulator and the DoE so much so that the FSB was and continues to be invited to undertake financial education projects in partnership with the DoE. Furthermore, to encourage a more sustainable system for financial education in schools, one of the FSB's teacher development programmes will be handed over to the department for continuation and funding.

### ***United Kingdom***

Initial leadership on financial education issues by the Financial Services Authority (FSA) has been a significant factor in ensuring that financial education is included in all of the education curricula for each of the four countries in the UK. The FSA is an independent non-governmental body, given statutory powers by the Financial Services and Markets Act 2000 to regulate the financial services industry in the UK. One of the four objectives that Parliament set the FSA is to promote public understanding of the financial system, and one of the FSA's strategic aims was to ensure that customers achieved a fair deal.

As part of their work to deliver against these, in autumn 2003, the FSA brought together a partnership of key people and organisations in government, the financial services industry, employers, trades unions, and the educational and voluntary sectors to establish a road map for delivering a step change in the financial literacy of the UK population.

The result of this process was the commitment to lead a National Strategy for Financial Capability, work which began in 2006. One of the seven main programmes in the National Strategy was focused on ensuring that young people in schools develop positive attitudes towards money. This work was informed by the benchmark survey into financial literacy in schools, conducted in 2005.

The document, 'Creating a Step Change in Schools'<sup>6</sup> was published in light of this research, in 2006, and set out a two-pronged strategy for schools – i) to raise the profile and status of financial literacy in national curricula across the UK, and ii) to ensure teachers feel confident and competent in delivering personal finance lessons to their pupils.

Complementing and building on the FSA's National Strategy, in 2007 the UK Government set out its long-term aspirations to improve financial literacy in the UK including that every child has access to a planned and coherent programme of personal financial education in school.

In 2008, the Government and FSA set out a joint action plan for financial literacy which set out how the FSA's National Strategy and a variety of Government programmes would support the shared goal of more financially capable citizens, including a significant joint programme of work to support personal financial education in schools.

In 2010 the Government created a new, separate authority, originally called the Consumer Financial Education Body (CFEB) and since renamed as the Money Advice Service (MAS), that took forward and became responsible for co-ordinating the National Strategy for Financial Capability<sup>7</sup>.

The FSA's role has been to ensure personal financial education is embedded in education policy frameworks and to ensure that teachers are supported in delivering personal financial education. The FSA's UK wide remit means it is well placed to co-ordinate financial literacy provision in schools in England, Scotland, Wales and Northern Ireland.

In order to best influence Government policy to include financial literacy within the school curriculum, the FSA worked with education policy experts across the UK. As education is a devolved function, the FSA worked with policy makers in England, Scotland, Wales and Northern Ireland, identifying where personal finance sits within each policy framework, and showing how personal finance can be embedded in a way that is meaningful to schools.

The FSA set up a schools working group in 2004 that was comprised of representatives from key Government departments across the UK, to ensure buy-in to the approach from the outset of the project. The strategy document *Creating a Step Change in Schools*<sup>8</sup> sets out the outcomes from this working group.

Working with education experts, FSA identified opportunities to input into existing curriculum reform programmes across the UK, taking the opportunity to raise the profile of financial literacy in national curricula as part of wider curriculum reform. For example, they were able to effectively engage with the secondary school curriculum reform programme in England in 2007. As a result, financial literacy was given a far greater status and profile in secondary schools in England when the new curriculum was implemented in 2008.

Across the UK, an emphasis on the cross-curricular nature of personal finance education has enabled teachers to integrate aspects of personal finance into existing lessons. Teaching financial literacy through or as part of other subjects helps to give it a place in a crowded curriculum.

The FSA has found it is helpful to promote the ways financial literacy can be integrated into existing curricula. For example, many schools teach financial literacy in Personal, Social, Health and Economic (PSHE) education, and in mathematics, but there are opportunities to integrate financial concepts in home economics, English, geography, and drama, for example. By highlighting the cross-curricular nature of financial literacy, the FSA ensured that financial literacy was not seen as another initiative in schools, and that it was something that teachers could integrate with existing curricula.

When engaging with Government, the FSA makes appropriate links with high level government policy. For example, in England one of the five Every Child Matters outcomes is to ensure all children 'achieve economic wellbeing'. FSA promotes the teaching of personal finance in schools to be a key way of contributing to this strategic outcome. Similarly, in Wales the Financial Inclusion Action Plan is closely linked to financial literacy. The FSA has successfully made the case that financial literacy in schools is vital to ensuring the future adult population in Wales understands the financial choices available to them.

The FSA's work and the support, in particular, of key education ministers, has ensured that financial literacy is contained in national curricula across the UK in varying degrees, typically within personal and social education frameworks and mathematics frameworks. In England, for example, financial literacy is an explicit strand of PSHE education. There are also explicit opportunities to learn about personal finance in mathematics, and citizenship lessons.

Thus far, financial literacy is compulsory for certain age groups in Wales and Northern Ireland, and there are moves for personal finance to become statutory in England. However, even with a statutory

footing, quality of teaching is not guaranteed and there needs to be adequate teacher training, both as part of initial teacher training and within continuing professional development, to ensure national curricula is taught effectively.

It is important for Government to give a clear signal to schools of the importance of personal financial education. This works on three levels: teachers need adequate training and support so they feel confident and competent in delivering personal financial education; schools need to understand the importance of a planned and coherent programme of personal financial education in their school; and financial education needs to have sufficient prominence in Government policy. It is also important for Government, the regulator, the voluntary sector and the financial services industry – the key sectors who work with schools- to understand the contribution each sector makes. The FSA worked strategically with each of these sectors to encourage a co-ordinated, joined up approach to personal finance in schools and to ensure work was complementary and, where possible, not duplicative.

In a March 2008 report, the Office for Standards in Education (OFSTED) identified common barriers to the development of personal financial education. Similar barriers have been identified in other studies, such as the Scottish Government's report into financial education in Scottish schools, and National Foundation for Educational Research's report into the FSA-funded 'Learning Money Matters' programme of the Personal Finance Education Group (pfeg). These included pressure on curriculum time, teachers' lack of subject knowledge and expertise; a lack of awareness of resources and other forms of support and the wide variation in provision in post-16 education.

## **II - Effective approaches for the introduction of financial education into school curricula**

The previous section illustrates the importance of political support and willingness in order to succeed in the development and implementation of financial education programmes in schools. This section focuses on best ways to integrate financial education into school curricula taking into account the specific characteristics of national/regional/local educational systems.

As of 2010, twenty-one countries responding to the OECD/INFE survey had financial education in schools. Among these, a limited number of countries (7) had financial education as a compulsory topic (Czech Republic, Estonia, Hungary, Japan, Korea, and in some countries/states the United Kingdom and the United States).

Countries are integrating financial education in various ways. In a minority of countries financial education is a stand-alone subject. In the majority, it is integrated into several subjects through a cross-curricular approach. Mathematics is the most popular subject to include financial education. Other subjects include economics, politics, history, social sciences, home economics, business studies, knowledge about society, enterprise, social and citizen competences, PSHE, careers education, work-related learning, learning for life and work, citizenship, language/literature, science, civics, ICT, moral education, economic and management sciences, accounting and consumer studies.

Whether the integration is cross-curricular or into one subject, it is very important to provide concrete pedagogic tools to teachers for a consistent incorporation in the existing school programme. In a cross-curricular approach, visibility of financial literacy is very important and the curriculum or the learning framework needs to promote the use of authentic contexts for the delivery of financial literacy. It is also critical for schools to have a curriculum or framework that introduces financial literacy progressively through the different grades.



This section provides examples of the approaches to incorporate financial education into national curricula taken by three countries. In the case of New Zealand, financial education is included in the New Zealand Curriculum (NZC) through a cross-curricular approach recommended by the Ministry of Education. In Northern Ireland, financial education is statutory and an integrated-curriculum approach is recommended by the Council for the Curriculum Examinations and Assessment. Finally in South Africa the Financial Services Board (FSB) reached an agreement allowing it to develop classroom resources to be used in a cross-curricular approach.

In the three countries, effective teaching practice is supported through the provision of case studies that demonstrate ways that financial education has been effectively taught in a range of school contexts.

### ***New Zealand***

Financial literacy is included in the NZC in New Zealand schools and some teachers may require professional development in the pedagogical content knowledge associated with financial education (e.g. compound interest, delayed gratification). The NZC encourages teachers and students to look at significant future focused issues such as citizenship and enterprise. Building financial literacy contributes to exploring the issue of citizenship through identifying how values such as community participation influence personal financial goals and actions.

Building financial literacy also encourages links across learning areas, particularly social sciences, mathematics and statistics, and English. Financial literacy is readily developed within authentic contexts for learning. It provides students with life skills as well as opening pathways for further learning and careers.

The NZC articulates a vision for young people to be "creative, energetic and enterprising; to be confident, connected, actively involved and life-long learners; and will continue to develop the values, knowledge and competencies that will enable them to live full and satisfying lives" and that students are "able to contribute to and participate positively in the community" and "living successful and fulfilling lives" (The New Zealand Curriculum, 2007).

The Ministry of Education's approach has been informed by the earlier work of the Commission for Financial Literacy and Retirement Income. The Commission developed, trialled and independently evaluated an initial financial education framework. The Commission's work provided evidence about the most effective approaches for financial education that align with the overall focus and approach of the New Zealand Curriculum. These approaches have been further developed by the Ministry of Education.

The Ministry of Education has a dedicated website based on the financial education framework to promote and support teachers to integrate financial literacy into their teaching. The website is part of a wider website developed by the Ministry to support the implementation of the revised NZC.

### ***Cross-curricular approach***

Developing financial literacy is promoted as an example of the type of theme that schools could use for effective cross-curricular teaching and learning programmes. It provides an authentic context for linking learning areas such as social sciences, mathematics and statistics, English, business studies, health and technology. Financial literacy also provides a relevant context for strengthening literacy and numeracy skills and understandings, developing the key competencies, and exploring values.

In addition to the popular approaches to teaching financial literacy, the website outlines some suggested financial literacy progressions (see possible progressions of learning in Annex 3.A4) for schools to use as a guide to plan and track student learning. The financial literacy progressions provide specific curriculum based learning outcomes which fit within the numeracy strand of the curriculum. Building financial literacy is an opportunity to create authentic learning experiences to explore and model the values of fairness, establishing priorities, delayed gratification and family or cultural obligations. When making their own financial decisions, students need to be aware of the impact these may have on other people including family, friends and other community members.

### *Social-inquiry approach*

The financial literacy website provides specific guidance about effective pedagogy when using cross-curricular approaches to developing financial literacy. A social-inquiry approach is recommended that involves students:

- asking questions, gathering information, examining relevant current issues
- exploring and analysing people's values and perspectives
- considering the way in which people make decisions
- reflecting on and evaluating the new understandings they have developed and the responses that may be required.

### *Creating a supportive environment*

Financial literacy lends itself to authentic and engaging contexts for learning. This supports the development of the school curriculum, and meaningful ways for students to connect with their wider lives. It provides opportunities to develop meaningful partnerships with families and communities.

Teachers are encouraged to consider how different cultural values affect financial decisions.

Both national curriculums (NZC and TMoA) encourage schools to participate in learning experiences which explore and model values to enable all students to understand and explore New Zealand's rich cultural diversity. These values include concepts such as needs and wants, manaakitanga (hospitality) and whakawhanaungatanga (family or kin, shared responsibility and collaboration).

Forming effective links between school and the cultural contexts in which students grow up is seen as an integral part of creating a supportive learning environment. These 'productive partnerships' ensure that knowledge and expertise is shared between family, community and educators.

### *School stories*

The Ministry of Education's website provides school stories that demonstrate a range of approaches to effective pedagogy described above<sup>9</sup>. These are in the form of written accounts and, in some cases, digital stories. School stories include the following:

- what will a financially literate student look like when they leave Year 8? Using links with local community, workshops were undertaken to answer this question for the school.

- using the school's inquiry model the Junior School raised money for a class trip. The senior school set a financial goal, and worked towards it for the term.
- a cross curricular inquiry with students in groups living as a 'family' and managing their money successfully.
- a cross-curricular unit that focused on students understanding the values of excellence and community, being competent at managing themselves while developing skills of budgeting and saving for a day trip away from school.

### ***Northern Ireland***

Northern Ireland is one of the few countries where financial education is statutory; for all students aged 4-14 years of age. Financial literacy is seen as an essential life skill essential to enable young people to develop the knowledge, understanding, skills and confidence to effectively engage in financial decision-making.

An integrated-curriculum approach is recommended in which:

The aims of financial capability are infused throughout the whole curriculum and all Areas of Learning are required to explore issues relating to Economic Awareness.

To support the integration of financial literacy into curricula at primary and secondary level, the Council for the Curriculum Examinations and Assessment (CCEA) has a dedicated financial literacy website<sup>10</sup>. The website provides learning outcomes at five stages: Foundation and Key Stages 1 to 4. Learning outcome statements provide guidance about the most effective approaches to teaching financial literacy.

At the primary level financial education is taught mainly within mathematics but will also be addressed, as appropriate, across the curriculum. The following is the statement of learning outcomes and recommended learning activities at the Foundation Stage, provided on the financial literacy website:

During the Foundation Stage, children talk about the need to pay for goods (the exchange of goods for money). They learn about the different ways we can pay (cash, cheque, credit/debit card). They talk about and recognise coins (from 1p to £2) in various contexts and role-play activities, becoming familiar with coins in everyday use. They talk about where money comes from, how we get it and how to keep it safe. Children explore what to spend their money on and how it makes them feel. They talk about what it means to have more than we need and what people can do with extra money.

At secondary level, financial education is a statutory aspect of learning within mathematics in Key Stage 3, focusing on developing financial knowledge, financial skills and financial responsibility. The statutory statement requires that young people should have opportunities to develop knowledge and understanding of personal finance issues, skills to enable competent and responsible financial decision making, and to apply mathematical skills in everyday financial planning and decision making.

Financial literacy is also a statutory aspect of learning within the home economics learning area, within the key concept of independent living. The statutory statement requires that young people should have opportunities:

- to develop a range of skills to promote independence through planning, managing and using resources
- to explore scenarios for future independent living
- to investigate a range of factors that influence consumer choices and decisions
- to investigate consumer rights, responsibilities and support available in a range of scenarios.

Within the key element of economic awareness, additional opportunities are provided to highlight financial literacy across all learning areas<sup>11</sup>.

At Key Stage 4 financial literacy is covered within the statutory requirements of learning for life and work. Mathematics covers the calculations element of personal finance. Optional courses also include significant opportunities to develop financial literacy such as a new pilot General Certificate of Secondary Education (GCSE) in financial services as well as GCSE courses in economics and home economics.

As well as overall statements of learning outcomes at each stage, the financial literacy website provides specific curriculum links to show how financial literacy is incorporated into various programmes of study. Draft overviews are also provided that show the ways that financial literacy is integrated into the learning areas for which inclusion of financial literacy is statutory at each Stage. The draft overviews provide a list of the specific learning outcomes for each learning area supported by suggested activities<sup>12</sup>.

To provide further guidance about effective practice, the financial literacy website provides lesson reviews at each Stage in the form of case studies. The case studies are written by teachers and describe the teaching approaches they used. Most lessons are based on providing students with the opportunity to demonstrate financial literacy in the context of activities involving relevant everyday situations that are of high interest to students.

Examples include: creating a healthy snack on a limited budget; visiting the supermarket to shop for specific items; preparing a budget for a school trip; investigating ways to fund specific consumer purchases.

Lessons at Key Stages 3 and 4 also often involve the use of digital media-based resources such as DVDs, websites and interactive online games.

### ***South Africa***

The first step to secure the entry of financial education in the formal education sector was the identification of the education sector as a key area for creating awareness about consumer financial education. This entailed researching the possibility of introducing financial education into the National Curriculum Statement (NCS) for specific learning areas and subjects or to have financial education as an extra-curricular activity. The former option prevailed as it was shown that teachers would see anything outside the curriculum as an add-on to their already full programmes.

The FSB, together with other stakeholders, then made recommendations to the DoE to enable the inclusion of financial education as part of specific subjects and learning areas. The next step was to approach the national Department of Education (DoE) as well as the nine provincial education departments to outline in detail projects and programmes. Although no official memorandum of

understanding was signed, an agreement was reached allowing the FSB to develop classroom resources in collaboration and in consultation with the DoE and the provinces.

### **III - Training the teachers**

The importance of training teachers is underlined by most countries as a key component of a successful introduction of financial education in schools. Indeed one of the factors that will influence the educational system in its support for financial education is the availability of high quality teaching material together with training and other support for teachers. Furthermore, while support for financial education in schools may be secured at the governmental level, this will have little impact on student learning unless teachers are actively encouraged and supported to incorporate financial education into their teaching programmes.

Such training can be provided as part of an initial teachers course, or later in their professional life as part of lifelong training. In both cases, it should be provided by qualified staff and following predefined approved guidelines. Trainers should in particular be aware of the requirements of the educational curriculum and be familiar with the pedagogic tools that will later be used by teachers in their classes.

The majority of countries that have financial education in schools have also developed a wide variety of resources available for teachers: printed material, interactive tools through the Internet, student competitions, games and films. These are elaborated by the Ministries of Education but also by national banks, the private sector and NGOs.

However, at this stage only a minority of countries provides or has available some formal financial education training for teachers. For example Spanish regional authorities have specific training programmes for teachers; Malaysia holds annual workshops to train teachers as part of their continuing professional development with guidebooks and lesson plans to assist them in conducting effective financial education programmes; in the UK lead government education agencies in each devolved country offer professional development.

The following five case studies describe the training provided to support financial education in Australia, Canada and the Province of British Columbia, England, Japan, and South Africa.

Each case study provides a useful example for policy makers. Australia illustrates the need to put financial education into perspective, stressing the synergies with the entire school curriculum; Canada shows the importance of an appropriate choice of delivery method, through a wide use of webcasts and web conferences; England offers an interesting perspective on the involvement of a charity and its collaboration with the private sector; Japan provides interesting insight on the development of an effective national network for training and research using the local branches of the Central Bank; and finally South Africa is an example of the integration within the educational system through a point-based system for the professional development of teachers.

#### ***Australia***

In 2005, the Australian Government established the Financial Literacy Foundation within the Department of Treasury to raise awareness of consumer issues and encourage all Australians to better manage their money. From 1 July 2008, the functions and work of the Financial Literacy Foundation moved to the Australian Securities and Investments Commission (ASIC).

In 2007-09, the Australian Government funded the development and implementation of a national professional learning program for teachers. The professional learning package comprised a facilitator guide (notes and multimedia supports), a teacher guide and a DVD. The teacher guide in particular provided a collection of resources and worksheets designed to assist teachers to build their understanding of the context for consumer and financial literacy in schools with particular emphasis on integration within the existing curriculum. The materials raised awareness of the National Consumer and Financial Literacy Framework and highlighted the connections between the national Consumer and Financial Literacy Framework and the state curriculum at that time.

A website to house these materials was also established within [www.moneysmart.gov.au](http://www.moneysmart.gov.au). This website has been re-developed by ASIC to include an online professional learning resource. In addition, a wide range of other curriculum resources for teachers will also be available. These have been developed by a range of organisations but often in collaboration with local education authorities. ASIC plans further upgrades of this website and its content to ensure financial literacy professional learning and resources aligned the Australian Curriculum are available to support teachers.

Australia also has Education Services Australia (ESA, previously called the Curriculum Corporation), which is a national, not-for-profit company owned by all Australian education ministers. The company was established to support delivery of national priorities and initiatives in the schools, training and Higher Education sectors. ASIC has a Memorandum of Understanding with ESA to assess commercially developed financial literacy resources to ensure they support implementation of the National Consumer and Financial Literacy Framework.

### ***Canada and the Province of British Columbia***

The Financial Consumer Agency of Canada (FCAC) was established in 2001 as an independent federal government body to protect and inform consumers of financial services. The Minister of Finance's 2007 budget speech recognised financial literacy for young people and adults as a priority. In that budget, the Government of Canada allocated funding over two years to financial literacy, mandating FCAC to strengthen financial skills among youth. In its 2008 budget, the Government of Canada provided additional ongoing funding to FCAC to support efforts to improve financial literacy in Canada.

As a federal regulator, FCAC has no formal role in public schooling. It can undertake public information and education campaigns, but these are of limited reach outside of public school systems. The challenge, therefore, was to extend financial education initiatives that would be effective and engaging for schools, teachers and students, without encroaching on provincial and territorial education jurisdiction.

The surveys undertaken by FCAC showed that many teachers are uncomfortable teaching financial life skills because they are not confident in their own financial literacy. Drawing on the advice of the British Columbia Securities Commission (BCSC) partners, FCAC addressed this challenge in the following two ways.

First, through the provision of material that is comprehensive and contains all the information teachers need to teach the activities. Links and notes provide additional information for teachers who wish to access it. A teacher training plan was developed to deliver training through workshops or electronically via webcasts and web conferencing using a train-the-trainer model. Second, through training specialists that deliver the training through web conferences and on-line self-directed training

and the teacher champions deliver workshops in person at teacher conferences, professional development sessions and in school workshops that they coordinate.

### ***England, UK***

The organisation most closely involved with the delivery of financial education resources and support to schools in England is the Personal Financial Education Group (pfeg). Pfeg is an independent charity helping schools to plan and teach personal finance relevant to students' lives and needs. Pfeg was founded in 2000 and receives funding from a variety of supporters in government, the statutory sector and the financial services industry and regulator. In 2010 there were five regional pfeg offices established in London and the South East, the North West, the North East, South West and Central England with more than twenty full time expert consultants and twenty six freelancers working with schools to plan and deliver financial education.

The My Money programme, developed and delivered for all schools in England by pfeg on behalf of the Department for Children, Schools and Families (DCSF), is the first project to provide an integrated approach to personal finance education from when a child first starts school through to the end of secondary school. Within the framework of this project, the programme provides local authorities with support and training to help them to get personal finance into every school in their care and will also give schools access to high quality teaching resources and information across the primary and secondary sector to help children and young people learn what they need to know to manage their money well.

The DCSF also provides professional development to increase teachers' capability to teach financial education in the context of Personal Social, Health and Economic (PSHE) education, where most financial education is currently being taught in English secondary schools. The DCSF has expanded the PSHE programme to include a module on 'economic wellbeing and financial capability' and the Government is funding an extension to the PSHE Continuous Professional Development (CPD) Programme to include a module on financial literacy.

Pfeg's Use Your Expertise project brings together volunteers with expertise in the financial services industry with teachers in the classroom. Teachers and students have found it valuable to be able to draw on the volunteers' specialist knowledge and experience.

The pfeg website provides case studies showing how teachers in different types of school and learning contexts can integrate financial literacy into their own school curriculum. The case studies explore both timetabled curriculum lessons and various 'off timetable' enrichment days (for example, enterprise day). The DCSF has also provided high level best practice guidance on what they expect students to be taught at school. This provides teachers with a clear structure to their teaching of financial literacy, while retaining the flexibility for individual schools to decide how best to teach personal finance.

### ***Japan***

The Central Council for Financial Services Information (CCFSI) has taken a lead role in promoting and supporting financial education in Japanese schools. CCFSI is composed of representatives of associations of financial institutions and economic associations, associations of broadcasting companies, consumers' organisations and professors of education, consumer education, and finance. The Governor of the Bank of Japan and the Minister for Financial Services are special advisers to the CCFSI. CCFSI is funded by the Bank of Japan and other member organisations of the CCFSI.

In 2007, CCFSI published the programme for financial education in schools, called 'How to Cultivate the Ability to Live in Society'. The programme was developed with the involvement of scholars, officials from the Ministry of Education, Culture, Sports, Science & Technology (Ministry of Education) and others who have influence over the revision of the National Curriculum. The programme provides an overview of financial education goals and learning outcomes for primary, secondary and high school students; describes the most effective ways to introduce financial education in schools and provides model teaching plans for every major subject in primary, secondary, and high schools, written by experienced teachers.

The new National Curriculum, published by the Ministry of Education in March 2008 and 2009, includes contents of financial education in a number of statutory subjects such as social studies, home economics, and moral education in primary, secondary, and high school. Because of the increased importance placed on financial education, CCFSI has recognised the increasing need to provide training and materials to support teachers to teach financial education.

CCFSI has a long history of involvement and achievements in training, support, and provision of educational resources. More recently, Local Councils for Financial Services Information, the Bank of Japan, Government, local government, governmental organisations, associations of financial institutions, consumer organisations and non-profit organisations have also started to promote financial education and are providing educational materials, books on good practices and holding seminars to disseminate good practice. CCFSI is working to promote the exchange of information on the publication of educational materials and other activities concerning financial education.

CCFSI organised the National Conference on Pecuniary Education from 1973 until 2003. The purpose of the conference was to exchange effective methods of pecuniary education. Teachers of designated research schools on pecuniary education and supervisors of school education attended the Conference.

The Local Councils for Financial Services Information have also organised local conferences for promoting exchange of practical achievements between designated research schools on pecuniary and financial education. Local councils for financial services information located in each prefecture provide neutral and impartial information and support for study of the economy and finance. Each of the forty-seven councils consists of the association of financial and economic organisations, financial institutions, a superintendent of schools, the association of broadcasting companies, and the officials of local government in the prefecture. Chairpersons of the local councils are either the governor of the prefecture or the head of the branch of the Bank of Japan. The local councils are funded by their members and the CCFSI. The secretariat offices of the local councils are located in the local government or in the branch of the Bank of Japan.

Since 2002, CCFSI and Local Councils for Financial Services Information have organised seminars of financial education to support teachers to introduce financial education, with over 150 seminars a year now being held. Officials from the Ministry of Education and the local educational committees are invited to give speeches at the seminars to deepen teachers' understanding on the need of financial education in schools. CCFSI and the Local Councils have asked educational committees to include the contents of financial education in the seminars which they plan as statutory training courses for teachers.

Moreover, financial services information advisers designated by CCFSI and volunteers from other institutions are also invited by schools to give financial education lectures.



## **South Africa**

All resources and materials developed for teachers are mediated to the teachers through specifically designed workshops. As teacher training is the prerogative of the DoE, the workshops serve to assist teachers in using the resource effectively in the classroom through demonstration lessons. It further serves to create awareness among teachers on personal financial planning issues.

In terms of the South African Council of Educators (SACE) Act of 2000, no person is permitted to practise as an educator unless he/she is registered with the Council. The SACE has thus developed a Professional Development (PD) point allocation system. All financial education courses administered through the FSB will be registered on the system once SACE's system is ready. This will provide teachers with official recognition for financial education courses. In the meantime, teachers are issued with certificates of attendance indicating contact hours which will be converted to PD points on the SACE system once it is activated.

## **IV - Tools and pedagogic materials**

As mentioned in the INFE Guidelines, together with training, the access of teachers to quality and effective resources is critical in order to teach financial education in schools with confidence.

The availability and easy access to objective and effective quality tools should be secured preferably at an initial stage and subsequently promoted and monitored in order to ensure teachers are provided with the best resources on financial education. In some countries, such resources might already be available: the institution in charge of financial education should then just map the existing material and choose the most appropriate. In other countries, such resources might not exist, and it may be necessary to develop them from scratch or learn from other countries, for example through the creation of ad hoc working groups.

Amongst the countries featured in the case studies several criteria were used for the identification and the development of suitable resources on financial education. In some countries, materials were made available without any coordination between concerned institutions, while others had some form of co-ordination, for example, with school books being certified by the Ministries of Education. Examples of coordination include Hungary where the Co-operation Forum on financial education was launched in 2006. Australia also has a Curriculum Corporation (a national curriculum agency) that assesses and endorses resources to ensure suitability, quality and a high standard of professionalism on behalf of ASIC.

Each selected case study below exemplifies relevant practices in developing and making accessible financial education tools and materials.

The Canadian case highlights the need to carefully review all existing pedagogic resources before partnering with an institution in order to improve the quality of materials and make them suitable for a national audience; England shows how a teaching programme can be successfully adapted in a coordinated fashion to suit different ages and to incorporate specific programmes on an *ad hoc* basis; Japan illustrates the importance of co-opting experienced teachers in the design of new educational material and the value of interactive activities performed in real-life scenarios; South Africa is a good example of the need to adapt resources to specific learning outcomes in line with the requirements of the national curriculum; finally the United States highlights how the presence of a clearinghouse on existing tools for financial education in schools can be relevant in a very diversified federal educational system.

## ***Canada and the Province of British Columbia***

The Financial Consumer Agency of Canada first reviewed existing initiatives and programmes in Canada in order to seek out the best programmes available and to avoid duplication. They planned to adapt the most successful ones for national use, where appropriate, and make them accessible in both official languages (English and French). The review led FCAC to a unique teaching resource developed by the British Columbia Securities Commission (BCSC) called Planning 10, a program that was being used successfully to teach a mandatory course on personal finances to Grade 10 students in British Columbia (BC). The FCAC partnered with the BCSC to build upon this initiative and extend it across Canada. The outcome is a multi-level education resource called “The City, A Financial Life Skills Resource”, launched in September 2008 and available in both English and French<sup>13</sup>.

‘The City’ consists of a free 11-part teacher-led web resource for youth aged 15 to 18 in schools and a self-directed online component. It aims to engage youth by using a web-based hands-on approach to learning. It makes financial concepts easy to understand and provides practice in real-life skills. Students use realistic financial documents to practice financial activities relating to topics such as budgeting, saving, credit and debt, insurance, taxes and investing. By the end of the course, they prepare a financial plan for the years after they leave school. The resource features two components: a classroom resource for teachers comprised of 11 learning modules and 10 interactive, self-directed online modules for teachers, youth and members of the general public.

The online modules parallel the in-class modules, but adapt the activities for the online learning environment. All resources are designed to be self-contained and easy to use, whether individually, in an informal community setting or in a classroom.

Since FCAC has no formal role in the public school system, they adopted a variety of strategies to promote acceptance of The City among educators. They created a cross-Canada teacher review committee to ensure that teachers would be comfortable with the teaching approach; that the content and level would be appropriate to learners aged from 15 to 18; and that the resource would meet prescribed learning outcomes for each province and territory.

The FCAC worked with partners, such as the provincial securities commissions and the Canadian Bankers Association, to ensure that the activities accurately reflect current financial issues. Teachers can download complete in-class resources (including curriculum connections for their province or territory) or order a printed binder at cost.

Drawing on the experience of the BCSC in British Columbia, FCAC enrolled teacher champions in each province and territory – that is, teachers on contract to FCAC who work to increase awareness of The City and to promote its acceptance among teachers and education authorities. Teacher champions have approached their education authorities (except in the Province of Quebec) to discuss listing the resource as an approved teaching resource for the appropriate courses. As of September 2009, the resource was listed as an approved resource in five of thirteen jurisdictions, with an additional three jurisdictions piloting courses where The City is a component within the proposed new curriculum. For example, in New Brunswick, The City comprises one-third of a new course called Business Organisation Management that is being piloted in the 2009-10 school year. In Prince Edward Island, The City became part of the new Grade 10 Career Explorations and Opportunities course that was being piloted in selected English and French schools in 2009.

FCAC also works with the industry to promote The City. The Canadian Bankers Association promotes “The City” through its in-school initiative, “Your Money”, in which members of the association visit classrooms across the country to talk with students about financial issues. As of 31 March 2009, two hundred and fifty-eight seminars were held and a total of 7 451 students participated in these seminars.

The resource has been recommended by Curriculum Services Canada, a pan-Canadian standards agency for quality assurance in learning products and programmes, to support curriculum in the areas of personal development, career planning, mathematics, business, economics, family studies, consumer studies, enterprise and entrepreneurship studies and alternative education. It was also recommended by Le Centre Canadien de Leadership en Évaluation (CLÉ) as a financial education resource to support courses taught in French language secondary schools throughout Canada.

### ***England, UK***

The My Money programme, developed and delivered for all schools in England by pfeg on behalf of the Department for Children, Schools and Families (DCSF), provided local authorities with support and training to help them to get personal finance into every school in their care. It also gave schools access to high quality teaching resources and information across the primary and secondary sector to help children and young people learn what they need to know to manage their money well. The wide scope of My Money enables it to act as the strategic ‘envelope’ into which all the other projects in schools (for example, Learning Money Matters support for secondary schools) can dovetail. The programme ran for three years (2008-2011) and is non-statutory for schools.

My Money Week is a central feature of the programme. The high profile annual money awareness week highlights the need for parents and the wider community to gain skills and confidence in financial matters to support young people’s learning in school. The first My Money Week took place in June 2009.

At the secondary level, pfeg’s Learning Money Matters programme, funded by the Financial Services Authority (FSA), offers free advice, support and resources to schools and teachers who want to teach personal finance education in a way that fits an individual school’s needs, with the help of a nationwide network of consultants. These consultants offer a range of free support to teachers to enable them to become confident and competent in delivering financial education to their pupils.

Additional support at the secondary level in England is provided by the financial education framework ‘Guidance on Financial Capability in the Curriculum: Key Stage 3 and 4’. Developed by the Department for Children, Schools and Families (DCSF) in 2008, the framework is designed to help school staff and others working with secondary schools to understand financial literacy and to plan and implement personal financial education as part of the new secondary curriculum.

At the primary level, pfeg has developed What Money Means, a five-year programme to increase the quantity and quality of personal financial education. It is designed to give younger children a foundation for managing their money now and in the future. The programme aims to help teachers feel confident in tackling money with children of primary age. It offers resources and support to help teachers plan and teach personal finance ways that fit into existing activities and curriculum plans, at no cost to them. The programme was made available to all primary schools in England in 2011.

Pfeg also acts as a ‘one-stop-shop’ for teachers to find resources to support financial education. These are made available on a searchable database on the pfeg website<sup>14</sup>. The pfeg Quality Mark accreditation system ensures that resources and materials for teaching financial literacy are suitable, effective and of the

highest educational quality, covering Year 1 to Year 13. To date, more than fifty resources have been awarded the Quality Mark. All pfeq Quality Mark resource providers are required to adhere to a rigorous code of practice. The Quality Mark is awarded to resources that are accurate and up-to-date; match curriculum requirements; are easily available, adaptable and low cost; cover an appropriate range of financial topics and have been developed in partnership with teachers and tested in schools.

### ***Japan***

The Central Council for Financial Services Information (CCFSI) publishes financial educational materials and videos and provides information on their website to support financial education. CCFSI involves experienced teachers in developing educational materials and organises editorial committees with excellent teachers and principals as well as scholars and lawyers. The materials reflect the opinions and best practices provided by the teachers. Effective teaching practices have been selected from hundreds of practices reported from designated research schools on financial education. They are also selected from research papers written by experienced teachers and submitted to the public education centres. Effective practices for financial education are provided for most subjects including social studies, home economics, homeroom activities, integrated studies, moral education, mathematics, Japanese language and the arts.

Various activities have been found to be effective in stimulating student interest and deepening their understanding, including role-playing, introducing simulative activities such as auctions or exchanges, cultivation and sales of vegetables, setting up and running a company.

The following guides have been produced for teachers: Beginners Guide to Financial Education Financial Education Program and the Financial Education Guidebook. These guides provide examples of effective practice in financial education and include worksheets developed by teachers that users can easily copy or download to use with their own students.

The following are the most popular student resources, some of which have been produced with accompanying teacher guides:

- **Are You Really Rich?:** A resource mainly for high school and college students and adults. It provides basic knowledge on various types of credit cards, contracts, interest rates, and guarantees. It also nurtures sound attitudes toward money which helps averting multiple debt problems. It provides advice on how to solve such problems. The teacher's guide describes the aims of the resource and practical ways to use the educational material. It also explains terminology, related laws, and social background related to multiple debt problems.
- **You are Self-Reliant Now: Workbook** developed to provide students with basic economic knowledge necessary to live self-reliantly. Teacher's guide provides the same kind of information as explained above.
- **Pocket Money Account Book:** A small notebook for recording personal money. This is also provided for primary school pupils as an educational material at their teachers' request.
- **What would you do if you got 1,000,000 yen?:** a cartoon booklet for pupils of primary and secondary schools. It explains the role of money and gives knowledge on contracts and various types of credit cards using cartoons so that pupils can enjoy studying.

- Educational videos: for kindergarten, primary, secondary, and high school students and for adults.

Materials are sent to schools free of charge upon request by teachers and about seven hundred thousand copies have been published and distributed of the most popular materials.

### ***South Africa***

A major priority for the DoE is to provide teachers with cost effective, readily usable resources for use in the classroom. Accordingly, the FSB developed resources for teachers with actual lesson plans for identified learning areas and subjects. The resources were designed in line with NCS requirements. The resources targeted specific learning areas and subjects as well as specific grades and included learning outcomes and assessment standards.

The following materials were developed:

#### *Managing your Money: a Mathematical Literacy Resource for Teachers – Grades 10, 11 and 12.*

The FSB, in partnership with the South African Insurance Association (SAIA), contracted a service provider to develop a Mathematical Literacy Resource, “Managing your Money”, for teachers of Grades 10, 11 and 12.

The resource is a 36 page booklet for each of the grades and contains ten lessons on financial literacy that are compliant with the NCS for Mathematical Literacy. In addition to the resource, a teaching poster was developed to depict “Money management rules” (Grade 10) and “Who do I complain to” (Grade 11). The resources were also copied onto CD-ROM in PDF format. A total of 20 600 Managing Your Money resource files were printed and distributed at 123 workshops to 7720 teachers between 2008 and 2010.

#### *Money in Action: a guide to personal financial management – Grades R to 12*

The FSB in partnership with the Financial Service Consumer Education Foundation and the SAIA contracted e-Learning Laboratory (e-Lab) to develop the digital resource “Money in Action” for teachers and learners.

The resource is based on the three FSB booklets, namely “Make the most of your money”, “Make your money work for you” and “Use your money wisely”.

This project entailed the digitalisation of the three booklets onto an interactive CD-ROM. The CD was accompanied by teacher guides. The CD was designed to be navigated by phase and grade and covered selected Learning Outcomes in the Economic and Management Sciences (EMS) curriculum for Grades R – 9 and the Mathematical Literacy and Life Orientation Curriculum for Grades 10 -12. The booklets were also developed per phase and band.

Senior staff at the National and provincial education departments reviewed the CD-ROM and booklets. The resource was also field tested with the aid of teachers and learners. Sixty thousand CD ROMs and seventy thousand workbooks were printed and distributed to central points in the nine provinces. A total of sixty workshops were conducted in all the provinces with more than nine hundred educators.

### *A Financial Guide for Youth*

The FSB, with the assistance of a professor at the University of South Africa, developed content for a Financial Guide for Youth. The FSB then contracted a service provider to design, lay out and print the booklet. Another service provider was contracted to conduct workshops in the nine provinces. In total 15.700 booklets were printed and 108 workshops were held with 3.010 attendees (Grade 12 school learners, school leavers, university students and first time workers/salary earners) from January to April 2009. The main topics in the booklet include: financial planning, banks and what they do, studying, working for yourself, working for someone else, and what do you do if you feel you've been cheated (recourse).

### **United States**

Convened in 1995, the Jump\$tart Coalition is a not-for-profit organisation that consists of 180 businesses, financial and educational organisations and 47 affiliated state coalitions providing advocacy, research, standards and educational resources to improve the financial literacy of youth.

A key national-level resource provided by the Coalition is the 'National Standards in K-12 Personal Finance Education'<sup>15</sup>, first developed in 1998. The standards are intended to provide a personal financial education design and evaluation framework for school administrators, teachers, curriculum specialists, instructional developers and educational policy makers.

As such, the National Standards represent the framework of an ideal personal finance curriculum, portions of which may not be appropriate for individual instructors and students. The Coalition leaves it up to various stakeholders to decide how to address the topics in the National Standards. Educators can use the standards and expectations to design new personal finance units or courses, or to integrate concepts into existing courses. (Jump\$tart Coalition for Personal Financial Literacy, 2007)

To help educators to make effective use of the standards and to support effective teaching practice for financial education, the Coalition provides additional resources. These are a personal finance clearinghouse of teaching resources, national best practices guidelines and teacher workshops.

### *The Clearinghouse*

One of Jump\$tart's aims is to identify high-quality personal finance materials for educational use. The Clearinghouse is a database of personal finance resources available from a variety of education providers such as Government, business and non-profit organisations. The Clearinghouse enables teachers to identify appropriate educational materials by grade level, format and content category.

The Clearinghouse uses the Educational Materials Review Checklist as a guide in the selection of materials to be included in the database. Materials are reviewed for accuracy, completeness and appropriateness for educational use but inclusion in the database does not constitute endorsement of the materials.

### *National Best Practices Guidelines*

The Coalition provides recommended best practices to support the development of financial education resources and their selection. The guidelines cover the following criteria: objectivity; alignment

to standards; teaching and learning; target group; accuracy and up-to date; availability and accessibility; evaluation and assessment.

## **V - Role of private financing: importance and challenges**

Appropriate, commensurate and long-term resources are essential to the development of financial education in schools. The amount and nature of resources determines the scope of financial education programmes, their effectiveness and their duration.

Against a background in which public funds for schools are often more easily channelled towards the standard components of school curricula, the involvement of the private sector can provide the input needed for the sustainability of the development of a learning framework for financial education in schools. Private funding can also bring additional benefits, such as the technical expertise on financial services of private stakeholders, which may be lacking in the public educational sector.

However, the involvement of the private sector can also give rise to the risk of conflicts of interest. Consequently, countries that took advantage of the availability of private funding have also developed means to monitor and manage possible conflicts of interest with the commercial activities of the institutions involved. These experiences underline the importance of keeping the monitoring of the use of private funds in the hands of the public sector, an independent regulatory body or a recognised not-for-profit organisation.

In some countries the private sector funds a variety of resources and projects through the provision of in-kind and financial resources (among these Malaysia, the United Kingdom and the Czech Republic). The role of such private entities varies. Their role may include inputs for learning frameworks, organisation of workshops to train teachers or students, development of materials and lesson plans, distribution of materials and promoting awareness.

Other cases illustrate the existence and importance of public-private partnerships: in Australia, through the Australian regulator's financial literacy education strategy; in Canada with partnerships between the Financial Consumer Agency of Canada, the Canadian Bankers Association, the Central Council for Financial Services Information (CCFSI) and Local Committees for Financial Services Information in partnership with the private sector; and finally in South Africa with the creation of an independent trust that serves as a vehicle for donors' support, the Financial Services Consumer Education Foundation.

In countries where the private sector is actively involved, and as highlighted by the INFE Guidelines, strong attention has been paid to potential conflicts of interest arising in particular from the creation and provision of pedagogic material. For most, assurance was provided through government leadership or independent committees of experts drafting guidelines, checking that materials correspond to the curricula and assessing them for hidden adverts. The Czech Republic, the United Kingdom and the US have created standards specifying that financial education should develop and increase financial literacy but not serve as a marketing tool for products and services.

In addition, the involvement of the private sector reinforces the need for a certification or accreditation process for related resources: this applies both to the provision of material (to avoid the presence of branding and marketing messages), to the development and organisation of training, and to the active involvement in classroom teaching by volunteers.

In South Africa the Financial Stability Board developed a new and neutral logo for material developed through partnerships. Such requirement is clearly stated on the partnership's contract, which also clarifies that industry marketing may only appear on a false cover attached to the approved materials. The UK has the pfeg 'Quality Mark' as a method of quality assurance so teachers know that the materials are accurate and match curriculum requirements. In Australia, ASIC has a Memorandum of Understanding with Education Services Australia (ESA) to assess commercially developed financial literacy resources to ensure they support implementation of the National Consumer and Financial Literacy Framework.

The following case studies provide examples of two very different approaches to the funding of financial education programmes. In Malaysia there is extensive private sector involvement in funding financial education in schools, with Bank Negara Malaysia taking a strong leadership role in collaboration with the Ministry of Education. In contrast, in the United Kingdom, the Government and the private sector share responsibility for the funding of financial education in schools. Private sector funding occurs either directly to specific programmes or indirectly via the mechanism of the Financial Services Authority.

In both countries, the private sector provides significant in-kind support through the provision of volunteers who provide expert advice to schools and processes are in place to ensure possible conflicts of interest are avoided.

Concerning the risk of possible conflicts of interest, the two cases selected are a good illustration of different ways of managing such risk: Malaysia opts for a centralised approach in which the Ministry of Education monitors the activities of financial institutions, whereas in the United Kingdom it is the responsibility of individual schools and teachers to decide over the suitability of a resource but with the assistance of professional support programmes and thanks to the strong role played by a quality certificate awarded by the pfeg to private sector resources.

### ***Malaysia***

Public-private partnerships are a key feature of the promotion and provision of financial education in Malaysian schools. Most financial education occurs through co-curricular rather than curriculum integrated activities and financial institutions have provided significant funding as well as in-kind support for these initiatives. The involvement of financial institutions in the financial education programme is part of their corporate and social responsibility and financial institutions are encouraged to play a significant role in financial education.

Specific public-private partnerships have been developed through collaboration between Bank Negara Malaysia, the Ministry of Education (MoE) and financial institutions since the launch of the Schools Adoption Programme (SAP) in 1997. Under the SAP, 10,000 Government-funded schools have been adopted by the financial institutions, including schools for children with disabilities. The financial institutions conduct activities relating to banking, insurance and basic financial knowledge and provide an opportunity for school children to have a bank account.

Bank Negara Malaysia is responsible for coordinating the SAP and for promoting financial education in schools. The Bank allocates an annual budget for the implementation of teacher workshops, development and production of educational materials, maintenance and enhancement of the financial education website<sup>16</sup>, promotional activities and prizes for financial education competitions. The Bank has made a long-term commitment to elevating the financial literacy of school children. Other financial



institutions also allocate funds to organise activities related to financial education in their adopted schools and to produce financial education materials.

The SAP has been complemented by several other initiatives. These are:

- Student Financial Club (SFC) - a SFC has been established in more than 2000 schools under the SAP since 1999. As part of their co-curricular activities, students who join the clubs engage in money and finance related activities through workshops, visits to financial institutions, knowledge sharing and games.
- Pocket Money Book: introduced in 1998 to educate and assist students to manage their pocket money and to take control of their personal finance. More than 7.9 million books have been distributed.
- Financial education website: In 2004, Bank Negara Malaysia, in collaboration with the Ministry of Education created and launched a financial education website as an interactive financial education tool.

The Bank works closely with the MoE. For example, in 2005 a guidebook for teachers-in-charge of SFC was prepared by Bank Negara Malaysia in collaboration with the MoE. To further assist teachers in conducting financial education activities, lesson plans with outlined modules and activities on financial education were distributed to all schools in 2008<sup>17</sup>. The lesson plans were developed at teacher workshops with the contribution of adoptive financial institutions and were compiled by Bank Negara Malaysia.

Bank Negara' Malaysia's efforts are complemented by the contribution of partners such as the Securities Industry Development Corporation, the National Co-operative Organisation of Malaysia, Malaysian Association for the Blind and the relevant government ministries and agencies.

The table below summarises the contributions made by the key stakeholders.

Organisation	Roles
Bank Negara Malaysia in collaboration with the MoE and adoptive financial institutions under SAP	<ul style="list-style-type: none"> <li>• Structure the financial education programme framework for school children</li> <li>• Organise workshops to train teachers in conducting financial education activities as part of their professional development</li> <li>• Organise financial education workshops for school children</li> <li>• Develop materials such as guidebooks and lesson plans to facilitate teachers in conducting activities relating to financial education</li> <li>• Develop and distribute effective financial education materials such as Pocket Money Book (including Braille version), financial education website, leaflets and brochures</li> <li>• Promote awareness of the financial education programmes for children</li> <li>• Organise “Financial Awareness Week” at a different state each year to enhance engagement with the community at large, including school children in the locality</li> </ul>
Private sector such as Securities Industry Development Corporation	<ul style="list-style-type: none"> <li>• Promote investor education through programmes organised for school children</li> <li>• Provide technical assistance to adoptive financial institutions and introduce fresh ideas on investor education activities to motivate teachers and students</li> </ul>
Non-governmental organisations such as consumer associations	<ul style="list-style-type: none"> <li>• Promote and create awareness of the importance of financial education programmes through the media</li> <li>• Publish financial education materials</li> </ul>
Smart partners such as Credit Counselling and Debt Management Agency, Financial Mediation Bureau, Malaysian Deposit Insurance Corporation and relevant ministries	<ul style="list-style-type: none"> <li>• Promote public awareness of the consumer education programme targeted at school children via joint outreach programmes and dissemination of materials and create links to duitsaku.com website.</li> </ul>

### *Managing possible conflicts of interest*

To mitigate possible conflicts of interest, the MoE has streamlined all the co-curricular activities conducted by private organisations for school children. As a guiding principle for heads of the 10,000 schools adopted under the SAP, financial education programmes should only be conducted by the MoE, the adoptive financial institutions and the partners of Bank Negara Malaysia. The MoE and school authorities monitor financial education activities by financial institutions to ensure that marketing activities are not conducted during financial education activities.

## ***South Africa***

From the beginning, the comprehensive implementation of the FSB's mandate for consumer education was hampered by limited available funding sources. Given the absence of funding from own sources (besides seed money for consumer education), the FSB could develop substantial programmes only thanks to negotiated partnerships with the private financial sector.

In order to create a formal framework for the collaboration with the private sector, the FSB established the Financial Services Consumer Education Foundation (the Foundation) in 2004. The Foundation is an independent trust governed by trustees as a separate entity with assets separate from that of the FSB. The function and purpose of the Foundation is to serve as a useful vehicle for donor support to assist the FSB in fulfilling its consumer financial education responsibilities.

In particular, the Foundation:

- funds, promotes or otherwise supports consumer financial education, awareness, confidence and knowledge regarding consumer rights, financial products, institutions and services supervised and regulated by the FSB;
- promotes the use of regulated financial services, by those who do not yet avail themselves of the financial products and services available, including the poor and needy;
- educates pension fund trustees to promote the responsible management of pension funds and protection of pension fund members;
- educates financial services providers on consumer protection; and
- promotes the education and information of consumers, pension fund trustees and financial services providers so as to serve the needs, interests and well-being of the general public in the field of financial services.

The Foundation has been approved as a public benefit organisation in terms of the Income Tax Act. It is also registered as a non-profit organisation.

The establishment of the Foundation made available additional funding (albeit limited) in response to proposals submitted to the Foundation by the FSB.

Besides this initiative, the approval of the Financial Sector Charter I (FSC) further complemented the FSB's efforts to educate consumers. A voluntary charter was signed by key players in the financial sector, committing them to the expenditure of 0.2 percent of their after tax profits for consumer education. Incentives in the form of points were available if guidelines developed by the Access Committee of the Charter Council were followed in the implementation of consumer education programmes. Should the activities of the FSC resume, it will be important for the FSB to renew efforts to consult with the Council to avoid duplication of effort as well as a blurring of mandates.

## ***United Kingdom***

Private sector funding is provided directly by individual financial institutions, and indirectly through the Financial Services Authority (FSA). The FSA is funded entirely by levies on the firms it regulates. It led

the National Strategy for Financial Capability and in support of the Strategy, the FSA funded pfeg's 'Learning Money Matters' programme (£1.9m in 09/10) and also contributed to financial education development officer posts in Wales, Scotland and Northern Ireland to ensure resources were coordinated and freely and easily available to teachers and schools. FSA also funded research in 2006 that explored the way that financial education was being taught in schools.

As well as contributing indirectly through the FSA levy, a number of private sector financial institutions make a direct contribution to schools. For example, HSBC funds pfeg's 'What Money Means' scheme for primary schools (£3.4m over the duration of the three year project). HSBC have committed up to 10,000 of their staff to the project. These volunteers go into primary schools to work with teachers to pass on their financial expertise. GE Money and ICAEW fund pfeg's Use Your Expertise project that brings together volunteers in the financial services industry with teachers in the classroom. Another example is the Royal Bank of Scotland's 'Moneysense' programme that provides direct support to teachers in schools.

In-kind support is also provided by financial institutions through talks at school on personal finance provided by financial services industry employees. For example, in Wales, Credit Unions' staffs work with teachers and pupils on an ongoing basis. There is also significant private sector funding for the production of resource materials for schools. For example, Prudential, Standard Life and Experian have funded and produced specific financial education resources for schools.

#### *Managing possible conflicts of interest*

In the UK it is up to individual schools and teachers to decide on the suitability of any resource or support programme. There are a number of professional support programmes available to teachers to help them feel confident and competent in delivering personal finance to their pupils, giving them confidence to select appropriate classroom resources.

In addition, the pfeg Quality Mark, a method of quality assurance, ensures teachers have access to a range of quality assured resources that have been independently assessed by educational and financial experts. These resources:

- Do not bear ads and do not market a particular business or product
- Are accurate and up to date
- Match curriculum requirements and have been carefully designed for the stated age range with learning aims and objectives
- Are easily available, adaptable and low cost
- Cover an appropriate range of financial topics and are linked to the financial literacy education framework
- Have been developed in partnership with teachers and tested in schools

It's also important for organisations like the FSA (and, in the devolved nations, the Scottish Centre for Financial Education, the Welsh Financial Education Unit, and the Council for the Curriculum, Examinations and Assessment in Northern Ireland) to maintain a dialogue with key industry players

providing support or resources into schools. Through this ongoing dialogue the FSA have been able to make the case that any resources the firms produce need to be educational and unbiased, ensuring firms do not see this as a marketing opportunity.

## **VI - Evaluation of financial education programmes**

As highlighted in the INFE Guidelines in Chapter 1, monitoring and evaluation are essential components of the successful introduction of financial education programmes in schools. Evaluation evidence is key to improving the overall effectiveness of the programme and the accountability of the stakeholders involved.

Monitoring and evaluation should ideally focus on each stage of the programme implementation: accounting for both short-term outcomes and long-term impacts and taking several forms, depending on their focus.

- One of the first important steps consists of monitoring the actual teaching of financial education, for example through case studies and oversight mechanisms that can be put in place by local or national authorities.
- The second phase may consist in evaluating the relevance and impact of the programme, the learning framework and the teaching through direct feedback from involved stakeholders such as students, teachers, educational system's management, parents and the local community.
- Finally, in order to test the change in the level of financial literacy of students, their competencies might be tested throughout the curriculum via testing in the classroom, formal examinations or by including such evaluation in national tests.

The latter example is also the preliminary step towards the longer term impact evaluation of financial education programmes in schools. Such impact can also be assessed through baseline surveys of students' financial literacy, in order to set benchmarks and goals. The use of international survey results (such as the financial literacy assessment included in the 2012 PISA results) will add further value to this evaluation method.

In spite of its recognised importance, evaluation of the relevance and impact of programmes (second phase) has not been thoroughly undertaken in every country.

In Spain, data compiled from 2009 will be assessed in 2011-12 for adaptation of the National Strategy on Financial Education and the Netherlands has evaluated different teaching methodologies. In the province of British Columbia, Canada, there has been ongoing evaluation of the effectiveness of the financial education programme. In New Zealand an independent evaluation of the draft financial education framework was undertaken and the findings of the evaluation were used to shape the final form of the framework.

Concerning tests on changes in the financial competencies of students (third phase), financial education is not part of student examination as a separate subject. Instead, countries are evaluating financial education as part of the already existing evaluation of the subject to which it is integrated, as in Korea where personal finance competence is tested as part of other subjects.

Some countries have set up formal and/or informal assessment of financial education (rather than examinations). Malaysia has monthly interactive games, quizzes and writing competitions. The UK has qualifications by the Qualifications and Curriculum Development Agency (QCA) and National Database of Accredited Qualifications (NDAQ), which contain units on personal finance education, and within the UK there have been further evaluations in Scotland (one of the early adopters of financial education in schools) undertaken by George Street Research and an evaluation of pfeg's Learning Money Matters programme in England undertaken by the National Foundation for Educational Research.

The case studies in this section of the report are based on the evaluations of a wide pilot project in Brazil, the Planning 10 programme in the province of British Columbia, Canada and various provisions in England and Scotland, Malaysia and South Africa.

Brazil shows the benefits of evaluating a pilot programme ahead of nation-wide implementation of programmes. British Columbia is an example of an evaluation used to strengthen the effectiveness of financial education programmes and to inform the development of further programmes. England illustrates the need not only to count the number of schools effectively engaging in financial education, but also to understand whether this sample is representative of the overall educational system.

Malaysia provides an interesting example of evaluation in a context characterised by a strong involvement of the private sector where financial institutions serve both as providers of content and as channels for monitoring and testing results. Scotland is a useful example of a two stage evaluation that included a survey of the adoption of financial education programmes in different sectors of the educational system and secondly an analysis of the perception of their effectiveness. Finally South Africa shows how to develop guidelines for evaluation and a toolkit and how to make their use compulsory in all financial education programmes.

### **Brazil**

The introduction of financial education in schools is part of the Brazilian National Strategy on Financial Education (ENEF)<sup>18</sup>. In 2010 Brazil introduced a pilot programme for financial education in high-schools to measure the impact of the programme before scaling it up in other parts of the country<sup>19</sup>. This pilot followed two years of preparation to develop guidelines, the first materials and the implementation plan.

The schools programme integrates financial education within the school curriculum and incorporates case studies on financial literacy into mathematics, language/literature, science, sociology and other disciplines. In the State of São Paulo, for example, there are schools that choose to include the financial content into five different disciplines at the same time.

The pilot study design was based on random assignment. Schools that volunteered to be part of the programme were randomly selected to be either in the "treatment group" or the "control group". The randomisation was done at the school level and divided the pilot study sample into two groups: a treatment groups that received both textbooks and teacher training, and a control group. In order to also gauge the potential effects on parents, half of the parents in treatment schools were randomly selected to participate in a parent financial education workshop.

In total 891 schools in six states (439 treatment and 452 control schools) and approximately 26.000 students (one class per school) participated in the evaluation of the pilot.

### **Box 2.1. Timeline of the Brazilian evaluation of financial education in schools**

- April–May 2010: the list of interested schools was determined with help of the different State Ministries of Education. Once the volunteers sample put together, they were randomly divided into treatment and control group.
- May–July 2010: teacher training began.
- Early August 2010: baseline survey conducted.
- Mid August 2010: Teachers began teaching the material developed by the working group (until November 2011).
- Late November 2010: First follow-up survey (following one semester of financial education).
- Spring/Summer 2011: Parent workshops.
- November 2011: Second follow-up survey.

The random assignment method helped determine whether the school-based financial education programme led to changes in financial knowledge, attitudes, and decision-making. The outcomes of interest were at the student level and at the family level.

The evaluation included three instruments: a financial literacy test, a students' questionnaire, and a parents' questionnaire. These three instruments were specifically designed for the production of various measures: the measure of financial literacy, the extent of autonomy of students on financial matters and the level of intention to save.

The results have been very encouraging from the first field evaluations. In the first follow-up survey, conducted after the first semester, the average level of financial proficiency was significantly higher in the treatment group than in the control group. The same was true for the level of financial autonomy and for the attitude to savings. These results were confirmed in the second follow-up survey. Further analysis on the data also evidenced that the effects of the programme, if implemented nationwide, could have macroeconomic effects.

Depending on feasibility, students will be tracked over time after leaving school using the national identification number, CPF. At the family level, the survey will measure how the financial education project affects attitudes and financial behaviour.

The positive results of evaluation of the pilot programme prompted Brazilian authorities to scale up the programme to 5.000 schools nationwide and to consider its implementation also in primary schools.

### ***The Province of British Columbia, Canada***

British Columbia has a financial literacy course as part of its core curriculum. Developed by the British Columbia Securities Commission (BCSC), the goal of the Planning 10 course is to give students the financial life-skills they need as adults. It was introduced into schools in 2005 and in the same year, it

received Provincially Recommended status from the BC Ministry of Education. The BCSC has undertaken an ongoing programme of evaluation to track the use and effectiveness of their Planning 10 financial education course and the Planning 10 Teacher Resource.

Working with a survey company, the BCSC designed an email survey to gather teachers' feedback on their use and rating of the Planning 10 resources in the 2004-2005 school years. The survey was repeated the following year. The following are key findings from the comparison of the survey data across the two years:

- Resource use increased 14 percent
- Overall positive resource rating increased slightly
- Overall use of resource materials decreased slightly
- Student use of the resource increased by 30 percent.

BCSC are using the data from these surveys as a guide to update and refresh the resource.

In the summer of 2006, the BCSC worked with a research company to design pre- and post- tests to gather student feedback about Planning 10. Students were asked to indicate their responses to questions both before and after being exposed to the Planning 10 course materials. Forty-two students were divided into two classes and were taught Planning 10: Finances over four days. Key findings from the research were:

- The majority of students found the topics interesting, engaging and easy to understand
- 85% rated the course 'B' or higher
- Students were most likely to use the financial life skills topic and vulnerability to fraud.

To gather further feedback from students about the Planning 10 resource, the BCSC also conducted a student focus-group in one of the province's high schools. Students were asked about the key characters in the student resource and the feedback has been used to inform the ongoing development of the resource.

BCSC undertook two high school graduate outcome surveys with one school district in BC in 2007 and 2008. For the past 14 years, this school district had assessed high school graduates (two years after they've graduated) on the following:

- whether or not the graduates had gained employment
- whether or not they had gone on to post-secondary education or training
- whether or not their school learning and experiences had prepared them for life, work and further education.

In previous surveys, the graduates did not feel that their high school education had prepared them enough to manage their finances. To assess the recent graduates' current financial life skills and whether



their high school experience had prepared them to manage their finances, the 2007 survey added thirteen questions. The BCSC developed these questions in consultation with the research firm and the school district. By surveying recent high school graduates, the BCSC wanted to find out if young adults in BC were becoming more financially literate as a result of taking the mandatory Planning 10 Finances course.

The methodology involved the use of current high school students to conduct the survey with recent graduates as the school district found that the graduates were more responsive when being surveyed by students. Key findings were that the 2008 graduates learned more about managing their finances than 2006 graduates. The researchers concluded that Planning 10 Finances, taken by the 2008 graduates, may account for this increased learning. The BCSC considers this survey as longitudinal research and plans to continue to work with the school district on surveying graduates and finding out how they are managing their financial lives.

For the past five years, BCSC has also been tracking the use of Planning 10 website that provides teacher and student resources to support the use of The City: Financial Life skills for Planning 10). The evaluation of Planning 10 by the BCSC has provided ongoing evidence of the effectiveness of the resource. This was important in influencing the Financial Consumer Agency of Canada (FCAC) when it was reviewing financial education initiatives across Canada to identify successful programmes. On the strength of the evidence of the success of Planning 10, FCAC partnered with the BCSC to build on this initiative and extend it across Canada in a resource called 'The City'.

### ***England, UK***

The National Foundation for Educational Research (NFER) has undertaken an independent evaluation of the Learning Money Matters (LMM) initiative on behalf of the Personal Financial Education Group (pfeg). LMM provides help, support and advice for secondary schools in England in delivering personal financial education (PFE) to their students (see case study in this report for further details of the LMM programme). The evaluation report was released in September 2009.

### ***Methods***

The evaluation design was based on four methods:

- an analysis of the pfeg database to identify how representative the secondary schools who participate in the initiative are of all secondary schools in England
- two telephone surveys with sample schools to gain a broad picture of the effectiveness and impact of LMM
- case-study visits to selected schools
- telephone interviews with pfeg consultants.

### ***Evaluation findings***

The following key findings are quoted directly from the evaluation report<sup>20</sup>.

- The research underlines the ongoing need in schools for the support provided by pfeg through LMM. Delivery of Personal and Financial Education (PFE) remains variable across schools, with many schools not yet delivering lessons to students in all year groups in an effective way. Furthermore, 3,690 schools and colleges – that is over 53 per cent of all providers – had not yet been involved in LMM by the end of June 2009.
- The majority of teachers are very satisfied with the support provided by pfeg consultants. They particularly value consultants’ knowledge of financial topics, resources and curriculum requirements, their professionalism and their flexibility in responding to the needs of the school and students.
- Involvement in LMM often acts as a catalyst to encourage teachers to initiate or expand the teaching of PFE in their schools. However, this encouragement needs to be supported within schools by senior management buy-in, sufficient curriculum time and enthusiastic and motivated teaching staff in order to ensure the successful and sustained delivery of PFE.
- The main barriers to the successful delivery of PFE in schools include other competing curriculum demands, lack of time to prepare and coordinate delivery, and difficulties in finding staff that are interested, confident and enthusiastic about teaching PFE.
- PFE lessons have a noticeable impact on students’ attitudes towards saving and borrowing, their confidence in dealing with money and their views on being taught about finance at school. The study also identified an impact on students’ knowledge of finance and financial products in some schools.

The evaluation report provides recommendations for actions based on the key findings. These are that:

- ongoing support is provided to schools involved in LMM
- ways to foster and strengthen ongoing commitment to PFE within schools be considered
- promoting the value and importance of PFE to all schools and colleges
- developing a good practice guide that consultants can share with schools.

“The study has shown that LMM has encouraged many schools to make considerable progress towards implementing a stronger platform for PFE learning, in particular, by helping them to develop appropriate teaching approaches and resources. However, it has also highlighted that more needs to be done not only to sustain and improve the teaching of PFE in existing LML schools, but also to extend and embed effectively to a broader range of schools. There is a danger that without the continued support provided by pfeg, through initiatives such as LMM, that the gains made in securing a PFE entitlement for all students in schools will be lost” (Spielhofer, Kerr and Gardiner, 2009, p.6).

### **Malaysia**

The evaluation of financial literacy programmes for children in Malaysia is conducted through pre and post-training surveys at workshops for children. The primary aim of the evaluation is to assess the

programme for its appropriateness and effectiveness. This is to ensure that the programme objectives meet the needs of the participants.

The collection of information and data takes place in two stages: through a pre-workshop questionnaire administered prior to the commencement of the workshop and through a post-workshop questionnaire - aimed to reflect the change in children's levels of satisfaction with the programme and the appropriateness and effectiveness of programme content.

Awareness of the financial education programme in schools as well as among students is also measured based on the analysis of the number of hits on the financial education website (duitsaku.com) and a count of members. Evaluation also takes place through the assessment of students using the Pocket Money Book to manage their daily finances.

Moreover, as Malaysia benefits from strong partnership between public sector and financial institutions (FIs), the evaluation of programmes and of their effectiveness is also done by monitoring the level of involvement and activity of the private sector. In particular, useful data are collected by analysing the frequency of visits made by FIs to their adopted schools; the percentage of FIs distributing the Pocket Money Book and of those briefing students on the use and importance of the Pocket Money Book; and finally the percentage of FIs conducting competitions on the use of the Pocket Money Book.

### ***Scotland, UK***

The Scottish Government commissioned in September 2009 an independent evaluation of financial education in primary and secondary schools<sup>21</sup>. The evaluation was commissioned by the Curriculum division, part of the Schools Directorate within the Scottish Government. Scotland was the first country in the United Kingdom to develop financial education initiatives beginning in 1999 with the Financial Education in Scottish Schools: A Statement of Position<sup>22</sup>. From 2008 onwards, financial education has been a cross-curricular activity that all schools have been required to address. However, the Government recognised that very little was known about the impacts of financial education and the effectiveness and outcomes for young people as a result of their engagement with financial education programmes in schools.

### ***Methods***

The evaluation design was based on two phases. The first phase involved identifying and collating available information and research on the range and penetration of financial education programmes across different Curriculum stages in primary and secondary schools. Existing research evidence about the effectiveness of different forms of financial education in Scotland was also reviewed.

The second phase of the evaluation investigated the perceptions of the effectiveness of financial education programmes and resources from teacher, head teacher and student perspectives. Evaluation methods used were online surveys, qualitative interviews in selected schools with teachers, head teachers and students and stakeholder interviews and consultation with relevant policy makers, providers and interested parties.

### ***Evaluation findings***

The evaluation showed that financial education programmes were being delivered by the large majority of respondent schools across a wide range of subject areas and student ages. However, while

financial education is intended to be taught as a cross-curricular activity, it was being delivered largely through special activities rather than integrated into a range of lessons across the curriculum.

The evaluation identified a number of barriers to the inclusion of financial education in schools. These included the low status and priority accorded to financial education in secondary schools and the lack of co-ordination, communication and organisation across departments in secondary schools. Lack of teaching time and resources were also barriers and lack of investment by schools in budget or staff time into teacher training in financial education.

Support from local authority staff and other stakeholder organisations and leadership and support from head teachers were identified as supporting factors for the inclusion of financial education. Teachers and students identified key aspects related to the effectiveness of financial education in schools. These were:

- Interactivity
- Teaching resources and worksheets
- Examples such as stories and realistic examples that students can relate to
- Information on how to run events such as Money Week
- Real life examples that are relevant and practical
- External support, help and advice.

The evaluation makes a number of recommendations about ways to strengthen the provision and effectiveness of financial education in Scottish schools. Best-practice examples and case studies of the effective delivery of financial education across primary and secondary schools will be developed based on the evaluation findings.

### ***South Africa***

In 2008, the FSB commissioned research over “The development of a framework to monitor and facilitate the effective delivery of financial literacy programmes in South Africa”. The report, published in February 2009, highlights the complex nature of monitoring and evaluating financial education programmes. The research further underscores the need to understand and assess financial behaviour within the context of local constraints, not least of which is the availability of suitable financial products and services.

From the research, the FSB developed “Guidelines for monitoring and evaluating consumer financial education programmes”. The purpose of this document is to provide organisations that offer financial education programmes with a set of guidelines or a “toolkit” for monitoring and evaluating these programmes. It is compulsory for all programmes and projects of the FSB relating to financial education to have a monitoring and evaluation strategy.

The FSB is also considering the application of these evaluation techniques and tools to teachers’ development programmes, in order to evaluate the programmes themselves and also to understand their impact on the financial knowledge of students.

## Notes

---

- <sup>1</sup>. Up until the end of 2008, this Ministerial Council was known as the Ministerial Council for Education, Employment, Training and Youth Affairs (MCEETYA). It is now called 'The Ministerial Council for Education, Early Childhood Development and Youth Affairs (MCEECDYA).
- <sup>2</sup>. The latest version of the framework can be found on the website of the MCEECDYA: [www.mceecdya.edu.au/mceecdya/2011\\_financial\\_literacy\\_framework\\_homepage,34096.html](http://www.mceecdya.edu.au/mceecdya/2011_financial_literacy_framework_homepage,34096.html)
- <sup>3</sup>. This declaration happens every ten years and re-positions national education setting goals, direction, emphasis and future agenda of schooling for the next ten years.
- <sup>4</sup>. See [www.flb.gov.au](http://www.flb.gov.au)
- <sup>5</sup>. See [nzcurriculum.tki.org.nz/Curriculum-resources/Learning-and-teaching-resources/Financial-capability](http://nzcurriculum.tki.org.nz/Curriculum-resources/Learning-and-teaching-resources/Financial-capability)
- <sup>6</sup>. Financial Services Authority of the UK (2006).
- <sup>7</sup>. CFEb became the Money Advice Service (MAS) in April 2011, : [www.moneyadvice.service.org.uk](http://www.moneyadvice.service.org.uk)
- <sup>8</sup>. Financial Services Authority of the UK (2006).
- <sup>9</sup>. The school stories are available at the following link : [nzcurriculum.tki.org.nz/Curriculum-resources/Learning-and-teaching-resources/Financial-capability/FC-school-stories](http://nzcurriculum.tki.org.nz/Curriculum-resources/Learning-and-teaching-resources/Financial-capability/FC-school-stories)
- <sup>10</sup>. [www.nicurriculum.org.uk/fc/](http://www.nicurriculum.org.uk/fc/)
- <sup>11</sup>. More information available at [www.pfeg.org/curriculum\\_and\\_policy/northern\\_ireland/index.html](http://www.pfeg.org/curriculum_and_policy/northern_ireland/index.html) and [www.nicurriculum.org.uk/fc/](http://www.nicurriculum.org.uk/fc/)
- <sup>12</sup>. The following web-link provides an example of the draft overview [www.nicurriculum.org.uk/microsite/financial\\_capability/documents/keystage1/FC\\_Spec\\_key\\_stage\\_1.pdf](http://www.nicurriculum.org.uk/microsite/financial_capability/documents/keystage1/FC_Spec_key_stage_1.pdf)
- <sup>13</sup>. [www.themoneybelt.gc.ca](http://www.themoneybelt.gc.ca)
- <sup>14</sup>. [www.pfeg.org/teaching\\_resources/index.html](http://www.pfeg.org/teaching_resources/index.html)
- <sup>15</sup>. Jump\$Start Coalition for Personal Financial Literacy (2007).
- <sup>16</sup>. [www.duitsaku.com](http://www.duitsaku.com)
- <sup>17</sup>. Guides and lesson plans available at [www.duitaksu.com](http://www.duitaksu.com)
- <sup>18</sup>. COREMEC (2009a).
- <sup>19</sup>. The Pilot evaluation was made possible by the collaboration between several institutions within the framework of the activities of the Russian/World Bank/OECD Trust Fund on Financial Literacy. The collaborating institutions are the World Bank Research Department and DIME, Centro de Políticas Públicas e Avaliação da Educação (CAEd) together with private sector organisations such as Associação Brasileira das Entidades dos Mercados Financeiro e de Capitais (ANBIMA), BM&F BOVESPA, Federação Brasileira de Bancos (FEBRABAN), and Institute Unibanco (IU).
- <sup>20</sup>. Thomas Spielhofer, David Kerr and Clare Gardiner (2009).
- <sup>21</sup>. Scottish Government Social Research, (2009).
- <sup>22</sup>. Learning Teaching Scotland (1999).

## REFERENCES

### ***OECD Recommendations***

OECD (2005), Recommendation on Principles and Good Practices on Financial Education and Awareness.

### ***OECD/INFE instruments and relevant outputs***

Atkinson, A. and F-A Messy, (2012), Measuring Financial Literacy: Results of the OECD/INFE Pilot Study, *OECD Working Papers on Finance, Insurance and Private Pensions*, No. 15, OECD Publishing, <http://dx.doi.org/10.1787/5k9csfs90fr4-en>

Grifoni, A. and F-A Messy, (2012), Current Status of National Strategies for Financial Education: a Comparative Analysis and Relevant Practices, *Working Papers on Finance, Insurance and Private Pensions*, No. 16, OECD Publishing, <http://dx.doi.org/10.1787/5k9bcwct7xmn-en>

OECD/INFE (2009), Financial Education and the Crisis: Policy Paper and Guidance.

INFE (2010a), Guide to Evaluating Financial Education Programmes, available at [www.financial-education.org](http://www.financial-education.org).

INFE (2010b), Detailed Guide to Evaluating Financial Education Programmes, available at [www.financial-education.org](http://www.financial-education.org).

OECD (2013 forthcoming), OECD/INFE toolkit to measure financial literacy and inclusion: Guidance, Core questionnaire and Supplementary Questions, OECD, Paris.

INFE (2011), High-level Principles for the Evaluation of Financial Education Programmes, available at [www.financial-education.org](http://www.financial-education.org).

OECD/INFE (2012), High-level Principles on National Strategy for Financial Education, available at: [www.oecd.org/finance/financialeducation/OECD\\_INFE\\_High\\_Level\\_Principles\\_National\\_Strategies\\_Financial\\_Education\\_APEC.pdf](http://www.oecd.org/finance/financialeducation/OECD_INFE_High_Level_Principles_National_Strategies_Financial_Education_APEC.pdf)

### ***Other references***

COREMEC, Comitê de Regulação e Fiscalização dos Mercados Financeiro, de Capitais, de Seguros, de Previdência e Capitalização, (2009a) , Estratégia Nacional de Educação Financeira, available at [www.vidaedinheiro.gov.br/Imagens/Plano%20Diretor%20ENEF.pdf](http://www.vidaedinheiro.gov.br/Imagens/Plano%20Diretor%20ENEF.pdf)

COREMEC, Comitê de Regulação e Fiscalização dos Mercados Financeiro, de Capitais, de Seguros, de Previdência e Capitalização (2009b), “Orientação para Educação Financeira nas Escolas”,

- Estratégia Nacional de Educação Financeira – Anexos*, available at [www.vidaedinheiro.gov.br/Imagens/Plano%20Diretor%20ENEF%20-%20anexos.pdf](http://www.vidaedinheiro.gov.br/Imagens/Plano%20Diretor%20ENEF%20-%20anexos.pdf)
- Financial Services Authority of the UK (2006), *Financial Capability in the UK, Creating a Step Change in Schools*, available at [www.fsa.gov.uk/pubs/other/step\\_change.pdf](http://www.fsa.gov.uk/pubs/other/step_change.pdf)
- Jump\$tart Coalition for Personal Financial Literacy (2007), *National Standards in K–12 Personal Finance Education with Benchmarks, Knowledge Statements, and Glossary*, available at [www.jumpstart.org/assets/files/standard\\_book-ALL.pdf](http://www.jumpstart.org/assets/files/standard_book-ALL.pdf)
- Learning Teaching Scotland (1999), *Financial Education in Scottish Schools: A Statement of Position*, available at [www.ltscotland.org.uk/Images/financialedstatement\\_tcm4-121478.pdf](http://www.ltscotland.org.uk/Images/financialedstatement_tcm4-121478.pdf)
- Learning Teaching Scotland (2010), *Financial Education: Developing Skills for Learning, Life and Work*, available at [www.educationscotland.gov.uk/publications/f/publication\\_tcm4639227.asp](http://www.educationscotland.gov.uk/publications/f/publication_tcm4639227.asp)
- Learning Teaching Scotland (2010), *Maintaining Momentum: a Partnership Approach to Improving Financial Education in Scottish Schools*, available at [www.educationscotland.gov.uk/publications/m/publication\\_tcm4639238.asp](http://www.educationscotland.gov.uk/publications/m/publication_tcm4639238.asp)
- Scottish Government Social Research (2009), *Evaluation of Financial Education in Scottish Primary and Secondary Schools*, available at [www.scotland.gov.uk/Resource/Doc/259782/0077311.pdf](http://www.scotland.gov.uk/Resource/Doc/259782/0077311.pdf)
- Thomas Spielhofer, David Kerr and Clare Gardiner (2009), *Evaluation of Learning Money Matters. Final Report*, National Foundation for Educational Research, available at [www.nfer.ac.uk/nfer/publications/LMM01/LMM01.pdf](http://www.nfer.ac.uk/nfer/publications/LMM01/LMM01.pdf)





## *Chapter 3*

### **COMPARATIVE ANALYSIS OF SELECTED FINANCIAL EDUCATION LEARNING FRAMEWORKS**

Learning frameworks provide a planned and coherent structure for financial education in the official school sector, at the primary or secondary level. They operate at meta-level, providing learning outcomes or standards for financial education. This chapter illustrates the OECD/INFE Guidance on Learning Frameworks. It provides both a comparative analysis of the learning frameworks, from their design to their practical implementation, and a detailed description of available relevant frameworks. The analysis focuses first on their development, and notably on the institutions responsible for their drafting, the goals and institutional endorsement. It then addresses their content, from the dimensions of financial education they focus on to the learning outcomes and topics, and their implementation, including links with other subjects, effective pedagogy, students' assessment and the role of teachers.

While different terms are used for the focus of the financial education frameworks, such as financial literacy or financial capability, there are strong similarities in the definitions for the terms. In all cases, financial literacy and financial capability are seen as being more than being able to make calculations about money. Both are seen as competencies involving knowledge and skills and the ability to use these to make effective financial decisions. In this chapter the term financial literacy is used except when discussing the name of a framework or describing the terminology used by countries.



## **I - Scope and definition**

For the purposes of this analysis, learning frameworks were defined as those that provided a planned and coherent framework for financial education for the official school sector at a national level (or significantly locally and regionally). A learning or curriculum framework operates at a meta-level, providing learning outcomes or standards for financial education over the compulsory school sector, or the primary or secondary level. Eleven financial education curriculum/learning frameworks met these criteria and were included in the analysis on which this report is based.

This chapter is articulated around two sections. The first part provides a comparative analysis of the learning frameworks in relation to their institutional and organisational features and their content and pedagogical features. The second part provides an overview of each of the frameworks in relation to their key features.

**Table 3.1. Summary of learning frameworks on financial education**

Country	Framework	Date Published	Responsible Institutions
Australia	National Consumer and Financial Literacy Framework	First published 2005 Updated 2009, 2011	Ministerial Council for Education, Early Childhood and Development and Youth Affairs (MCEECDYA)
Brazil	Guidance for Financial Education in Schools	2009	Department of Education at national and local levels; coordinated by the Brazilian Security Exchange Commission (CVM) with the support of the Central Bank, the Private Pension Plans Secretary (PREVUC) and the Insurance Supervisory and Regulatory Authority (SUSEP)
England	Guidance on Financial Capability in the Secondary Curriculum: Key Stage 3 and 4	2008	Department for Children, Schools and Families
Japan	Financial Education Program in Schools	2007	Central Council for Financial Services Information
Netherlands	Basic Vision on financial education: curriculum framework for development and implementation	January 2009	CentiQ headed by the Dutch Ministry of Finance
Malaysia	Framework on Financial Education for Malaysian school children under the School Adoption Programme	2006	Bank Negara Malaysia, in collaboration with the Ministry of Education and the financial institutions that participate in the Schools Adoption programme
New Zealand	Financial Capability in the Curriculum	2009	The Ministry of Education with input from the Commission for Financial Literacy and Retirement Income
Northern Ireland	Northern Ireland Curriculum Financial Capability	2007	Northern Ireland Executive, Council for the Curriculum, Examinations and Assessment
Scotland	Financial Education in Scottish Schools; A Statement of Position	1999	Scottish Council of Consultative Council on the Curriculum
South Africa	Integrated in the SA National Curriculum Statement	2004	Department of Education and Financial Services Board
USA- Jump\$tart	National Standards in K-12 Personal Financial Education	3 <sup>rd</sup> Edition, 2007	Jump\$tart Coalition for Personal Financial Literacy

## II - History of the development of existing frameworks

In England, Scotland, New Zealand and Northern Ireland the financial education frameworks were developed by government education agencies with responsibility for the school curriculum. In Australia, the framework was developed by the Australian Government's Ministerial Council on Education, Training and Youth Affairs (MCEETYA) which is made up of representatives from all state and territorial jurisdictions and traditionally sets the national policy agenda. In South Africa, the learning framework was developed by the Department of Education and the Financial Services Board.

In Malaysia, Japan and the Netherlands there was significant private sector input into the development of the learning frameworks. Bank Negara Malaysia collaborated with the Ministry of Education and other financial institutions to take a leadership role in the financial education framework. In Japan, the Central Council for Financial Services Information, comprised of the Bank of Japan and other member organisations, took a lead role in the development of the financial education programme. In the Netherlands, an agreement (Centiq) was concluded by the government and partners from the financial sector and consumer organisations.

The framework from the United States was developed by the Jump\$tart Coalition for Personal Financial Literacy, a not-for-profit organisation consisting of 180 private sector and educational organisations and 47 affiliated state coalitions. It does not cover mandatorily the national school system.

In Brazil, New Zealand, South Africa and the United Kingdom government-funded agencies with responsibility for national leadership of financial strategies took a lead role in initiating and developing the financial education frameworks. In New Zealand, the Commission for Financial Literacy and Retirement Income developed, trialled and independently evaluated the draft framework then formally handed responsibility to the Ministry of Education. In South Africa, the Financial Services Board played a significant role in developing the financial education component to be integrated in the National Curriculum Statement (NCS). In the United Kingdom, the Financial Services Authority and the Government set out a joint action plan for financial literacy. This work created the impetus and informed the development of the frameworks for England and Northern Ireland.

### ***Framework goals and endorsement***

In England, Japan, the Netherlands, New Zealand, Northern Ireland, Scotland and South Africa the goals of the frameworks are similar. They aim to provide guidance directly to schools and teachers to encourage and support them to understand financial education and to incorporate it into their teaching and learning programmes. In the Netherlands, guidance is also provided for parents.

In contrast, because of their federal education policies and state education systems, the frameworks for Australia, Brazil and the United States are aimed at providing guidance at the state level in the development of their curricular for financial education, and as such, no specific curricular links are provided. Both of these frameworks also aim to provide guidance to developers of instructional materials for financial education. In Brazil, a working group composed of different government agencies set up an educational support group with representatives from state and local governments in order to produce a strategic document for financial education at schools.

In Malaysia, the framework aims to provide a guide to teachers but also to the financial institutions that develop financial education programmes under the auspices of the School Adoption Programme.

With the exception of the Jump\$tart framework, all of the frameworks have been endorsed by the respective government education authorities in each jurisdiction. The Jump\$tart framework has not been officially endorsed, but it has been subject to ongoing review and has been adopted by the majority of financial education providers in the US as a framework for a personal education curriculum.

### III - Comparative analysis of content and pedagogical features

#### ***What is the focus for financial education and how is this defined?***

The Australian and Malaysian frameworks focus on the development of “financial literacy”, whereas the Australian and Dutch definitions also include consumer literacy. The New Zealand, English, Scottish and Northern Ireland financial literacy frameworks’ focus is named “financial capability”. In South Africa, the financial education component integrated in different courses (economic and management sciences, mathematical literacy, consumer studies and accounting) encompasses a mix of financial knowledge and understanding, skills, attitudes/responsibilities and behaviours. The Japanese framework focuses on financial education or ‘pecuniary education’.

While different terms are used for the focus of the financial education frameworks, there are strong similarities in the definitions for the terms. In all cases, financial literacy and financial capability are seen as being more than being able to make calculations about money. Both are seen as competencies involving knowledge and skills and the ability to use these to make effective financial decisions (see table 3.A1.3 in Annex 3.A1). In this chapter the term financial literacy is used except when discussing the name of a framework.

For countries using the term “financial capability”, this is defined as the ability to make informed decisions about the personal use and management of money. In Northern Ireland, financial capability also encompasses the notion of financial responsibility. In England, a financially capable person is defined as someone who is a confident, questioning and informed consumer of financial services. The Scottish framework, like the Australian, includes the impact of financial decisions on people’s lives but also on the wider environment in the definition of financial capability.

“Financial literacy” is also seen as encompassing behaviours, knowledge, understanding and skills. Definitions of financial literacy in the United States and Malaysia focus solely on the individual level. In contrast, the Australian definition takes a broader view, encompassing consumer literacy and the impact on the environment and the wider society through ethical decision making.

“Consumer and financial literacy is the application of knowledge, understandings, skills and values in consumer and financial contexts and the related decisions that impact on self, others, the community and the environment.”<sup>1</sup>

The Japanese framework focuses on understanding money and finance with the aim of producing values and attitudes that will result in individual life style improvement as well as wider social improvement.

#### ***Dimensions of financial education***

The frameworks include similar dimensions of financial education. These are financial knowledge and understanding; financial skills and competence and attitudes and/or values. The Scottish, Australian, Japanese and South African frameworks also include enterprise as a dimension of financial education.

In their attitudes and values dimension, the Australian, New Zealand, Malaysian, South African, Scottish and Northern Ireland frameworks include recognition of the wider community and/or the environment. For example, the Malaysian framework includes the dimension of financial responsibility to enable children to appreciate how financial decisions can impact on an individual, their family and the

community. The Dutch framework focuses also on social financial competences such as sustainable investments, and the Brazilian one encompasses the economy and the financial systems/banks.

In the English and Jump\$start frameworks the attitudes and values are more limited in scope and focus only on personal responsibility without referring to the wider impact of personal financial behaviours.

The dimensions of the Japanese framework are focused on the development of financial understanding at an individual level and include consumer rights and careers education.

### ***Learning outcomes/standards***

All of the frameworks provide learning outcomes or standards. However, there is some variation in the ways these are presented.

With the exception of Malaysia and Scotland, the frameworks provide specific learning outcomes that are based on progressions of learning across curriculum levels. These are typically organised according to the dimensions of financial education. The Malaysian and Scottish frameworks provide a description or list of learning outcomes for each dimension, but these are not levelled. The South African framework provides a list of learning outcomes per subject in which financial literacy is integrated depending on grade level. The Dutch framework provides a detailed list of key concepts in financial literacy according to age and sector (with a distinction between general and vocational-oriented learning targets).

The following example shows the Australian learning outcomes for Year 3 and the New Zealand learning outcomes for the corresponding year level: curriculum Level 1.

**Box 3.1. Learning outcomes: the Australian and New Zealand examples for the same year**

**Australia: Year 3 learning outcomes**

**Knowledge and understanding**

- Understand that money includes more than notes and coins
- Understand that money comes from a variety of sources and is limited
- Understand that money is used to exchange goods and services
- Understand that money can be kept to meet wants and needs
- Understand the differences between needs and wants

**Competence**

- Use money to buy basic goods and services
- Compare the value of similar items
- Order their spending preferences

**Enterprise**

- Creatively explore opportunities to earn money or other rewards

**Responsibility**

- Identify simple ways their decisions may impact on themselves, others, the community and the environment
- Identify that advertising can influence people to buy goods and services
- Take account of peer pressure when buying something

**New Zealand: Curriculum Level 1 learning outcomes**

Managing money and income (strand)

**Money (theme)**

- Recognise and use coins and notes for simple transactions
- Describe examples of using money for different purposes

**Income**

- Explain ways (including entrepreneurial activity) in which people can earn or receive income
- Discuss consequences of having more or less money

**Saving**

- Describe examples of choosing between spending and saving
- Discuss the benefits of saving

**Spending and budgeting**

- Investigate what people 'have to' spend money on
- Recognise the responsibilities in borrowing money

Setting goals and planning ahead (strand)

Setting **financial** goals

- Identify a short term money goal and discuss how to attain it through earning and saving

**Identifying and managing risk**

- Discuss and practice ways of keeping money safe



### ***Topics/issues covered***

The frameworks have a number of topics in common. These are:

- money and transaction
- planning and managing finances (including saving and spending; credit and debt; financial decision-making);
- risk and rewards;
- financial landscape (including consumer rights and responsibilities and understanding of the wider financial, economic and social system).

Australia, Japan, Northern Ireland, Scotland and South Africa also include consumer rights and responsibilities. The JumpStart, Japanese, Malaysian and South African frameworks include investment. The South African framework also encompasses caution against scams as well as recourse, insurance and retirement.

In general, the topics in the English framework are more focused on developing an understanding of the broader economic and financial system rather than on personal money management. This may be because financial literacy is included in Personal, Social, Health and Economic (PSHE) and the economic wellbeing and financial literacy programme of study within this area. Careers, capability, risk and economic understanding are the key topics covered in this programme of study.

### ***Levels covered***

The Dutch, Japanese, Malaysian, Scottish, South African, and JumpStart frameworks cover the whole of the formal school sector. The Australian, New Zealand, and Northern Ireland frameworks cover kindergarten or the beginning of primary school to Year 10 (early secondary level). The Scottish and English frameworks focus on the secondary level only, up to Key Stage 4.

### ***Approach to inclusion of financial education in the curriculum (see also Chapter 2, Effective approaches for the introduction of financial education into schools)***

In all of the frameworks, a cross-curricular and/or integrated approach is recommended as a way to include financial education in teaching and learning programmes. In most cases, this is because the learning outcomes for financial education are not explicitly included in existing curricular subjects.

England is something of an exception as financial literacy is explicitly included within personal, social, health and economic education (PSHE) at secondary level in the economic wellbeing and financial literacy programmes of study. However, the English framework also recommends an integrated curriculum approach for the inclusion of financial education learning outcomes within other subjects.

The JumpStart framework recommends either a curriculum integrated approach or designing new financial education courses depending on which approach is most appropriate for the specific context at state level.

Financial education is compulsory in two countries out of the 11 covered in this chapter: Malaysia and Northern Ireland. In Scotland, financial education is now a cross-curricula theme that all schools need to address. However, this was not the case at the time when the Statement of Position was written in 1999.

### ***Curriculum links***

The English, Japanese, New Zealand, Northern Ireland, Scottish and South African frameworks provide specific links between the financial education learning outcomes and the learning outcomes in specific curricular subjects. This also applies to the implementation plan envisaged by the Dutch framework. Links are not included in the Australian and Jump\$tart frameworks because they operate within a federal education system where curricular links need to be made at the state and local level.

The following subjects are recommended as suitable vehicles for integration of financial education (in order of frequency):

- Living skills; personal and social development; personal, social, health and economic education; citizenship; environment and society; moral education; social and vocational skills
- Mathematics and numeracy
- National language programmes; literacy; modern languages
- Science; environmental studies
- Economics; business management; accounting
- Social and consumer studies
- Geography
- The Arts
- Design and technology; ICT; craft and design
- Religious education
- Modern studies

The New Zealand framework also makes explicit links to over-arching curriculum achievement objectives such as the development of key competencies and values and recommends financial literacy as a theme that schools could use for cross-curricular teaching and learning.

The Scottish and English frameworks also refer to the relevance of financial education to meeting over-arching curriculum objectives. For example, the English framework cites the three statutory aims of the secondary curriculum and states that financial education contributes to all three aims, as follows:

- Successful learners who enjoy learning, make progress and achieve
- Confident individuals who are able to live safe, healthy and fulfilling lives
- Responsible citizens who make a positive contribution to society.

### ***Effective pedagogy (see also Chapter 2, Tools and pedagogic materials)***

The Jump\$tart framework does not include guidance about effective pedagogy. The other frameworks provide varying levels of guidance, from very limited guidance in the Australian framework to extensive guidance in the New Zealand framework.

The recommended approaches to effective pedagogy include:

- Opportunity to engage with ‘real-world’ financial contexts
- Inquiry-based learning
- Critical engagement and discussion
- Problem-solving approaches involving student research and projects
- Cross-curricular approaches
- Activity-based approaches, including use of role-play and simulation.

The Japanese, New Zealand, English and Northern Ireland frameworks include case studies of teaching practices that demonstrate effective pedagogy. The Malaysian framework refers to sample lesson plans. The New Zealand and English frameworks provides guidance about the importance of creating a supportive learning environment in which students’ cultural backgrounds and values are recognised.

The Malaysian framework refers to the ways Bank Negara Malaysia’s financial education programme is being provided during the co-curriculum activities. The framework is also applicable for programmes designed for children with disabilities including those with learning disabilities.

The Scottish and the Dutch frameworks refer to opportunities provided by extra-curricular and community-based activities as contexts for developing financial literacy. The New Zealand, Malaysian and Dutch frameworks note the importance of involving families and communities in financial education programmes, as demonstrated by the text from the New Zealand framework below:

“Developing financial capability provides an authentic learning context to promote effective links between schools and other cultural contexts in which students grow up. There is opportunity for many productive partnerships to be formed with the community, including parents, whanau<sup>2</sup>, agencies such as banks, budgeting advisers, and churches within the community.”

Two school case studies are also provided to demonstrate these productive partnerships.

### ***Assessment of students achievement***

The English and Japanese frameworks provide specific guidance about assessment of student achievement. The English framework includes recommendations for day-to-day and periodic assessment in relation to the financial literacy outcomes and gathering evidence about the quality and effectiveness of the financial literacy programme across the school. The Japanese framework provides methods for assessing student achievement and case studies of effective teaching practice in the teaching resources also provide examples of ways to assess student achievement.

The Dutch framework illustrates how questions relating to financial education already come up in a number of established national tests (such as maths) and envisages for the future the importance of devising an appropriate evaluation programme in collaboration with the National Institute for Educational Measurement. In South Africa assessment is conducted through the general procedures of the Ministry of Education, as stipulated on the National Curriculum Statement per learning area and subject.

None of the frameworks includes information about whether student achievement in financial education is assessed as part of national examinations.

***Teaching and learning resources*** (see also Chapter 2.IV, *Tools and pedagogic materials*)

With the exception of Australia, South Africa and Scotland, the frameworks provide links to resources to support the teaching of financial education, most commonly in the form of web-based links. In most cases the resources have not been developed specifically to support the implementation of the framework but are pre-existing resources that are considered relevant. Brazil is an exception in which a teachers' book was especially developed for the pilot project. The Australian, English and Jump\$tart frameworks provide guidance about selecting effective resources with the English and Jump\$tart frameworks referring to specific quality assurance guidelines.

The Australian and English frameworks provide advice about working with external contributors from the finance and business communities and the importance of ensuring that there is no promotion of financial products or services.

The South African framework recommends the use of textbooks and booklets developed by the FSB in coordination with the financial services sector and available in schools in print format with CD-Rom support. Financial institutions are deeply involved in the development of resources.

***Professional development*** (see also Chapter 2.III, *Training the teachers*)

Five of the frameworks refer to professional development that is available to support teachers to incorporate financial education into their teaching. In Northern Ireland, free on-site workshops are provided in response to requests from schools and teachers. In England, funding has been made available by the Department for Schools, Children and Families (DSCF)<sup>3</sup> to support an extension to the National Personal, Social and Health Professional Development Programme. A new module has been added to the programme to provide accredited training to those contributing to PSHE economic wellbeing and financial literacy programmes of study. In Japan, the Central Council for Financial Services Information (CCFSI), the Local Councils for Financial Services Information, and the Japan Securities Dealers Association hold seminars and conferences to encourage teachers to introduce financial education. Most of the Jump\$tart state coalitions offer teacher workshops to support financial education. In South Africa, the Department of Education is responsible for the professional development of teachers. The Financial Services Board also requires that all resources be mediated to teachers through special workshops.

The Australian Framework emphasises that professional learning is essential for the successful implementation of consumer and financial literacy. Australia in 2006 developed a nationally agreed professional learning strategy for teachers and in 2007 followed this up with a national professional learning package. The Australian Government provided national funding for professional learning which commenced in 2008 and is continuing as a priority. The professional learning is supported by its own

website which provides curriculum links, case studies and examples, links to state and territory financial literacy portals showcasing exemplars and a list of quality endorsed resources.

#### **IV - Existing financial education learning frameworks**

##### ***Financial education learning framework in Australia***

###### *History of the development of the framework*

The Australian National Consumer and Financial Literacy Framework was developed under the auspices of the then Ministerial Council for Education, Employment, Training and Youth Affairs in 2005<sup>4</sup> in response to a number of reports highlighting the need to improve Australian consumer and financial competencies. The approval of the National Framework through the Ministerial Council marked the starting point for national integration of consumer and financial literacy education in school curricula, with all ministers agreeing to make links with their state and territory curriculum frameworks in the compulsory years of schooling (Kindergarten – Year 10) from 2008. The National Framework's Rationale was updated in 2011 to reflect the growing international emphasis on financial education as a result of the global financial crisis as well as changes in the education policy context in Australia related to the new national education reform agenda.

Australia is now in the process of phasing in a new national Australian Curriculum in eight key learning areas, with substantial implementation required from 2013. The development of a common Australian Curriculum in key learning areas provides an opportunity to achieve strengthened presence of consumer and financial literacy in schools and a measure of consistency in the curriculum links made. However states and territories will continue to have some flexibility in implementing the new Australian Curriculum.

###### *Dimensions of financial education*

The Framework describes the following four dimensions of learning. Apart from the first dimension, all include a focus on the attitudinal and behavioural aspects of financial literacy. In particular the last three dimensions will assist and provide a focus on qualitative behavioural change.

- Knowledge and understanding: is about the nature and forms of money, how it is used and the consequences of consumer decisions.
- Competence: is the application of consumer and financial knowledge and skills in a range of changing contexts.
- Enterprise: is the opportunity to use initiative, build financial capabilities and manage risk-taking when making consumer and financial decisions.
- Responsibility: is appropriate consumer and financial decisions that display care for self, others, and the community and the environment.

###### *Learning outcomes*

The framework provides 'descriptions of learning' for each of the dimensions at four year levels. These are described in terms of learning outcomes. It is envisaged that the descriptions of learning in the National Consumer and Financial Literacy Framework will need to be revised in due course to accommodate links made with the new Australian Curriculum.

### YEAR 3

Students explain what money is and that money is more than notes and coins. They understand that family income can come from a variety of sources, is often limited and that individuals often have a plan or budget to use their money. They explain the reasons why they want some basic goods and services and recognise that decisions to spend can be influenced by advertising and peer pressure.

### YEAR 5

Students are aware of a range of forms of money and can discuss their rights and responsibilities in everyday transactions. Students understand that money can also be borrowed through credit and be provided by government payments.

Students know about the different ways money can be kept and the importance of saving. They recognise that family income may be limited and begin to understand that matching household expenditure against income is important when considering family finances. They understand broad issues of quality of life, total family income, expenditure and savings.

They realise advertising and peer pressure can affect choice and are aware of the social and environmental consequences of their choices.

### YEAR 7

Students understand the need to plan for the future and have a more detailed understanding of the use of income. They apply critical literacy and numeracy skills to a wide range of commercial advertising and consumer situations, and analyse the potential effects of these on personal finances.

### YEAR 9

Students are able to distinguish between wealth and income and are aware of the different sources of income and wealth creation. They are able to keep simple personal financial records and establish short and long term financial goals. They make appropriate choices in relation to the variety of financial services and are also aware of the financial advice available within the community to assist decision-making.

Students use basic financial information to assess risk and returns in a local, national and global context. They apply critical literacy and numeracy skills to consider different forms of investments, and the advantages and disadvantages of fundraising activities or business ventures.

### *Topics/issues covered and their goal*

The framework does not provide a list of topics and issues to be covered in order to address each of the dimensions above. However, it does provide a list of detailed outcomes for each of the dimensions of financial education at each Year Level. These give an indication of the topics and issues to be explored at four Year Levels for each dimension. For example, at Year 3, knowledge and understanding is to be developed through the topic of money and exploration of needs and wants.

## YEAR 3

### Knowledge and Understanding

#### Students:

- Understand that money includes more than notes and coins.
- Understand that money comes from a variety of sources and is limited.
- Understand that money is used to exchange goods and services.
- Understand that money can be kept to meet wants and needs.
- Understand the differences between needs and wants.

### Competence

#### Students:

- Use money to buy basic goods and services.
- Compare the value of similar items.
- Order spending preferences.

### Enterprise

#### Students:

- Creatively explore opportunities to earn money or other rewards.

### Responsibility

- Identify simple ways their decisions may impact on themselves, others, the community and the environment.
- Identify that advertising can influence people to buy goods and services.
- Take account of peer pressure when buying something.

## YEAR 5

### Knowledge and Understanding

#### Students:

- Understand that buyers have rights and responsibilities.
- Understand there are different forms of income.
- Understand that money can be borrowed.
- Understand that savings can earn interest.

## Competence

### Students:

- Classify and compare goods and services.
- Prepare simple plans and examine financial records.
- Accurately complete simple financial forms.

## Enterprise

### Students:

- Use initiative and explore opportunities that can or may contribute to income.
- Initiate support for school fundraiser from community groups and businesses.

## Responsibility

### Students:

- Value savings.
- Care about the impact of their consumer and financial decisions on themselves, others, community and the environment.
- Explore the values associated with participating in an enterprise.

## YEAR 7

### Knowledge and Understanding

#### Students:

- Understand consumer rights and responsibilities.
- Understand that a range of factors affect choice.
- Understand the value of setting personal financial goals.
- Understand that governments provide goods and services to meet consumers' and taxpayers' needs and wants.

### Competence

#### Students:

- Justify selection of a range of goods and services.
- Resolve consumer disputes.
- Develop simple budgets and financial records.



## Enterprise

### Students:

- Make decisions to increase income and wealth.
- Take informed risks associated with earning income.

## Responsibility

### Students:

- Develop ethical behaviours.
- Evaluate the relationship between spending and using credit responsibly.
- Demonstrate informed and assertive buying behaviours.

## YEAR 9

### Knowledge and Understanding

#### Students:

- Understand the rights and responsibilities of consumers.
- Understand how to keep personal financial records.
- Understand the use of credit.
- Understand that income is derived from a range of sources, including wealth, with different levels of reliability.
- Understand that a range of consumer and financial advice of varying accuracy and impartiality is available within the community.
- Understand that financial scams exist.

### Competence

#### Students:

- Prepare simple personal and family budgets and records.
- Use information and communication technologies (ICTs) to keep appropriate financial records.
- Use critical thinking and problem-solving skills to make informed consumer and financial decisions.
- Make sophisticated choices when comparative shopping.
- Evaluate different methods of payment.

## Enterprise

### Students:

- Take initiatives to build wealth.

- Make business related decisions.
- Recognise opportunities to generate income and wealth and the risk management of those opportunities.

## Responsibility

### Students:

- Develop ethical behaviours.
- Accept responsibility and evaluate the consequences for self and others of spending decisions and using credit responsibly
- Demonstrate informed and assertive buying behaviours.

## ***Financial education learning framework in Brazil***

### *History of the development of the framework*

In November 2007, the Brazilian government formed a working group to develop a National Strategy for Financial Education within the Supervisory and Regulatory Committee of Financial Systems, Capital Markets, Private Insurance and Social Welfare (COREMEC). The working group gathered representatives from the Central Bank of Brazil, the Securities and Exchange Commission of Brazil (CVM), the National Superintendence of Pensions Funds (PREVIC) and the Superintendence of Private Insurance (SUSEP).

COREMEC approved in 2009 a national strategy draft whose different sections were written under the co-ordination of one of the four financials regulators. One of the programmes devised was the introduction of financial education in schools<sup>5</sup>, under the co-ordination of CVM. The other financial regulators made substantial contributions to the review of the action plan and to the guidelines for financial education included in the school curriculum. Notably considerable effort was invested to achieve a high level of involvement and cooperation between the Ministry of Education and other educational authorities from the very start.

Such involvement was deemed essential given the federal structure of the country. In Brazil, the federal government sets the general standards for schools but does not have direct responsibilities, with a few exceptions, on primary and secondary schools, which are mainly local (municipalities) and regional (states). Both levels have a large degree of autonomy in determining their curriculum.

To deal with this complexity and following the advice of the Ministry of Education, the working group put together an educational support group with representatives from the local governments and the 27 states of the Brazilian Federation, the most relevant federal schools, the private sector and the federal government. The group also aimed at providing the technical advice needed to shape the programme in accordance with educational official methodology, to facilitate the inclusion of financial concepts into the normal curriculum of primary and secondary schools.

In September 2009, the educational support group produced a strategic document with a methodology for financial education in schools: first, establishing the financial content that will be taught to children in primary and secondary education; second, providing the skills that will be developed and finally, offering pedagogical guidance to school directors and teachers on how to approach the topic. Additionally, the document helps to avoid the misuse of the banner of financial education as a means to

promote financial institutions and their products, since it provides the parameters to reject any suggestion from the private sector that shows any attempt to sell products or services.

The complete financial education material consists of a set of 72 learning opportunities, comprising 3 modules, each one are planned to be taught in one year or semester. Each learning opportunity is a set of actions and activities that develop in the student the competencies that drive the knowledge needed to deal with multiple and different financial situations of everyday life.

### *Topics/issues covered and their goal*

Topics are divided into two domains: individual and social.

#### Individual domain

##### *Budget*

- Income and expenditure record.
- Types of expenditure.
- Types of income.
- Budgetary provision and analysis.

##### *Work and income*

###### World of work

- Types of work.
- Entrepreneurship and income from work.
- Types of income.
- Net and gross income (taxes and social security contributions).

##### *Planning financial life*

- Planning for short-term decisions.
- Planning for medium- and long-term decisions.

##### *Consumption*

###### Purchase decisions

- Consumer behaviour.
- Credit and interest.

###### Consumer rights

- Consumer protection code.
- Consumer protection bodies.

##### *Saving*

###### Saving decisions

- Reasons to save.

- Types of financial investment.
- Risk and return.
- Rights and duties of the investor

## Social domain

### *Market*

- Consumers and producers.
- Law of supply and demand.

### *Government in the economy*

- Reasons for government participation in the economy.
- Public goods.

### *The country's economy*

#### Business cycles

- GDP.
- Unemployment.
- International relations.

#### Economic growth

- Development and better living standards.

### *The variables of financial life*

- Currency: Concept, origin and evolution.
- Exchange rate.
- Interest rate.
- Inflation.

### *Institutions that comprise the financial system*

- Financial market.
- Property market.
- Insurance market.
- Pensions market.

### *Regulatory bodies*

## **Financial education learning framework in England, UK**

### *History of the development of the framework*

In 2007, the UK Government set out its long-term aspiration to improve financial literacy in the UK including that every child has access to a planned and coherent programme of personal finance education in school. In July 2008, the Government and the Financial Services Authority (FSA) set out a joint action

plan for financial literacy which included a significant programme of work to support personal financial education in schools.

The English financial education framework, *Guidance on Financial Capability in the Curriculum: Key Stage 3 and 4*<sup>6</sup>, developed by the Department for Children, Schools and Families (DCSF) in 2008 is a response to the push for the inclusion of financial education in schools by the Government and the FSA.

#### *Dimensions of financial education*

- Knowledge and understanding: to inform young people's judgements and decisions about managing money in their present and future lives.
- Appropriate attitudes that are reflected in taking personal responsibility for money management, questioning the claims of some financial products and evaluating available information before making financial decisions.
- Financial skills that are demonstrated through day-to-day money management and planning for future financial needs, such as budgeting for weekly household items, monitoring bank accounts and credit cards and checking whether savings and investments are meeting financial goals.

#### *Learning outcomes/standards*

Learning outcomes are provided for each of the financial literacy concepts described above. Outcomes are expressed in terms of understanding, skills (what pupils will be able to do) and attitudes.

The following are the learning outcomes at key stage 3.

Pupils will understand:

- How wages/salaries are calculated.
- About different types of allowances and benefits available to me when I start independent life.
- Different ways to pay goods and services and different forms of credit or debit arrangement.
- How holiday currency is arranged and how to calculate conversion rates.
- Ways of choosing, opening and using different forms of bank account.
- How risk can be positive as well as negative and what basic financial decisions contain risks.
- How personal interest rates are calculated and how they vary according to the level of risk and length of commitment.
- The financial decisions are more about circumstances and personal choices than right answers.
- When typically insurance might be needed or not needed.
- How the stock market works, including positive and negative risks associated with it.
- The role of business in generating wealth- and what happens to it.
- How local services are paid for.
- The main forms of taxation.

- The role of charities and choices about giving to them.
- Some effects of turbulence in the financial markets.

Pupils will be able to:

- Estimate and calculate take-home pay for different occupations and circumstances.
- Plan budgets for current weekly finances as a consumer.
- Use different ways of recording spending and savings.
- Choose financial products in different circumstances.
- Find accurate information about choosing savings accounts and other financial products (minimising risk).
- Consider the likelihood or otherwise of key national or international events affecting personal money.
- Find and access advice about money.

Pupils will have explored attitudes to:

- Priorities, needs, wants for the near future and later in life.
- How ineffective use of money can result in wasted resources.
- Issues associated with gambling and how to avoid problems with it.
- Environmental and ethical issues related to consumer choices.

The following are the learning outcomes at key stage 4.

Students will understand:

- How wages and salaries are calculated.
- How deductions such as tax, national insurance and pension contributes affect take home pay and what they are used for.
- Implications of credit and debt (loans, overdrafts, mortgages), how costs accumulate over time.
- How insurance works and the types of insurance relevant to young people.
- How and why interest rates vary over time, according to the level of risk associated with them (including length of commitment) and how this can affect people.
- The differences between secured and unsecured loans and purchase agreements.
- The differences in risk and return between saving and investment products.
- The financial skills needed and risks involved in setting up and running a business.
- That private sector financial institutions make money through charging a higher rate of interest to borrowers than savers and by selling other financial services.
- How companies and other organisations are financed.
- How and why foreign exchange rates fluctuate.

- The main areas of national and local government finance and spending.
- Rights and responsibilities re: financial products.

Students will be able to:

- Identify financial qualities, attitudes and skills for employability.
- Calculate young people's earnings and benefits including Education Maintenance Allowance and student finance/loans.
- Compare the advantages and disadvantages of different forms of payment.
- Balance income and expenditure – weekly and longer term budgeting.
- Interpret bills and personal finance statements, extracting key information.
- Calculate compound interest including the significance of AER (annual equivalent rate) and APR (annual percentage rate).
- Find, use and evaluate financial advice and information from Internet, product advertising, financial advisors, Citizens Advice Bureau.
- Use their knowledge of the market to work out the best deal in products and services.
- Use understanding to calculate exchange rates.
- Make basic risk/reward assessment in relation to saving and borrowing (and quantify the risk on the basis of past data).
- Develop a sense of financial risk and recognise and learn from mistakes in financial decisions.

Students will have explored attitudes to:

- Financial implications of career and other personal life choices/priorities.
- Social, emotional and cultural factors influencing financial decisions.
- Sacrificing current spending for long term benefits (e.g. investments, pensions, further and higher education).
- The risks and rewards related to gambling.
- Local, national and global decisions that affect finances and impact on personal lives.
- Personal spending in relation to fair trade, ethical trading, ethical investment.

#### *Topics/issues covered and their goal*

The framework does not provide a list of topics *per se*. However, PSHE education includes the majority of the curriculum's explicit financial literacy content, located in the economic wellbeing and financial literacy programmes of study. The key financial literacy concepts are:

Career:

- Understanding that everyone has a 'career' (and that this will affect personal finance).

#### Capability:

- Exploring what it means to be enterprising.
- Learning how to manage money and personal finances.
- Becoming critical consumers of goods and services.

#### Risk:

- Understanding risk in both positive and negative terms.
- Understanding the need to manage risk in the context of financial and career choices.
- Taking risks and learning from mistakes.

#### Economic understanding:

- Understanding the economic and business environment.
- Understanding the functions and use of money.

#### Range and content (topics)

- Personal budgeting, wages, taxes, money management, credit, debt, and a range of financial products and services.
- Risk and reward, and how money can make money through savings.
- Investment and trade.
- How and why businesses use finance.
- Social and moral dilemmas about the use of money.

The framework also includes guidance about the key processes to be used to teach financial literacy and the curriculum opportunities.

#### Key processes

##### Exploration:

- Identify, select and use a range of information sources to research, clarify and review options and choices in career and financial contexts relevant to their needs.

##### Enterprise:

- Assess, undertake and manage risk.
- Demonstrate and apply understanding of economic ideas.

##### Financial literacy:

- Manage their money.
- Understand financial risk and reward.
- Explain financial terms and products.
- Identify how finance will play an important part in their lives and in achieving their aspirations.



Curriculum opportunities:

- Use case studies, simulations, scenarios, role play and drama.
- Have direct and indirect contact with people from business.
- Engage with ideas, challenges and application from the business world.
- Make links between economic wellbeing and financial literacy and other subjects and areas.

***Financial education learning framework in Japan (see also Annex3.A2)***

*History of the development of the framework*

The Central Council for Financial Services Information (CCFSI) has taken a leadership role in the development of a financial education framework for Japan. CCFSI is made up of representatives of associations of financial institutions and economic associations, associations of broadcasting companies, consumers' organisations and professors of education, consumer education and finance. CCFSI is funded by the Bank of Japan and other member organisations of CCFSI.

In 2006, CCFSI organised a committee involving scholars, senior officials from the Ministry of Education, Culture, Sports, Science and Technology, the National Institute of Educational Policies, the representatives of National Associations of School Principals to develop a financial education programme. The resulting document, 'Financial Education Program in Schools - How to Cultivate the Ability to Live in Society', was published by CCFSI in 2007.

*Learning Outcomes*

Topic: Financial life planning and household expenses management

Goals

Fund management skills and abilities of decision making:

- Understanding that resources are limited.
- Understanding the significance of building a better life under a limited budget and acquiring the attitude to practice it.
- Understanding the basics of decisions making and acquiring the attitude to practice it.

Understanding the value of savings and the skill of asset management:

- Understanding the significance of savings and acquiring the habit of saving.
- Understanding the relationship between interest obtained and saving periods and recognizing the importance of patience.
- Understanding the risks and returns of various financial products and learning the attitude of investing under self responsibility.

Understanding the importance of life planning and obtaining skills for it:

- Understanding the necessity of life planning and being able to make one's own life plan foreseeing the future.
- Getting knowledge necessary for making one's own life plan.

- Catching the future realistically relating it to life planning and occupational choice.

Topic: Mechanisms of the economy and financial system

Goals

Understanding the functions of money and finance:

- Understanding the roles and functions of money.
- Understanding the roles of financial institutions and the functions of central banks.
- Understanding the functions of interest rates.

Understanding the mechanism of the economy:

- Understanding the role of households, firms and governments and the circulation of goods and money.
- Learning the functions of markets and understanding the significance of the market economy.
- Understanding the relationship between industry development and the overseas economy.

Understanding the fluctuations of the economy and the need for economic policy:

- Understanding the relationship between business fluctuations, prices, interest rates, and stock prices.
- Understanding the monetary policy of central banks and economic policy of the government.
- Understanding how business fluctuations and economic policy are related to one's own life.

Understanding various problems in the economy and the role of the government:

- Getting interested in the wide-ranging problems that the economy is faced with.
- Acquiring the attitude to think rationally and subjectively seeking for the settlement of a problem.
- Understanding the role of the government.

Topic: Consumers' rights and risks and preventing financial trouble

Goals

Obtaining basic skills to enable independent and appropriate decision making and to enable a fruitful life:

- Becoming aware of rights and responsibilities of consumers.
- Acquiring the attitude of acting as a self-reliant consumer.
- Acquiring the skills of gathering of information and utilizing it accurately.

Prevent consumer troubles concerning financial transactions and multiple debt problems:

- Learning the actual situation of financial troubles and multiple debt problems and acquiring the attitude needed to avoid them.
- Learning the skills of dealing with troubles utilizing laws and social systems.

Becoming sensible consumers:

- Understanding the meaning of controlling one's desire and acquiring the attitude to do so in one's daily life.
- Acquiring the attitude to think about better ways to deal with money.

Topic: Career education

Goals

Understanding the meaning of work and the choice of occupation:

- Understanding the significance of work and the value of money.
- Acquiring the attitude of thinking about one's occupational choice subjectively.
- Understanding the rights and obligations of workers.

Willingness to live and having vitality:

- Understanding the various efforts are needed to produce added value.
- Understanding that the creation of added value is the motive power for the development of the economy and society.
- Acquiring the attitude to have a dream and to make efforts towards its realization.

Having gratitude for society and being willing to contribute to its improvement:

- Understanding that people have various ties with society and cultivating the mind to keep rules and to have gratitude for others.
- Cultivating the attitude of thinking about and practicing what one can do to improve society.

### ***Financial education learning framework in Malaysia***

#### *History of the development of the framework*

Bank Negara Malaysia, in collaboration with the Ministry of Education and financial institutions that participate in the Schools Adoption Programme (SAP), developed the financial education framework for school children in 2006. The framework is used as a guide for financial education programmes conducted during the co-curriculum activities.

The SAP was introduced in 1997 as a way of inculcating savings and smart money management habits among school children, with the emphasis shifting to financial education by 2001.

#### *Learning outcomes*

The framework provides learning outcomes for each of the three dimensions of financial education.

#### Financial knowledge and understanding

The children should be able to demonstrate their understanding on:

- The nature and role of money in society.
- Sources of income.
- Spending, savings and investment.

- Credit and debt.
- Financial services/products and advisory services.
- Consumer rights, responsibilities and protection.
- The impact of advertising, ICT (information and communications technology on managing finances.

#### Financial skills and competence

The children should be able to:

- Keep financial records.
- Analyse financial information.
- Assess value of money.
- Prepare and use budgets.
- Make informed financial decisions.

#### Financial responsibility

The children should be able to:

- Take increasing responsibility for making decisions with respect to themselves.
- Analyse the potential impact of financial decisions on their family and community.
- Evaluate potential risk and returns.

#### *Topics/issues covered and goals*

##### Primary School Children (7 to 12 years of age)

1. Money / income
  - Recognizing and counting coins and notes of Malaysian currency.
  - Currencies used in neighbouring countries.
  - Sources of income (earned and unearned).
  - Relationship between types of job and income earned.
2. Money management
  - Money is a limited resource.
  - Managing money to fulfil one's future wants and needs.
  - Prioritising, i.e. differentiating between needs and wants.
  - Saving money and other resources (e.g. electricity).
3. Spending and debt
  - Simple planning and budgeting.
  - Borrowing money from friends is a bad habit.
  - Facts in advertisements can be misleading.
4. Savings and investment
  - Benefits of saving.
  - How money grows through compounding.
  - Differences between savings and investment.

## Secondary School Children (13 to 17 years of age)

1. Money / income
  - Various sources of income, e.g. return on investment, savings interest or rent.
  - Relationship between income, career choice and education requirement.
  - Inflation affects the purchasing power for goods and services.
2. Money management
  - Setting short- and medium-term financial goals.
  - Making a financial decision making process.
  - Designing a personal financial plan.
3. Spending and debt
  - Opportunity cost occurs in every spending decision.
  - Compare value of goods and services to get the best value for money.
  - Various payment methods that people pay for goods and services.
  - Benefits of costs of various types of consumer credit.
  - Calculation of how interest affects borrowing cost.
  - Describe rights and responsibilities of buyers and sellers under consumer protection laws
4. Savings and investment
  - Appropriate financial products for different financial goals such as bank accounts for savings and stocks for investment.
  - Compare the risk, return and liquidity of investment alternatives.
  - Various factors affect the rate of returns of investment.
  - Calculate amount of savings accumulated given different times, rates of return and frequencies of compounding.
  - How money grows through compounding.
5. Risk management
  - Risk management strategies.
  - Insurance as a mean to transfer risk.
  - Types of insurance.
  - How to recognise and avoid financial scam and identity theft.

### *Professional Development of Teachers*

Bank Negara Malaysia in collaboration with the Ministry of Education and participating financial institutions in the School Adoption Programme conducts annual workshops to train teachers on how to deliver effective financial education activities. This is part of the professional development programmes for teachers.

### *Teachers' Learning Resources*

Lesson plans are being used by teachers and financial institutions as a guide in conducting financial education activities. Lesson plans on financial education activities developed by teachers are based on learning outcomes and topics provided in the framework.

## ***Financial education learning framework in the Netherlands (see also Annex 3.A3)***

### *History of the development of the framework*

A number of institutions, including the Consumer Credit Counselling Service (Nibud), have devised various projects for schools, young people and parents aimed at devoting attention to financially sound behaviour and education. Financial institutions have also taken recent measures to provide consumers with better information on financial decisions, such as the Financial Information Leaflet, the Stay Positive campaign, the Loan Security Warranty, and the warning 'Results achieved in the past do not offer any guarantee for the future'.

In 2006, some 40 partners from the financial sector, the government, the field of science, and public information and consumer organisations concluded an agreement to work towards financial education, entitled CentiQ, the Money-Wise Guide<sup>7</sup>. Some partners to this agreement include the Ministry of Finance, the Ministry of Social Affairs and Employment, the Netherlands Authority for the Financial Markets (AFM), the General Pension Fund for Public Employees (ABP), Nibud (National Institute for Family Finance Information), the Fortis Foundation, the Consumers' Association, and the Netherlands Institute for Curriculum Development (SLO). A schedule of activities oriented towards a five-year implementation period (2009-2013) was drawn up in 2008 (CentiQ, 2008).

The partners will work together to implement a strategic agenda containing programmes and projects, whose aim is to improve consumers' financial know-how and skills and to encourage an active attitude in order to enable consumers to make conscious financial choices or to be financially competent.

### *Key competences*

The approach of Nibud (National Institute for Family Finance Information) focuses on citizens' (i.e. young people's) self-reliance; this approach can be distinguished from the entrenchment of financial education in a broader package of personal and social know-how and skills. The Institute lists eight competences that consumers should have in order to be able to handle money sensibly.

The eight competences are as follows:

- Maintaining a balance in one's income, expenditure, assets and debts
  - Young people are able to draw up a balanced budget and keep within it.
- Conscious consumption
  - Young people develop purchasing habits that fit in with their personal preferences and their available budget.
- Actively keeping accounts
  - Young people are able to keep their personal and household accounts in an orderly manner so that they can easily find any information required, fulfil their payment obligations and make the necessary applications and responses in good time.

- Ensuring sufficient income
  - Young people are able to acquire work and sufficient income.
- Tailor-made insurance
  - Young people are able to insure themselves properly, and make use of this insurance if necessary.
- Consciously saving and taking out loans
  - Young people are able to enter into savings schemes and forms of credit that fit in with their budgets and personal wishes.
- Prevention of problematic debts
  - Young people are able to prevent problematic debts by taking action in the event of arrears in payment.
- Adjusting finances in the event of changes in their personal circumstances or stage of life
  - Young people have a broad insight into the course of their lives and are aware that they must adjust their income and expenditure if any changes in their personal circumstances occur.

These competences provide a starting point in the further elaboration of learning targets for financial education.

If we compare the various descriptions, we can distinguish two separate views. The first view of financial education concentrates on risk prevention and therefore on the mastering of a number of basic skills (such as not incurring any debts). The second view reveals a more positive approach and considers financial education as part of training people to fill in the course of their own lives ('take (...) effective actions to improve their financial well-being').

*Key concepts in financial education according to age*

Primary education, middle section, age 8-10

- Subject: arithmetic/mathematics
  - Pupils learn to measure and do sums with units and measures such as e.g. time, money, length, circumference, surface area, contents, weight, speed and temperature.
- Subject: Self-orientation and orientation towards the world, domain: people and society
  - Pupils learn to act in a self-reliant manner in a social sense, as road users and consumers.

#### Primary education, senior section, age 11-12

- Subject: arithmetic/mathematics
  - Pupils learn to measure and do sums with units and measures such as time, money, length, circumference, surface area, contents, weight, speed and temperature.
- Subject: Self-orientation and orientation towards the world, domain: people and society
  - Pupils learn to act in a self-reliant manner in a social sense, as road users and consumers.

#### Special education, age 8-12

- Subject: arithmetic/mathematics
  - Pupils learn to handle money and instruments of payment.
- Subject: Orientation towards people and the world. Domain: Orientation towards people and society (healthy and self-reliant behaviour):
  - Pupils learn to do shopping.

#### Preparatory secondary vocational education, first stage, age 13-14

- Mathematics
  - Students learn to recognise the structure of and relationship between positive and negative numbers, decimals, fractions, percentages and ratios, and learn to work with them in useful and practical situations.
  - Students learn to make exact and approximate calculations and reasonings based on insight into accuracy, order of magnitude and margins that fit in with a given situation.
- People and society
  - Students learn - through personal experience in their own environment - to recognise the effects of choices with respect to work and care, housing and recreation, consuming and budgeting, and traffic and the environment.
  - Students learn about the distribution of wealth and poverty in the world; they learn to recognise their significance for people and the environment, and to establish links with (their own) life in the Netherlands.



Senior general secondary education/pre-university education, first stage, age 13-14

- Mathematics
  - Students learn to recognise the structure of and relationship between positive and negative numbers, decimals, fractions, percentages and ratios, and learn to work with them in useful and practical situations.
  - Students learn to make exact and approximate calculations and reasoning based on insight into accuracy, order of magnitude and margins that fit in with a given situation.
- People and society
  - Students learn - through personal experience in their own environment - to recognise the effects of choices with respect to work and care, housing and recreation, consuming and budgeting, and traffic and the environment.
  - Students learn about the distribution of wealth and poverty in the world; they learn to recognise their significance for people and the environment, and to establish links with (their own) life in the Netherlands.

Senior general secondary education/pre-university education, second stage, age 15-18

- Students are confronted with various concepts and applications, especially with respect to economics, management & organisation and social studies. The added value of the learning targets for financial education is that they also apply to students' own personal and social experiential world.
- Financial education can seek a link with active citizenship to a significant extent. The ability to make independent choices and decisions is regarded as an important civic competence.

Preparatory secondary vocational education, second stage (age 15-16) and senior secondary vocational education, level 1-2 (age 16-17)

- Financial education can seek a link with active citizenship to a significant extent. The ability to make independent choices and decisions is regarded as an important civic competence.

Senior secondary vocational education, level 3-4 (age 16-18)

- Financial education can seek a link with active citizenship to a significant extent. The ability to make independent choices and decisions is regarded as an important civic competence.

***Financial education learning framework in New Zealand (see also Annex 3.A4)***

*History of the development of the framework*

Financial education in schools forms part of the National Strategy on Financial Literacy that the Commission for Financial Literacy and Retirement Income is developing for New Zealand. A draft framework for financial education was developed by the Commission and responsibility for the

promotion and development of financial education in schools was then transferred to the Ministry of Education in July 2009 and finalised<sup>8</sup>.

#### *Learning outcomes/standards*

The framework provides 'possible progressions of learning'<sup>9</sup>. These are presented as learning outcomes for curriculum levels 1 to 5 across two strands:

1. Managing money and income
2. Setting goals and planning ahead.

The 'possible progressions of learning' are reproduced in Annex 3.A4.

#### *Topics/issues covered and goals*

Topics covered are referred to as 'themes' for each of the two strands.

Managing money and income:

- Money
- Income
- Saving
- Spending and budgeting
- Credit

Setting goals and planning ahead:

- Setting financial goals
- Identifying and managing risk

### ***Financial education learning framework in Northern Ireland, UK***

#### *History of development*

In 2007, the UK Government set out its long-term aspiration to improve financial literacy in the UK including that every child has access to a planned and coherent programme of personal finance education in school. In July 2008, the Government and the Financial Services Authority (FSA) set out a joint action plan for financial literacy which included a significant programme of work to support personal financial education in schools.

The Northern Ireland framework for financial education is provided on a dedicated website: 'Northern Ireland Curriculum Financial Capability' developed in 2007<sup>10</sup>. The website is the responsibility of the Northern Ireland Executive, Council for the Curriculum, examinations and Assessment (CCEA).

### *Learning outcomes/standards*

Learning outcomes are provided for each of the above dimensions.

1. Financial knowledge and understanding: Desired outcomes. Pupils will:
  - Develop the skills required to deal with everyday financial issues; and
  - Be able to make informed decisions and choices about personal finances.
2. Financial skills and competence: Desired outcomes. Pupils will:
  - Be able to identify and tackle problems or issues with confidence; and
  - Be able to manage financial situations effectively and efficiently
3. Financial responsibility: Desired outcomes. Pupils will:
  - Be aware that financial decisions and actions are closely linked with value judgements (social, moral, aesthetic, cultural and environmental as well as economic) and therefore have social and ethical dimensions.

### *Topics/issues covered and goals*

The framework provides a statement of the topics/issues to be covered and their goals at each key stage. These are presented in two ways. The first is a description of what students will learn at each stage. These are as follows:

Foundation Stage: beginning to learn about and to manage their money.

During the Foundation Stage, children talk about the need to pay for goods (the exchange of goods for money). They learn about the different payment methods (cash, cheque, credit/debit card). They talk about and recognise coins (from 1p to £2) in various contexts and role-play activities, becoming familiar with coins in everyday use. They talk about where money comes from, how to get it and how to keep it safe. Children explore what to spend their money on and how it makes them feel. They talk about what it means to have more than needed and what can be done with extra money.

Key Stage 1: laying financial foundations for the future

During Key Stage 1, children learn about money and making real choices about spending and saving money in the context of their own lives, including how to solve whole number problems involving money. They learn that money comes from different sources and can be used for different purposes. They learn about the importance of looking after money and that people will make different choices when spending their money. They learn about social and moral issues about the use of money in everyday lives.

Key Stage 2: learning to manage money and spend wisely:

During Key Stage 2, pupils learn about making simple financial decisions and consider how to spend their money e.g. pocket money and contributions to charity. They learn that their decisions can have individual, social and environmental consequences. They explore the concepts of earnings, expenses and budgeting. By learning how to look after money, they begin to understand that financial circumstances

and standards of living can vary across time and place. They explore the different values and attitudes that people have with regard to money.

Key Stage 3: what influences you when it comes to spending money?

At this stage, pupils need to learn about what influences how we spend or save money and how to become competent at managing personal money in a range of situations including those beyond their immediate experience. They learn how local and central government is financed. They learn about insurance and risk and about making safer choices about healthy lifestyles. They learn about social and moral dilemmas and about the use of money including how the choices they make as consumers affect other people's economies and environments. They learn to solve complex numerical problems involving money including calculating percentages, ratio and proportion.

Key Stage 4: learn about the importance of managing money.

During Key Stage 4, pupils learn about financial decision-making and money management and to use a range of financial tools and services, including budgeting and saving, in managing personal money. They learn about, and how to assess the different sources of financial help and advice available to them. They learn about how the economy functions and the rights and responsibilities of consumers, employers and employees. They learn about the different risks and returns involved in savings and investments. They develop an understanding of the wider social, moral, ethical and environmental consequences of personal financial decisions. They continue to learn to solve complex numerical problems involving money including calculating percentages, ratios and proportions.

Detailed overviews of financial literacy in the curriculum are provided for each Key Stage. These include a list of topics to be covered for each of the dimensions. As an example, in Foundation Stage and Key Stage 1 these are:

Financial knowledge and understanding:

- What money is and the exchange of money.
- Where money comes from.
- Where money goes.

Financial competence:

- Looking after money.
- Spending money and budgeting.
- Financial records and information.
- Risk and return.

Financial responsibility:

- Making personal life choices.
- Consumer rights and responsibilities.
- The implications of finance.

## ***Financial education learning framework in Scotland, UK***

### *History of the development of the framework*

In July 1998 the Scottish Consultative Council on the Curriculum (CCC) embarked on a project, supported by the Royal Bank of Scotland, to examine ways of developing education for financial literacy in schools. The project had two tasks: to develop a framework to aid thinking about financial education in schools; and to develop guidance and support materials for school managers and teachers to assist them with the development of financial education in schools.

Financial Education in Scottish Schools A Statement of Position (1999)<sup>11</sup> is the end-product of the first task described above. It is based on a discussion paper prepared during 1988 by an advisory group with a remit from Scottish CCC to produce a succinct and coherent statement on personal financial education. The outcome of the group's work was endorsed by the Council as a basis for consultation and published as a consultation document. The Council's statement of position is essentially a re-statement of the advisory group's ideas.

From 2008 onwards, financial education has become a cross-cutting theme within the Scottish Curriculum, which all schools need to address.

### *Learning outcomes/standards*

Learning outcomes are given for each dimension of financial literacy. The learning outcomes are a statement of what young people should be able to do. The learning outcomes are not assigned to particular key stages.

#### Learning outcomes related to financial understanding

As a result of learning experiences, young people should be able to demonstrate an understanding and critical appreciation of:

- The nature and role of money in society, including foreign currency.
- Sources of income.
- Taxation, spending, saving and investment, credit and debt.
- Financial services/products and advisory services.
- Consumer rights, responsibilities and protection.
- The impact of advertising, ICT and the media.

#### Learning outcomes related to financial competence

As a result of learning experiences, young people should be able to:

- Keep financial records.
- Analyse financial information.
- Assess value for money.
- Prepare and use budgets.

- Make informed financial decisions.

Learning outcomes related to financial responsibility:

As a result of learning experiences, young people should be able to:

- Take increasing responsibility for making decisions with respect to themselves.
- Analyse the potential impact of financial decisions made by others on society and the environment both locally and globally.
- Analyse the potential impact of their financial decisions on other people and the environment both locally and globally.

Learning outcomes related to financial enterprise:

As a result of learning experiences, young people should be able to:

- Evaluate potential risks and returns.
- Use financial and other resources in an innovative and confident manner.
- Apply knowledge and skills creatively in a range of situations.

*Topics/issues covered and their goal*

The framework does not provide a list of topics/issues to be covered. The approach is to describe the intended learning outcome for financial literacy and then to describe the opportunities that exist within the existing curriculum from 5 to 18 to integrate financial literacy.

Examples of opportunities for financial learning in specific subjects are provided, but these are fairly non-specific and can't be reduced to a list of topics.

### ***Financial education learning framework in South Africa***

*History and development of the framework*

The South African Government, through its Department of Education (DoE) has opted to integrate financial literacy into learning areas and subjects within the National Curriculum Statement (NCS) of South Africa. The NCS structures the curriculum into learning areas and subjects, grade level and amount of content to be covered in each academic year in South Africa. There is no single framework for financial literacy, but financial literacy is mentioned within the learning outcomes of specific subjects. The learning areas and subjects into which financial literacy is integrated are Economic and Management Sciences, Accounting, Business and Economic Sciences, Mathematical Literacy and Consumer Studies.

The Financial Services Board (FSB) has a Consumer Education strategy which includes two programmes. These are Community Education and Formal Education. The Formal Education programme aims to promote the integration of financial consumer education into the formal education curriculum. This is done in consultation with the DoE and provincial education departments.

### *Framework goals*

The financial literacy goals of the above mentioned subjects are reflected in their learning outcomes and assessment standards. These are:

#### Economic and Management Sciences

##### Learning Outcome 1: The Economic Cycle

- The learner will be able to demonstrate knowledge and understanding of the economic cycle within the context of 'the economic problem'.

##### Learning Outcome 2: Sustainable Growth and Development

- The learner will be able to demonstrate an understanding of sustainable growth, reconstruction and development, and to reflect critically on its related processes.

##### Learning Outcome 3: Managerial, Consumer and Financial Knowledge and Skills

- The learner will be able to demonstrate knowledge and the ability to apply responsibly a range of managerial, consumer and financial skills.

##### Learning Outcome 4: Entrepreneurial Knowledge and Skills

- The learner will be able to develop entrepreneurial knowledge, skills and attitudes.

#### Mathematical Literacy

##### Learning Outcome 1: Number and Operations in Context

- The learner is able to use knowledge of numbers and their relationships to investigate a range of different contexts, which include financial aspects of personal, business and national issues.

##### Learning Outcome 2: Functional Relationships

- The learner is able to recognise, interpret, describe and represent various functional relationships to solve problems in real and simulated contexts.

##### Learning Outcome 4: Data Handling

- The learner is able to collect, summarise, display and analyse data and to apply knowledge of statistics and probability to communicate, justify, predict and critically interrogate findings and draw conclusions.

#### Accounting

##### Learning Outcome 1: Financial Information

- The learner is able to demonstrate knowledge, understanding and the application of financial information according to generally accepted accounting practice and concepts.

### *Endorsement*

The SA National Curriculum Statement (NCS), which includes all learning areas and subjects mentioned, was first partially introduced in 1998 as Curriculum 2005. It was revised in 2000 and fully introduced as the NCS in 2004. The FSB started implementing its consumer education strategy in 2002.

There is no specific body responsible for promoting financial education in schools. The FSB has attempted to play a coordinating role by engaging with industry bodies. Most institutions in the financial sector, however, implement their own financial education programmes, which leads to duplication in many instances.

### *Assessment*

Evaluation of learning takes place through the normal assessment strategies of the Department of Education, as stipulated in the NCS per learning area and subjects. Assessment is thus not on financial literacy, but rather in the achievement of the learning outcomes of each learning area and subject.

### *Topics/issues covered*

The following shows the amount of financial education per subject and learning area:

- Economic and Management Sciences – up to 100%
- Mathematical Literacy – 25 %
- Accounting – 25 %
- Business and Economic sciences – 30 %
- Consumer Studies – 10 %

Thus, while financial literacy is not taught as a stand-alone subject or learning area, it is integrated into the daily curriculum and not as an add-on that could be discontinued at any time for financial or other reasons.

The FSB's financial education is based on the following topics:

- Debt management
- Savings
- Budgeting
- Credit
- Caution against scams
- Insurance
- Retirement
- Investments
- Recourse
- Rights and responsibilities



### *Levels covered*

All grades in schools (1-12).

### *Effective pedagogy*

The NCS is delivered through an Outcome-based Education methodology, an approach that focuses on identifying desired outcomes and measuring success against these.

### *Teaching and learning resources*

Teachers use textbooks and resources as prescribed by the education department for curriculum delivery. Alongside this, the FSB has attempted to provide a common framework by working with the Financial Services Sector to develop three booklets that provide the basis for financial consumer education. Themes therein include:

- Debt Management
- Budgeting
- Saving
- Financial Risks
- Insurance
- Recourse
- Rights and Responsibilities of consumers

The resource materials are mostly in print format with CD-ROM support for schools with an ICT infrastructure. Each financial institution that provides financial literacy in schools, develops their own resources. The resources include:

- Three booklets, namely: Make the Most of Your Money, Use Your Money Wisely and Make Your Money Work for You. These booklets range from being very graphic to more textual in the third one to accommodate literacy levels.
- Managing Your Money – A booklet, CD-ROM and poster for teachers of Grade 10, 11 and 12 Mathematical literacy.
- Money in Action – an interactive CD-ROM and four booklets which covers grade R – 12 in South Africa.

### *Professional development*

The DoE is responsible for the professional development of teachers and this is done internally on a regular basis. The FSB makes all its resources available to teachers through workshops that demonstrate how to effectively use the resources in the classroom.

## ***Financial education learning framework in the United States (Jump\$tart)***

### *History of the development of the framework*

The Jump\$tart Coalition issued its first Personal Finance Guidelines and Benchmarks in 1998, developed by a broad range of education, government and financial services organisations. The national standards were subsequently revised, updated in 2001 and 2006 and also reviewed by a group of finance and business industry professionals and educators in the third edition in 2007, National Standards in K-12 Personal Financial Education<sup>12</sup>.

The Jump\$tart Coalition for Personal Financial Literacy is a not-for-profit organisation that consists of 180 business, financial and educational organisations and 47 affiliated state coalitions dedicated to improving the financial literacy of youth.

### *Learning outcomes/standards*

The national standards provide 'knowledge statements' of the 'overall competency' that students are expected to develop for each of the dimensions of personal finance. As well as the overall competency statement, more detailed descriptions are provided of the knowledge that students at 4th Grade, 8th Grade and 12th Grade are expected to be able to exhibit.

The overall competency statements are as follows:

Financial responsibility and decision making: apply reliable information and systematic decision making to personal financial decisions

- Income and careers: use a career plan to develop personal income potential
- Planning and money management: organise personal finances and use a budget to manage cash flow
- Credit and debt: maintain credit worthiness, borrow at favourable terms, and manage debt
- Risk management and insurance: use appropriate and cost-effective risk management strategies
- Saving and investment: implement a diversified investment strategy that is compatible with personal goals.

### *Topics/issues covered and their goals*

Broad topics/issues are provided in the form of standards for each of the dimensions of personal finance education. These are in the form of overall standards which are expanded into expectations for each of the standards at 4th grade, 8th grade and 12th grade. The following are the overall standards for each of the dimensions:

Financial responsibility and decision making:

Standard 1: take responsibility for personal financial decisions.

Standard 2: find and evaluate financial information from a variety of sources.

Standard 3: summarise major consumer protection laws.

Standard 4: make financial decisions by systematically considering alternatives and consequences.

Standard 5: develop communication strategies for discussing financial issues.  
Standard 6: control personal information.

#### Income and careers

Standard 1: explore career options.  
Standard 2: identify sources of personal income.  
Standard 3: describe factors affecting take-home pay.

#### Planning and money management

Standard 1: develop a plan for spending and saving.  
Standard 2: develop a system for keeping and using financial records.  
Standard 3: describe how to use different payment methods.  
Standard 4: apply consumer skills to purchase decisions.  
Standard 5: consider charitable giving.  
Standard 6: develop a personal financial plan.  
Standard 7: examine the purpose and importance of a will.

#### Credit and debt

Standard 1: identify the costs and benefits of various types of credit.  
Standard 2: explain the purpose of a credit record and identify borrowers' credit report rights.  
Standard 3: describe ways to avoid or correct debt problems.  
Standard 4: summarise major consumer credit laws.

#### Risk management and insurance

Standard 1: identify common types of risk and basic risk management methods.  
Standard 2: explain the purpose and importance of property and liability protection insurance.  
Standard 3: explain the purpose and importance of health, disability, and life insurance protection.

#### Saving and investing

Standard 1: discuss how saving contributes to financial well-being.  
Standard 2: explain how investing builds wealth and helps meet financial goals.  
Standard 3: evaluate investment alternatives.  
Standard 4: describe how to buy and sell investments.  
Standard 5: explain how taxes affect the rate of return on investments.  
Standard 6: investigate how agencies that regulate financial markets protect investors.

## Notes

---

1. Australian Ministerial Council on Education, Employment, Training and Youth Affairs (2011).
2. Māori language word for extended family
3. Created in 2007 following the demerger of the Department for Education and Skills (DfES), it became Department for Education after the 2010 General Election.
4. The Australian Ministerial Council, now called the Ministerial Council for Education, Early Childhood Education and Youth Affairs (MCEECDYA), is the vehicle for coordinating strategic education policy at the national level in Australia, including negotiation of national priorities based on shared objectives and interests. The members of MCEECDYA include State, Territory, Australian Government and New Zealand Ministers with responsibility for the portfolios of school education, early childhood development and youth affairs.
5. COREMEC (2009).
6. Department for Children, Schools and Families (DCSF) (2008).
7. CentiQ, the Money-Wise Guide. CentiQ, Ministry of Finance (2008).
8. Additional information can be found at [www.nzcurriculum.tki.org.nz/](http://www.nzcurriculum.tki.org.nz/)
9. Ministry of Education of New Zealand (2009).
10. [www.nicurriculum.org.uk/microsite/financial\\_capability/](http://www.nicurriculum.org.uk/microsite/financial_capability/)
11. Learning Teaching Scotland (1999).
12. Jump\$tart Coalition for Personal Financial Literacy (2007).

## REFERENCES

### **OECD Recommendations**

OECD (2005), Recommendation on Principles and Good Practices on Financial Education and Awareness.

### **OECD/INFE instruments and relevant outputs**

INFE (2010a), Guide to Evaluating Financial Education Programmes, available at [www.financial-education.org](http://www.financial-education.org).

INFE (2010b), Detailed Guide to Evaluating Financial Education Programmes, available at [www.financial-education.org](http://www.financial-education.org).

INFE (2011), High-level Principles for the Evaluation of Financial Education Programmes, available at [www.financial-education.org](http://www.financial-education.org).

OECD (2004), "ISCED Mappings of Countries' National Programmes to ISCED Levels", in OECD, *OECD Handbook for Internationally Comparative Education Statistics: Concepts, Standards, Definitions and Classifications*, OECD Publishing.  
doi: [10.1787/9789264104112-8-en](https://doi.org/10.1787/9789264104112-8-en)

### **Other**

Australian Ministerial Council on Education, Employment, Training and Youth Affairs (2011), National Consumer and Financial Literacy Framework available at [www.mceecdy.edu.au/verve/resources/National\\_Consumer\\_Financial\\_Literacy\\_Framework\\_FIN\\_AL.pdf](http://www.mceecdy.edu.au/verve/resources/National_Consumer_Financial_Literacy_Framework_FIN_AL.pdf)

COREMEC, Comitê de Regulação e Fiscalização dos Mercados Financeiro, de Capitais, de Seguros, de Previdência e Capitalização (2009), "Orientação para Educação Financeira nas Escolas", *Estratégia Nacional de Educação Financeira – Anexos*, available at [www.vidaedinheiro.gov.br/Imagens/Plano%20Diretor%20ENEF%20-%20anexos.pdf](http://www.vidaedinheiro.gov.br/Imagens/Plano%20Diretor%20ENEF%20-%20anexos.pdf)

Department for Children, Schools and Families (2008), Guidance on Financial Capability in the Curriculum: Key Stage 3 and 4, available at <https://www.education.gov.uk/publications/standard/Educationstages/Page1/DCSF-00645-2008>

European Commission, Eurydice - Eurypedia The European Encyclopedia on National Education Systems, <https://webgate.ec.europa.eu/fpfis/mwikis/eurydice/index.php?title=Home>

Jump\$tart Coalition for Personal Financial Literacy (2007), National Standards in K–12 Personal Finance Education with Benchmarks, Knowledge Statements, and Glossary, available at [www.jumpstart.org/assets/files/standard\\_book-ALL.pdf](http://www.jumpstart.org/assets/files/standard_book-ALL.pdf)

Learning Teaching Scotland (1999), Financial Education in Scottish Schools: A Statement of Position, available at [www.ltscotland.org.uk/Images/financialedstatement\\_tcm4-121478.pdf](http://www.ltscotland.org.uk/Images/financialedstatement_tcm4-121478.pdf)

Ministry of Education of New Zealand (2009), Financial Capability: Possible Progressions of Learning available at <http://nzcurriculum.tki.org.nz/Curriculum-resources/Financial-capability/FC-progressions>

Nibud (2009), Learning to Manage Money - learning goals and competences for children and young people, available at [www.nibud.nl/fileadmin/user\\_upload/Documenten/PDF/nibud\\_learning\\_goals\\_and\\_competences.pdf](http://www.nibud.nl/fileadmin/user_upload/Documenten/PDF/nibud_learning_goals_and_competences.pdf)

*Annex 3.A1*

**Comparison of Financial Education Learning Frameworks in Selected Countries**

**Table 3.A1.1. Main characteristics of the frameworks**

	<b>Endorsement by Government</b>	<b>Learning outcomes/ standards</b>	<b>Levels / age</b>	<b>Compulsory / statutory?</b>
Australia	Yes	Yes	Kindergarten to Year 10	Not compulsory: only national agreement under the National Framework to integrate into state and territory curriculum frameworks.
Brazil	Yes	Yes	Secondary level ( for the pilot exercise)	Not compulsory: implementation only as a pilot exercise in selected schools around the country
England, UK	Yes	Yes	Secondary level	Not compulsory
Japan	Yes	Yes	Across compulsory school sector to high school level	Not compulsory
Malaysia	Yes	Yes, but not levelled	Across compulsory school sector	Compulsory
The Netherlands	Yes	Yes	1-18	Not compulsory
New Zealand	Yes	Yes	First year primary to Year 10	Not compulsory
Northern Ireland	Yes	Yes	Kindergarten to Year 10	Compulsory
Scotland, UK	Yes	Yes, but not levelled	Secondary level	As of 2008, financial education is a cross-cutting theme that all schools need to address
South Africa	Yes	Yes	1-12	Not compulsory
United States – Jump\$tart	No- but subject to ongoing review	Yes	Across compulsory school sector	Not compulsory



**Table 3.A1.2. Modalities of integration, assessment of outcomes and teaching practices**

	<b>Integrated or stand-alone subject?</b>	<b>Curriculum links</b>	<b>Effective pedagogy</b>	<b>Assessment and monitoring</b>	<b>Teaching and learning resources</b>	<b>Professional development</b>
Australia	Integrated	No- not specifically included at present.	Importance acknowledged in the Appendix to the Framework.	Not specifically included: state and territories, schools and teachers have responsibility for assessment of learning.	Not specifically included in the framework but subsequently made available through <a href="http://www.financialliteracy.gov.au">www.financialliteracy.gov.au</a>	Not specifically included in the framework but importance acknowledged in Appendix. Resources also subsequently made available through <a href="http://www.financialliteracy.gov.au">www.financialliteracy.gov.au</a>
Brazil	Integrated	NA	Yes including case study and real life content ; activities	Yes	Yes - book provided	Yes
England	Explicitly included in PSHE. Integrated in other subjects	Yes. PSHE, mathematics, citizenship and other subjects where relevant	Yes. Includes case studies	Yes	Yes – links provided	Yes
Japan	Integrated	Yes. Social studies; home economics; integrated studies; moral education; Japanese language; arithmetic	Yes. Includes case studies	Yes	Yes- resources provided	Yes
Malaysia	Integrated	Mainly mathematics, living skills, economics, commerce and other relevant subjects.	Yes	Not included	Yes – links provided	Yes. Relevant teachers are selected to attend the financial education annual workshops conducted by Bank Negara Malaysia in collaboration with the Ministry of Education and participating financial institutions under the School Adoption Programme.
Netherlands	Integrated	Yes. Provides a starting point	Yes	Yes	Yes	In a plan

	<b>Integrated or stand-alone subject?</b>	<b>Curriculum links</b>	<b>Effective pedagogy</b>	<b>Assessment and monitoring</b>	<b>Teaching and learning resources</b>	<b>Professional development</b>
New Zealand	Integrated and cross-curricular	Yes. Literacy and numeracy and other subjects where relevant	Yes. Includes case studies	Not included	Yes – links provided	No
Northern Ireland	Integrated	Yes. Mathematics and numeracy; personal development and mutual understanding; learning for life and work; the arts, English and Irish; modern languages; environment and society; science and technology	Yes. Includes case studies	Not included	Yes – links provided	Yes
South Africa	Integrated and cross-curricular	Yes. Economics and Management Sciences; Mathematics literacy; Accounting; Business and Economic sciences; Consumer Studies	Yes	Yes-normal DoE processes and procedures	Yes – links provided	Yes
Scotland	Integrated	Yes. Personal and social development; mathematics, English; environmental studies; society, science and technology; modern languages; geography; modern studies; social and vocational skills; business management; craft and design; home economics	Yes	Not included	Not included in the framework but subsequently made available	Not included in the framework but subsequently made available
United States	Integrated or stand-alone depending on local needs	No- to be determined at the local level	Not included	Not included	Yes – links provided	Yes

**Table 3.A1.3. Focus of the learning framework**

	<b>Focus</b>	<b>Definition or description</b>
Australia	Consumer and financial literacy	“Consumer and financial literacy is the application of knowledge, understandings, skills and values in consumer and financial contexts and the related decisions that impact on self, others, the community and the environment.”
Brazil	Financial literacy	Includes financial knowledge, understanding, skills and behaviours as well as social awareness
England	Financial capability	“Financial capability is the ability to manage one’s finances and to become a confident, questioning and informed consumer of financial services.”
Japan	Financial education/pecuniary education	Financial education is defined as “an education that enables students to understand the function of money and finance, to deepen student’s thoughts on their daily life, to improve their lifestyle and their sense of values, and to nurture voluntary attitudes towards improvement of their life and society.”
Malaysia	Financial literacy	Financial literacy is defined as “a person’s ability to make informed judgements, take effective decisions regarding the use and management of money, keep track of finances, planning ahead, choosing financial products, and staying informed about financial matters.”
Netherlands	Financial capability	Strengthen consumers’ position in the financial domain; “Financial Capability includes financial knowledge and understanding; financial skills and competences; financial responsibility.”
New Zealand	Financial capability	“A financially capable person is able to make informed judgements and effective decisions regarding the personal use and management of money.”
Northern Ireland	Financial capability	“Financial Capability is more than the ability to recognize coins or calculations involving money. It is an essential life skill which enhances their ability to make effective choices and become more financially responsible.”
Scotland	Financial capability	“Financial capability involves knowing how to manage personal finances in the midst of a changing context of wider economic forces that affect people’s lives and society as a whole. Becoming financially capable involves acquiring understanding, developing skills and fostering values. However, financial capability is about more than this. It means being able both to think critically about financial issues and to draw together and apply knowledge and skills in particular situations whilst having due regard to the impact of financial decisions on people’s lives and on the environment.”
South Africa	Financial literacy	Financial literacy aims to enable people understand economic cycle, sustainable growth develop entrepreneurial knowledge; solve problems; understand financial information.
United States – Jump\$tart	Personal finance and financial literacy	“Financial capability involves knowing how to manage personal finances in the midst of a changing context of wider economic forces that affect people’s lives and society as a whole. Becoming financially capable involves acquiring understanding, developing skills and fostering values. However, financial capability is about more than this. It means being able both to think critically about financial issues and to draw together and apply knowledge and skills in particular situations whilst having due regard to the impact of financial decisions on people’s lives and on the environment.”

**Table 3.A1.4. Dimensions included in financial education frameworks**

	<b>Knowledge and understanding</b>	<b>Skills and competencies/capability</b>	<b>Attitudes and values</b>	<b>Enterprise</b>
Australia	√	√	√	√
Brazil	√	√	√	
England	√	√	√	
Japan	√	√	√	√
Malaysia	√	√	√	
Netherlands	√	√	√	√
New Zealand	√	√	√	
Northern Ireland	√	√	√	
Scotland	√	√	√	√
South Africa	√	√	√	√
United States – Jump\$tart	√	√	√	

*Annex 3.A2*

**Japan: Contents of Financial Education by Age Group<sup>1</sup>**

---

<sup>1</sup> Source: Central Council for Financial Services Information "Financial Education Program", 2007.

**Table 3.A2.1. Learning framework goals for different age groups**

	Goals		Primary School Students			Secondary School Students	High School Students
			1st and 2nd grades	3rd and 4th grades	5th and 6th grades		
<b>Financial life planning and household expenses management</b>	Budgeting	<ul style="list-style-type: none"> <li>• Understanding that resources are limited (i.e. budgets are constrained). Understanding the significance of building a better life under a limited budget and acquiring the attitude to practice it.</li> <li>• Understanding the basics of decision making and acquiring the attitude to practice it.</li> </ul>	<ul style="list-style-type: none"> <li>• Learning the value of money and making much of goods and money.</li> <li>• Being able to buy goods within their budget.</li> </ul>	<ul style="list-style-type: none"> <li>• Recognizing the difference between needs and wants.</li> <li>• Understanding scarcity of resources.</li> <li>• Being able to manage suitable amount of money for one’s age.</li> </ul>	<ul style="list-style-type: none"> <li>• Being able to buy things according to their plan, taking indispensability into account.</li> <li>• Learning how to choose goods, and being able to contrive to buy goods.</li> <li>• Obtaining the attitude of making a decision based on one’s own idea while understanding friends’ idea.</li> </ul>	<ul style="list-style-type: none"> <li>• Deepening the understanding of household’s income and expenditure.</li> <li>• Being able to choose, purchase and use necessary goods and services adequately.</li> <li>• Managing an expenditure and income practically (ex. Doing so for a school excursion).</li> <li>• Understanding the variety of people’s senses of value through knowing how they use money.</li> </ul>	<ul style="list-style-type: none"> <li>• Understanding the importance of long run money management.</li> <li>• Making a balance practically (doing so for school events, etc.).</li> <li>• Understanding the importance of decision making through selecting one’s career.</li> </ul>
	Saving, investing and use of financial products	<ul style="list-style-type: none"> <li>• Understanding the significance of savings and acquiring the habit</li> </ul>	<ul style="list-style-type: none"> <li>• Trying to save pocket money and a New Year’s present of</li> </ul>	<ul style="list-style-type: none"> <li>• Understanding the significance of savings and acquiring the habit of planning</li> </ul>	<ul style="list-style-type: none"> <li>• Learning to plan to save thinking about what to spend in the</li> </ul>	<ul style="list-style-type: none"> <li>• Understanding stocks and bonds.</li> <li>• Thinking about the meaning of</li> </ul>	<ul style="list-style-type: none"> <li>• Understanding the characteristics of various financial products such as</li> </ul>

		<p>of saving.</p> <ul style="list-style-type: none"> <li>• Understanding the relationship between interests obtained and saving periods and recognizing the importance of patience.</li> <li>• Understanding the risks and returns of various financial products and learning the attitude of investing under self responsibility.</li> </ul>	<p>money.</p>	<p>to save.</p> <ul style="list-style-type: none"> <li>• Obtaining the patience to complete tasks.</li> </ul>	<p>future.</p> <ul style="list-style-type: none"> <li>• Learning principal types of bank accounts and understanding the difference of interest rates on various kinds of deposits.</li> <li>• Being able to calculate simple interest rate.</li> </ul>	<p>investing money.</p> <ul style="list-style-type: none"> <li>• Understanding the relationship between risks and returns.</li> <li>• Learning the relationship between interests obtained (at compound interest) and the saving periods and obtaining the attitude to save money continuously.</li> </ul>	<p>bank accounts, stocks, bonds, and insurances, etc..</p> <ul style="list-style-type: none"> <li>• Understanding the risks and returns of financial products.</li> <li>• Being conscious of making decision self-responsibly taking portfolio balance into account.</li> <li>• Thinking about the difference between investment and speculation.</li> </ul>
	<p>Understanding the importance of life planning and obtaining the skills for it</p>	<ul style="list-style-type: none"> <li>• Understanding the necessity of life planning and being able to make one's own life plan foreseeing the future.</li> <li>• Getting knowledge necessary for making one's own life plan.</li> </ul>	<ul style="list-style-type: none"> <li>• Becoming aware of the necessity of planning before buying goods in practicing how to use pocket money.</li> </ul>	<ul style="list-style-type: none"> <li>• Recording the pocket money account.</li> </ul>	<ul style="list-style-type: none"> <li>• Understanding the importance of using money according to plan, considering one's future.</li> </ul>	<ul style="list-style-type: none"> <li>• Understanding the necessity of life planning and making a life plan based on one's own sense of value.</li> <li>• Thinking about how to build a better life.</li> <li>• Understanding</li> </ul>	<ul style="list-style-type: none"> <li>• Making a life plan and grasping one's lifetime income and expenditure.</li> <li>• Understanding the mechanism of loans and thinking about payment methods and</li> </ul>

		<ul style="list-style-type: none"> <li>• Catching the future realistically relating it to life planning and occupational choice.</li> </ul>				<p>the mechanisms and the functions of loans.</p>	<p>interest rates.</p> <ul style="list-style-type: none"> <li>• Understanding the pension and the social security system.</li> <li>• Understanding the relationship between people's daily life and economic policy and business cycle.</li> <li>• Imagining realistically one's future relating life planning and occupational choice, and thinking about its relationship with what one wants to be.</li> </ul>
<p><b>Mechanisms of economy and finance</b></p>	<p>Understanding the functions of money and finance</p>	<ul style="list-style-type: none"> <li>• Understanding the roles and functions of money.</li> <li>• Understanding the roles of financial institutions and the functions of central banks.</li> <li>• Understanding the</li> </ul>	<ul style="list-style-type: none"> <li>• Understanding that we have to pay money when we purchase goods or services.</li> <li>• Being able to distinguish various kinds of coins and notes.</li> </ul>	<ul style="list-style-type: none"> <li>• Understanding that we can save money and use it in the future.</li> <li>• Understanding interest rates through depositing at banks or postal</li> </ul>	<ul style="list-style-type: none"> <li>• Understanding various roles of money through one's daily life.</li> <li>• Understanding the basic functions of banks.</li> </ul>	<ul style="list-style-type: none"> <li>• Understanding the roles of money.</li> <li>• Understanding the types and the functions of financial institutions.</li> <li>• Understanding</li> </ul>	<ul style="list-style-type: none"> <li>• Grasping the roles of money theoretically.</li> <li>• Understanding the diversification of settlement function.</li> <li>• Understanding</li> </ul>



		functions of interest rates.		offices.		the functions of central banks.	the direct and indirect finance.
						<ul style="list-style-type: none"> <li>• Understanding the function of settlement of banks.</li> <li>• Understanding types, functions, and mechanisms of various cards.</li> <li>• Understanding how interest rates are determined.</li> </ul>	<ul style="list-style-type: none"> <li>• Understanding the functions of interest rates and the reasons of their fluctuations.</li> <li>• Deepening the understanding of the functions of central banks.</li> <li>• Understanding about electronic money and regional currencies.</li> <li>• Understanding the relationship between financial liberalization and one's own daily life.</li> </ul>
Understanding the mechanism of the economy	<ul style="list-style-type: none"> <li>• Understanding the role of households, firms and governments and the circulation of goods and money.</li> <li>• Learning the functions of</li> </ul>	<ul style="list-style-type: none"> <li>• Learning that goods and money are exchanged.</li> <li>• Learning that goods have values.</li> </ul>	<ul style="list-style-type: none"> <li>• Examining regional productive activities and understanding how goods and money are circulated,.</li> </ul>	<ul style="list-style-type: none"> <li>• Understanding the circulation of goods and money among households, firms, governments and banks.</li> </ul>	<ul style="list-style-type: none"> <li>• Understanding the circulation of goods and money among households, firms, financial institutions, the government and</li> </ul>	<ul style="list-style-type: none"> <li>• Drawing the overview of circulation of goods, money and people among households, firms, financial</li> </ul>	

	<p>markets and understanding the significance of the market economy.</p> <ul style="list-style-type: none"> <li>• Understanding the relationship between industry development and the overseas economy.</li> </ul>		<ul style="list-style-type: none"> <li>• Understanding how prices of goods are determined.</li> <li>• Understanding the functions and roles of companies.</li> </ul>	<ul style="list-style-type: none"> <li>• Understanding why prices of goods change.</li> <li>• Understanding that firms invest by borrowing money.</li> <li>• Understanding the circulation of goods and money between Japan and foreign countries.</li> </ul>	<p>foreign countries.</p> <ul style="list-style-type: none"> <li>• Understanding the significance of market economy.</li> <li>• Understanding their effects on one's daily life and the meaning of yen appreciation and depreciation.</li> <li>• Understanding the functions, roles and social responsibilities of corporations.</li> <li>• Understanding various fund collecting methods firms do.</li> </ul>	<p>institutions, the government and foreign countries.</p> <ul style="list-style-type: none"> <li>• Understanding the functions of goods markets, financial markets, securities markets and foreign exchange markets.</li> <li>• Understanding the forming, reasons for being and social functions of firms.</li> <li>• Understanding the globalization of the economy.</li> </ul>
Understanding the fluctuations of economy and the need for economic policy	<ul style="list-style-type: none"> <li>• Understanding the relationship between business fluctuations, prices, interest rates, and stock prices.</li> <li>• Understanding the monetary policy of central banks and economic policy of</li> </ul>		<ul style="list-style-type: none"> <li>• Becoming aware of the relationship between one's own daily life, regional productive activities and the fluctuations of economy.</li> </ul>	<ul style="list-style-type: none"> <li>• Understanding how one's daily life and the society change when the economy fluctuates.</li> </ul>	<ul style="list-style-type: none"> <li>• Understanding the reasons of economic fluctuations.</li> <li>• Understanding the relationship between economic fluctuations and macroeconomic</li> </ul>	<ul style="list-style-type: none"> <li>• Arranging and understanding the macro mechanism of economic fluctuations.</li> <li>• Understanding the aims and means of central bank's monetary</li> </ul>

		<p>the governments.</p> <ul style="list-style-type: none"> <li>• Understanding how business fluctuations and economic policy are related to one's own life.</li> </ul>				<p>indicators.</p> <ul style="list-style-type: none"> <li>• Understanding the monetary policy by central banks.</li> <li>• Understanding the package of measures of government to stimulate the economy.</li> </ul>	<p>policy.</p> <ul style="list-style-type: none"> <li>• Understanding the government's package of measures to stimulate the economy and the budget deficits.</li> </ul>
Understanding various problems in the economy and the role of the government	<ul style="list-style-type: none"> <li>• Getting interested in the wide-ranging problems that the economy is faced with.</li> <li>• Acquiring the attitude to think rationally and subjectively seeking for the settlement of a problem.</li> <li>• Understanding the role of the government.</li> </ul>	<ul style="list-style-type: none"> <li>• Noticing that people need to pay for using public facilities.</li> </ul>	<ul style="list-style-type: none"> <li>• Understanding various public activities supporting society and the necessary money for them.</li> </ul>	<ul style="list-style-type: none"> <li>• Relating to one's daily life, getting interested in problems occurring in society.</li> <li>• Understanding types of taxes and their significance.</li> </ul>	<ul style="list-style-type: none"> <li>• Obtaining the habit of reading newspapers.</li> <li>• Getting interested in wide-ranging problems in the economy.</li> <li>• Understanding the role of the government through its annual expenditure and revenue.</li> </ul>	<ul style="list-style-type: none"> <li>• Collecting information on the issues of interest and understanding them deeply.</li> <li>• Acquiring the attitude to try to solve problems rationally and subjectively.</li> <li>• Thinking about the policies that the government should take in order to solve the economic and social problems.</li> <li>• Thinking about the effective use</li> </ul>	

							of money.
<b>Consumer's rights and risks and preventing financial trouble</b>	Obtaining basic skills to enable independent and appropriate decision making and to enable a fruitful life	<ul style="list-style-type: none"> <li>• Becoming aware of rights and responsibilities of consumers.</li> <li>• Acquiring the attitude of acting as a self-reliant consumer.</li> <li>• Acquiring the skills of gathering information and utilizing it accurately.</li> </ul>	<ul style="list-style-type: none"> <li>• Taking care of defective products.</li> </ul>	<ul style="list-style-type: none"> <li>• Becoming aware of the importance of taking safety and environment into consideration in one's life as a consumer.</li> </ul>	<ul style="list-style-type: none"> <li>• Obtaining the ability to make better decisions by utilizing information.</li> <li>• Learning the role of consumer centres.</li> </ul>	<ul style="list-style-type: none"> <li>• Understanding basics of contracts.</li> <li>• Learning the consumer's rights and the obligations through reading the Consumer Act.</li> <li>• Understanding the meaning of product liability.</li> <li>• Being able to live one's life as a consumer taking environment and society into consideration.</li> </ul>	<ul style="list-style-type: none"> <li>• Understanding the meaning and the important notice of contracts and the meaning of self responsibility.</li> <li>• Understanding the Consumer Contract Act.</li> <li>• Understanding the protection of personal information.</li> <li>• Obtaining skills to gather information and utilize it for one's life as a consumer.</li> </ul>
	Prevent consumer troubles concerning financial transactions and multiple debt problems	<ul style="list-style-type: none"> <li>• Learning the actual situation of financial troubles and multiple debt problems and acquiring the attitude needed to avoid them.</li> <li>• Learning the skills</li> </ul>		<ul style="list-style-type: none"> <li>• Learning how to deal with troubles and how to consult appropriate institutions.</li> </ul>	<ul style="list-style-type: none"> <li>• Learning the actual situation of financial troubles in which primary school students are involved.</li> <li>• Not borrowing money from friends nor</li> </ul>	<ul style="list-style-type: none"> <li>• Learning the important notice of the use of credit cards.</li> <li>• Learning the examples of troubles which happened in the use of internet</li> </ul>	<ul style="list-style-type: none"> <li>• Learning concrete means to deal with troubles and cultivating skills of practicing them.</li> <li>• Learning the roles and the</li> </ul>

		of dealing with troubles utilizing laws and social systems.			lending it to them.	and cellar phones, and understanding how to prevent troubles. <ul style="list-style-type: none"> <li>•Distinguishing scams and swindles, and learning how to avoid damages from them.</li> <li>•Being able to calculate interest rates and understanding how heavy is the burden to pay interests on loans.</li> <li>• Learning about the cooling-off system.</li> <li>•Knowing the consultant offices to visit when one meets troubles.</li> </ul>	functions and the important notice of various cards. <ul style="list-style-type: none"> <li>•Knowing the present situations of people in multiple debt problems and avoiding easy borrowing.</li> <li>•Realizing the relationship between interest rates and loan payments, and understanding the importance of interest rates.</li> <li>•Knowing the consultant offices for people in multiple debt problems and learning how to consult them.</li> </ul>
Becoming sensible consumers	<ul style="list-style-type: none"> <li>• Understanding the meaning of controlling one's desire and acquiring the attitude to do so in</li> </ul>	<ul style="list-style-type: none"> <li>• Learning that one cannot have all that he or she wants.</li> <li>• Acquiring the habit to use</li> </ul>	<ul style="list-style-type: none"> <li>• Becoming aware of the importance of moderate life through learning how to use money and practicing it in</li> </ul>	<ul style="list-style-type: none"> <li>• Learning that troubles related to money annoy one's family.</li> <li>• Learning that usage of money</li> </ul>	<ul style="list-style-type: none"> <li>• Knowing people who live happily with little money and thinking about their sense of values.</li> </ul>	<ul style="list-style-type: none"> <li>• Thinking about the relationship between individual's sense of money and what a society should</li> </ul>	

		<p>one's daily life.</p> <ul style="list-style-type: none"> <li>• Acquiring the attitude to think about better ways to deal with money.</li> </ul>	<p>goods carefully.</p>	<p>one's daily life.</p>	<p>varies depending upon individuals.</p>	<ul style="list-style-type: none"> <li>• Thinking about predecessors' lives and their sense of money through biographies and novels.</li> <li>• Thinking about the relationship among money, accidents and crimes occurring in society.</li> </ul>	<p>be.</p>
<p><b>Career education</b></p>	<p>Understanding the meanings of work and the choice of occupation</p>	<ul style="list-style-type: none"> <li>• Understanding the significance of work and the value of money.</li> <li>• Acquiring the attitude of thinking about one's occupational choice subjectively.</li> <li>• Understanding the rights and obligations of workers.</li> </ul>	<ul style="list-style-type: none"> <li>• Becoming aware of the excellence of workers.</li> <li>• Helping with the housework.</li> </ul>	<ul style="list-style-type: none"> <li>• Understanding the pains of labour and the value of money through participating in educational activities as cultivation.</li> </ul>	<ul style="list-style-type: none"> <li>• Understanding the importance of work and difficulty of getting money.</li> <li>• Understanding that one serves for the society through one's work one.</li> <li>• Getting interested in one's occupation in the future considering one's merits and disadvantages.</li> </ul>	<ul style="list-style-type: none"> <li>• Learning the relationship between work and wage.</li> <li>• Realizing work through occupational experiences, thinking about future occupation and gathering information about it.</li> <li>• Understanding the significance of work and its role in the society.</li> <li>• Thinking about NEET and part-</li> </ul>	<ul style="list-style-type: none"> <li>• Thinking concretely about occupational choice through selecting one's career.</li> <li>• Thinking about the occupation one selected and its significance in the society.</li> <li>• Understanding that one's lifetime income depends on one's occupation and is diverse.</li> <li>• Acquiring the attitude to fulfill</li> </ul>

						time workers by choice. <ul style="list-style-type: none"> <li>Understanding the rights of workers.</li> </ul>	worker's obligation as well as understanding worker's rights.
Willingness to live and having vitality	<ul style="list-style-type: none"> <li>Understanding that various efforts are needed to produce added value.</li> <li>Understanding that the creation of added value is the motive power for the development of economy and society.</li> <li>Acquiring the attitude to have a dream and to make efforts toward its realization.</li> </ul>	<ul style="list-style-type: none"> <li>Becoming aware of contrivances and efforts of salespersons.</li> </ul>	<ul style="list-style-type: none"> <li>Knowing the wishes of salespersons, and becoming aware of various efforts and contrivances that salespersons make.</li> </ul>	<ul style="list-style-type: none"> <li>Understanding dreams, efforts and ideas of people and companies in the local community.</li> </ul>	<ul style="list-style-type: none"> <li>Acquiring the attitude of having dreams and hopes, knowing what is needed to realize them, and acquiring the attitude to make an effort.</li> <li>Understanding the mechanisms, and the contrivance of and the efforts needed for company management through participation in simulative company formation.</li> </ul>	<ul style="list-style-type: none"> <li>Thinking about means and actual steps to realize future dreams, and making necessary efforts.</li> <li>Thinking about starting a business and thinking over necessary knowledge and practical plans for doing so.</li> <li>Understanding the means to increase the added value in company management.</li> </ul>	
Having gratitude for society and being willing to contribute to its	<ul style="list-style-type: none"> <li>Understanding that people have various ties with society and cultivating the mind</li> </ul>	<ul style="list-style-type: none"> <li>Becoming aware of the importance of doing something in cooperation with</li> </ul>	<ul style="list-style-type: none"> <li>Cultivating the attitude to be responsible for one's work and to</li> </ul>	<ul style="list-style-type: none"> <li>Understanding the importance of working in cooperation with</li> </ul>	<ul style="list-style-type: none"> <li>Widening one's horizons to objects supporting one's life (parents,</li> </ul>	<ul style="list-style-type: none"> <li>Viewing better societies and thinking about and practicing what is needed</li> </ul>	

	improvement	<p>to keep rules and to have gratitude for others.</p> <ul style="list-style-type: none"> <li>• Cultivating the attitude of thinking about and practicing what one can do for improving the society.</li> </ul>	<p>friends.</p> <ul style="list-style-type: none"> <li>• Awakening one's roles through helping housework and doing assigned works in the class.</li> <li>• Becoming aware of the importance of keeping promises.</li> </ul>	<p>complete it.</p> <ul style="list-style-type: none"> <li>• Having gratitude and respects for people supporting one's life.</li> <li>• Understanding the importance of keeping rules.</li> </ul>	<p>others.</p> <ul style="list-style-type: none"> <li>• Becoming aware of the significance of working in cooperation with others through non-profit activities (volunteers, etc.,).</li> <li>• Being conscious of keeping laws.</li> </ul>	<p>societies, foreign countries, natural environments, etc.) and having gratitude for them.</p> <ul style="list-style-type: none"> <li>• Thinking about various social contributions (to work, to participate in voluntary activities, to donate, etc.) and acquiring the attitude to practice them.</li> <li>• Understanding the relationship between keeping laws and rules, and maintaining public order.</li> </ul>	<p>and one should do toward them.</p> <ul style="list-style-type: none"> <li>• Thinking about what social responsibility of firms and what social contribution of enterprises should be, relating them to one's occupational choice.</li> <li>• Understanding that keeping laws and rules is also important for the market economy to work enough.</li> </ul>
--	-------------	---	---	---	--	---	---



*Annex 3.A3*

**The Netherlands: Learning Targets**

Table 3.A3.1. Primary education, middle section (age 8-10)

Key objectives	
<ul style="list-style-type: none"> <li>• <b>Subject: arithmetic/mathematics</b> <ul style="list-style-type: none"> <li>○ <b>Key objective 33: Pupils learn to measure and do sums with units and measures such as e.g. time, money, length, circumference, surface area, contents, weight, speed and temperature.</b></li> </ul> </li> <li>• <b>Subject: Self-orientation and orientation towards the world, domain: people and society</b> <ul style="list-style-type: none"> <li>○ <b>Key objective 35: Pupils learn to act in a self-reliant manner in a social sense, as road users and consumers.</b></li> </ul> </li> </ul>	
Key concepts	Learning targets
Know-how and insight	<ul style="list-style-type: none"> <li>• Pupils gain insight into the various currency units (Euros) and the value of money</li> <li>• Pupils gain an understanding of the concepts of saving and borrowing</li> </ul>
Skills	<ul style="list-style-type: none"> <li>• Pupils get an idea of where money comes from (work) and where it goes to (spending, saving)</li> <li>• Pupils can count money and make calculations using money</li> <li>• Pupils can pay with and handle small change</li> <li>• Pupils can make personal choices and manage a small (imaginary) budget (pocket money)</li> <li>• Pupils are able to make a personal choice between saving or spending</li> <li>• Pupils have the capacity to save up for a larger objective</li> </ul>
Awareness	<ul style="list-style-type: none"> <li>• Pupils are aware of the relationship between working and money</li> <li>• Pupils can recognise whether a statement is intended as advertising</li> </ul>

**Table 3.A3.2. Primary education, senior section (age 11-12)**

Key objectives	
<ul style="list-style-type: none"> <li>• <b>Subject: arithmetic/mathematics</b> <ul style="list-style-type: none"> <li>○ <b>Key objective 33: Pupils learn to measure and do sums with units and measures such as time, money, length, circumference, surface area, contents, weight, speed and temperature.</b></li> </ul> </li> <li>• <b>Subject: Self-orientation and orientation towards the world, domain: people and society</b> <ul style="list-style-type: none"> <li>○ <b>Key objective 35: Pupils learn to act in a self-reliant manner in a social sense, as road users and consumers.</b></li> </ul> </li> </ul>	
Key concepts	Learning targets
Know-how and insight	<ul style="list-style-type: none"> <li>• Pupils get an idea of where money comes from (work) and where it goes to (spending, saving)</li> <li>• Pupils know the difference between various methods of payment: electronic wallets, debit cards, credit cards, transferable money, money in cash</li> <li>• Pupils have a general idea of how banks function</li> <li>• Pupils gain an understanding of the concepts of borrowing, interest and debts</li> </ul>
Skills	<ul style="list-style-type: none"> <li>• Pupils can make practical calculations using coins and banknotes</li> <li>• Pupils can manage a small budget (pocket money)</li> <li>• Pupils can keep a small cash book and file important documents in a folder</li> <li>• Pupils can draw up a small budget for a small-scale project in groups</li> <li>• Pupils can compare prices for purchases by a process of reasoning</li> <li>• Pupils can choose personally whether they want to do odd jobs (for others) for payment in cash</li> <li>• Pupils can make choices that fit in with a limited budget</li> <li>• Pupils can calculate using percentages in a financial context</li> </ul>
Awareness	<ul style="list-style-type: none"> <li>• Pupils are aware of the use and influence of advertising</li> <li>• Pupils are aware of social pressure in a group and of its influence on purchasing</li> <li>• Pupils recognise the usefulness of saving up for a larger objective</li> </ul>

**Table 3.A3.3. Special education (age 8-12)**

Key objectives	
<ul style="list-style-type: none"> <li>• <b>Subject: arithmetic/mathematics</b> <ul style="list-style-type: none"> <li>○ <b>Key objective 5: Pupils learn to handle money and instruments of payment.</b></li> </ul> </li> <li>• <b>Subject: Orientation towards people and the world. Domain: Orientation towards people and society (healthy and self-reliant behaviour):</b> <ul style="list-style-type: none"> <li>○ <b>Key objective 9: Pupils learn to do shopping.</b></li> </ul> </li> </ul>	
Key concepts	Learning targets
Know-how and insight	<ul style="list-style-type: none"> <li>• Pupils know the value of the various coins and banknotes (euro)</li> <li>• Pupils know the difference between various methods of payment: electronic wallets, debit cards, credit cards, transferable money, money in cash</li> <li>• Pupils know the concepts of borrowing and debts</li> </ul>
Skills	<ul style="list-style-type: none"> <li>• Pupils can make practical calculations using coins and banknotes</li> <li>• Pupils can make conscious choices between saving and spending</li> <li>• Pupils can manage a small budget (pocket money)</li> <li>• Pupils can keep a small cash book and file important documents in a folder</li> <li>• Pupils can compare prices for purchases by a process of reasoning, and do shopping</li> <li>• Pupils can choose personally whether they want to do odd jobs for payment in cash</li> <li>• Pupils can make choices that fit in with a limited budget</li> </ul>
Awareness	<ul style="list-style-type: none"> <li>• Pupils are aware of the use of advertising</li> <li>• Pupils are aware of social pressure in a group and of its influence on purchasing</li> <li>• Pupils recognise the usefulness of saving for a larger objective</li> </ul>

N.B. Pupils in special primary education and special education have varying intellectual and social skills. These learning targets indicate the main outlines of what can be expected of these pupils. The learning targets can be adjusted to specify this more precisely on the basis of practical experience (pilot projects).

**Table 3.A3.4. Preparatory secondary vocational education**

First stage (age 13-14)

Key objectives	
<ul style="list-style-type: none"> <li>• <b>Mathematics</b> <ul style="list-style-type: none"> <li>○ <b>Key objective 22: Students learn to recognise the structure of and relationship between positive and negative numbers, decimals, fractions, percentages and ratios, and learn to work with them in useful and practical situations</b></li> <li>○ <b>Key objective 23: Students learn to make exact and approximate calculations and reasoning based on insight into accuracy, order of magnitude and margins that fit in with a given situation</b></li> </ul> </li> <li>• <b>People and society</b> <ul style="list-style-type: none"> <li>○ <b>Key objective 42: Students learn - through personal experience in their own environment - to recognise the effects of choices with respect to work and care, housing and recreation, consuming and budgeting, and traffic and the environment</b></li> <li>○ <b>Key objective 46: Students learn about the distribution of wealth and poverty in the world; they learn to recognise their significance for people and the environment, and to establish links with (their own) life in the Netherlands.</b></li> </ul> </li> </ul>	
Key concepts	Learning targets
Know-how and insight	<ul style="list-style-type: none"> <li>• Students know the difference between transferable money and money in cash and know how this is used: <ul style="list-style-type: none"> <li>○ They know about other types of money: cash, electronic wallets, debit cards and credit cards, and how payment transactions are effected with these types of money</li> <li>○ They understand that paying cash is not the only way of effecting payment.</li> <li>○ They gain an understanding of the concept of credit</li> </ul> </li> <li>• Students know where money comes from: <ul style="list-style-type: none"> <li>○ They understand that one can earn money by working (employment)</li> <li>○ They know that one can borrow money</li> </ul> </li> <li>• Students know where money goes to: <ul style="list-style-type: none"> <li>○ They can distinguish ‘household expenses’</li> <li>○ They start to understand why money in the shape of taxes and national insurance contributions is deducted from one’s ‘salary’</li> <li>○ They know the difference between declared and undeclared earnings</li> </ul> </li> <li>• Students can distinguish financial risks and refunds: <ul style="list-style-type: none"> <li>○ They develop an elementary knowledge of taxes, insurances and banking matters</li> <li>○ They understand that one can save money and borrow money</li> <li>○ They understand that one can keep money in a current or savings account</li> <li>○ They understand the importance of keeping a ‘housekeeping book’</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>○ They understand the difference between 'good' debts (planned and manageable) and undesirable debts (unplanned and unmanageable)</li> <li>○ They understand that there are risks attached to not paying one's bills (role of debt-collecting agencies)</li> <li>○ They know that they can consult debt assistance agencies if they are in financial difficulties</li> </ul>
Skills	<ul style="list-style-type: none"> <li>● Students can make appropriate personal financial choices: <ul style="list-style-type: none"> <li>○ They are able to earn money in appropriate ways</li> <li>○ They are able to spend money in appropriate ways</li> </ul> </li> <li>● Students can budget: <ul style="list-style-type: none"> <li>○ They understand that they have to save up if they do not have enough money for all their needs and wants, and they act accordingly</li> <li>○ They start to plan and think ahead</li> <li>○ They are able to manage their own money matters and keep a housekeeping book</li> <li>○ They can draw up a budget for a clearly-defined event (financial education party, trip, etc) in small groups</li> <li>○ They can calculate using percentages in a financial context (e.g. 19% VAT)</li> </ul> </li> <li>● Students can arrange their personal banking matters: <ul style="list-style-type: none"> <li>○ They can open their own (digital) bank account and keep track of it</li> </ul> </li> </ul>
Awareness	<ul style="list-style-type: none"> <li>● Students can make conscious financial choices: <ul style="list-style-type: none"> <li>○ They can draw up a balance between necessary and desirable expenditure and decide what priorities should be set in a limited budget</li> <li>○ They recognise the influence of advertising and make distinctions in their personal wishes and choices that are influenced by advertising</li> </ul> </li> <li>● Students can foresee the financial consequences of their purchases: <ul style="list-style-type: none"> <li>○ They understand that standards of living can differ according to time and place</li> <li>○ They understand that financial decisions also have an ethical dimension</li> </ul> </li> <li>● Students are aware of financial risks and possible refunds: <ul style="list-style-type: none"> <li>○ They are able to make the best purchases if changes in their budget occur</li> <li>○ They have views on spending money for enjoyment (material items, shopping for fun) and are able to explain differences relating to sustainability, user-friendliness and degree of interest.</li> <li>○ They are aware of the advantages and disadvantages attached to current and savings accounts, and are also aware of the dangers of Internet banking</li> </ul> </li> </ul>

**Table 3.A3.5. Senior general secondary education**

First stage (age 13-14)

<p>Key objectives</p> <ul style="list-style-type: none"> <li>• <b>Mathematics</b> <ul style="list-style-type: none"> <li>○ <b>Key objective 22: Students learn to recognise the structure of and relationship between positive and negative numbers, decimals, fractions, percentages and ratios, and learn to work with them in useful and practical situations</b></li> <li>○ <b>Key objective 23: Students learn to make exact and approximate calculations and reasoning based on insight into accuracy, order of magnitude and margins that fit in with a given situation</b></li> </ul> </li> <li>• <b>People and society</b> <ul style="list-style-type: none"> <li>○ <b>Key objective 42: Students learn - through personal experience in their own environment - to recognise the effects of choices with respect to work and care, housing and recreation, consuming and budgeting, and traffic and the environment</b></li> <li>○ <b>Key objective 46: Students learn about the distribution of wealth and poverty in the world; they learn to recognise their significance for people and the environment, and to establish links with (their own) life in the Netherlands.</b></li> </ul> </li> </ul>	
Key concepts	Learning targets
<p>Know-how and insight</p>	<ul style="list-style-type: none"> <li>• Students know the difference between transferable money and money in cash and know how this is used: <ul style="list-style-type: none"> <li>○ They know about other types of money: cash, electronic wallets, debit cards and credit cards, and how payment transactions are effected with these types of money</li> <li>○ They understand that paying cash is not the only way of effecting payment, and can list the advantages and disadvantages attached to other forms of payment (credit cards, debit cards, electronic wallets).</li> <li>○ They are familiar with the concepts of 'credit' and 'being overdrawn'</li> </ul> </li> <li>• Students know where money comes from: <ul style="list-style-type: none"> <li>○ They understand that one can earn money by working (employment)</li> <li>○ They know that one can borrow money</li> </ul> </li> <li>• Students know where money goes to: <ul style="list-style-type: none"> <li>○ They understand 'household expenses'</li> <li>○ They understand the concepts of tax and insurance</li> <li>○ They start to understand why money in the shape of taxes and national insurance contributions is deducted from one's 'salary'</li> <li>○ They know the difference between declared and undeclared earnings</li> </ul> </li> <li>• Students can distinguish financial risks and refunds: <ul style="list-style-type: none"> <li>○ They understand that one can save money and borrow money</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>○ They understand that one can keep money in a current or savings account</li> <li>○ They understand the importance of keeping a 'housekeeping book'</li> <li>○ They understand the difference between 'good' debts (planned and manageable) and undesirable debts (unplanned and unmanageable)</li> <li>○ They understand that there are risks attached to not paying one's bills (role of debt-collecting agencies)</li> <li>○ They know that they can consult debt assistance agencies if they are in financial difficulties</li> </ul>
Skills	<ul style="list-style-type: none"> <li>● Students can make appropriate personal financial choices: <ul style="list-style-type: none"> <li>○ They are able to earn money in a responsible way</li> <li>○ They are able to spend money in a responsible way</li> </ul> </li> <li>● Students can budget: <ul style="list-style-type: none"> <li>○ They can handle budgets assigned to them (pocket money, clothing allowance and prepaid telephone subscriptions)</li> <li>○ They understand that they have to save up if they do not have enough money for all their needs and wants, and they act accordingly</li> <li>○ They start to plan and think ahead</li> <li>○ They are able to manage their own money matters and keep a housekeeping book</li> <li>○ They can calculate using percentages in a financial context (e.g. 19% VAT)</li> </ul> </li> <li>● Students can arrange their personal banking matters: <ul style="list-style-type: none"> <li>○ They can open their own (digital) bank account and keep track of it</li> </ul> </li> </ul>
Awareness	<ul style="list-style-type: none"> <li>● Students can make conscious financial choices: <ul style="list-style-type: none"> <li>○ They can draw up a balance between necessary and desirable expenditure and decide what priorities should be set in a limited budget</li> <li>○ They recognise the influence of advertising and make distinctions in their personal wishes and choices that are influenced by advertising</li> <li>○ They are aware of social pressure and its influence on purchasing</li> </ul> </li> <li>● Students can foresee the financial consequences of their purchases: <ul style="list-style-type: none"> <li>○ They understand that standards of living can differ according to time and place</li> <li>○ They understand that financial decisions also have an ethical dimension</li> </ul> </li> <li>● Students are aware of financial risks and possible refunds: <ul style="list-style-type: none"> <li>○ They are able to make the best purchases if changes in their budget occur</li> <li>○ They have views on spending money for enjoyment (material items, shopping for fun) and are able to explain differences relating to sustainability, user-friendliness and degree of interest</li> <li>○ They are aware of the advantages and disadvantages attached to current and savings accounts, and are also aware of the dangers of Internet banking</li> </ul> </li> </ul>



**Table 3.A3.6. Senior general secondary education**

Second stage (age 15-18)

Key objectives	
<ul style="list-style-type: none"> <li>○ <i>Students are confronted with various concepts and applications, especially with respect to economics, management &amp; organisation and social studies. The added value of the learning targets for financial education is that they also apply to students' own personal and social experiential world.</i></li> <li>○ <i>Financial education can seek a link with active citizenship to a significant extent. The ability to make independent choices and decisions is regarded as an important civic competence.</i></li> </ul>	
Key concepts	Learning targets
Know-how and insight	<ul style="list-style-type: none"> <li>● Students know the difference between transferable money and money in cash and know how this is used: <ul style="list-style-type: none"> <li>○ They know about other types of money: cash, electronic wallets, debit cards and credit cards, and how payment transactions are effected with these types of money</li> <li>○ They understand that paying cash is not the only way of effecting payment, and can list the advantages and disadvantages attached to other forms of payment (credit cards, debit cards, electronic wallets)</li> <li>○ Students are familiar with the concept of 'credit'</li> </ul> </li> <li>● Students know where money comes from: <ul style="list-style-type: none"> <li>○ They understand that one can earn money by working (employment)</li> <li>○ They can understand the position of employees vis-à-vis employers</li> <li>○ They know that one can borrow money</li> </ul> </li> <li>● Students know where money goes to: <ul style="list-style-type: none"> <li>○ They understand 'household expenses'</li> <li>○ They understand the concepts of tax, pensions, mortgages and insurance</li> <li>○ They are able to obtain information quickly on these concepts</li> <li>○ They start to understand why money in the shape of taxes and national insurance contributions is deducted from one's 'salary'</li> <li>○ They know the difference between declared and undeclared earnings</li> </ul> </li> <li>● Students can distinguish financial risks and refunds: <ul style="list-style-type: none"> <li>○ They understand that one can save money and borrow money</li> <li>○ They are familiar with the concepts of (compound) interest, mortgages, investment and shares, and the risks attaching to these</li> <li>○ They understand that one can keep money in a current or savings account</li> <li>○ They are familiar with the concept of investment</li> <li>○ They understand the importance of keeping a 'housekeeping book'</li> <li>○ They understand the difference between 'good' debts (planned and manageable) and undesirable debts (unplanned and unmanageable)</li> <li>○ They understand that there are risks attached to not paying one's bills (role of debt-collecting agencies)</li> <li>○ They know that they can consult debt assistance agencies if they are in financial difficulties</li> </ul> </li> </ul>

Skills	<ul style="list-style-type: none"> <li>• Students can make appropriate personal financial choices: <ul style="list-style-type: none"> <li>○ They are able to earn and spend money in appropriate ways</li> <li>○ They can stand up for their rights as employees</li> <li>○ They are able to spend money in a responsible way</li> <li>○ They can obtain information on the risks attaching to financial services (they are familiar with the 'financial information leaflet')</li> </ul> </li> <li>• Students can budget: <ul style="list-style-type: none"> <li>○ They can handle budgets assigned to them (pocket money, clothing allowance and prepaid telephone subscriptions)</li> <li>○ They understand that they have to save up if they do not have enough money for all their needs and wants, and they act accordingly</li> <li>○ They are able to plan and think ahead</li> <li>○ They are able to manage their own money matters and keep a housekeeping book</li> </ul> </li> <li>• Students can arrange their personal banking matters: <ul style="list-style-type: none"> <li>○ They can open their own (digital) bank account and keep track of it</li> <li>○ They can take out (travel) insurance</li> </ul> </li> </ul>
Awareness	<ul style="list-style-type: none"> <li>• Students can make conscious financial choices: <ul style="list-style-type: none"> <li>○ They can draw up a balance between necessary and desirable expenditure and decide what priorities should be set in a limited budget</li> <li>○ They recognise the influence of advertising and make distinctions in their personal wishes and choices that are influenced by advertising</li> <li>○ They are aware of social pressure and its influence on purchasing</li> </ul> </li> <li>• Students can foresee the financial consequences of their purchases: <ul style="list-style-type: none"> <li>○ They understand that standards of living can differ according to time and place</li> <li>○ They understand that financial decisions also have an ethical dimension</li> </ul> </li> <li>• Students are aware of financial risks and possible refunds: <ul style="list-style-type: none"> <li>○ They are able to make the best purchases if changes in their budget occur</li> <li>○ They have views on spending money for enjoyment (material items, shopping for fun) and are able to explain differences relating to sustainability, user-friendliness and degree of interest</li> <li>○ They are aware of the advantages and disadvantages attached to current and savings accounts, and are also aware of the dangers of Internet banking</li> </ul> </li> <li>• Students are financially aware with respect to the (near) future: <ul style="list-style-type: none"> <li>○ They are aware of the changes that will take place in their lives as students later on (renting digs, grants, part-time jobs, study costs, insurance, student loans, etc)</li> <li>○ They are aware of the financial consequences and decisions relating to work and care, relationships, divorce and pensions</li> </ul> </li> </ul>

**Table 3.A3.7. Preparatory secondary vocational education**

Second stage (age 15-16) and senior secondary vocational education, level 1-2 (age 16-17)

Key objectives and competences	
<ul style="list-style-type: none"> <li><b><i>Financial education can seek a link with active citizenship to a significant extent. The ability to make independent choices and decisions is regarded as an important civic competence.</i></b></li> </ul>	
Key concepts	Learning targets
Know-how and insight	<ul style="list-style-type: none"> <li>• Students know the difference between transferable money and money in cash and know how this is used:             <ul style="list-style-type: none"> <li>○ They know about other types of money: cash, electronic wallets, debit cards and credit cards</li> <li>○ They can weigh up the advantages and disadvantages of the various forms of payment</li> <li>○ They are familiar with the concepts of ‘credit’ and ‘being overdrawn’</li> </ul> </li> <li>• Students know where money comes from:             <ul style="list-style-type: none"> <li>○ They understand that one can earn money by working (employment)</li> <li>○ They know that one can borrow money</li> </ul> </li> <li>• Students know where money goes to:             <ul style="list-style-type: none"> <li>○ They understand ‘household expenses’</li> <li>○ They understand the concepts of tax and insurance</li> <li>○ They start to understand why money in the shape of taxes and national insurance contributions is deducted from one’s ‘salary’</li> <li>○ They know the difference between declared and undeclared earnings</li> <li>○ They are able to be conscious and critical consumers, and weigh up prices and quality</li> <li>○ They understand financial products for the longer term, such as mortgages, pensions and insurance</li> </ul> </li> <li>• Students can distinguish financial risks and refunds:             <ul style="list-style-type: none"> <li>○ They understand that one can save money and borrow money</li> <li>○ They understand that one can keep money in a current or savings account</li> <li>○ They understand the importance of keeping a ‘housekeeping book’</li> <li>○ They understand the difference between ‘good’ debts (planned and manageable) and undesirable debts (unplanned and unmanageable)</li> <li>○ They understand that there are risks attached to mobile telephony and Internet arrangements</li> <li>○ They understand that there are risks attached to not paying one’s bills (role of debt-collecting agencies)</li> <li>○ They know that they can consult debt assistance agencies if they are in financial difficulties</li> </ul> </li> </ul>

Skills	<ul style="list-style-type: none"> <li>● Links with students' experiential world: <ul style="list-style-type: none"> <li>○ Students are able to make conscious decisions with respect to part-time jobs</li> <li>○ Students are able to obtain information on their rights as employees (occupational health and safety, hourly wage)</li> </ul> </li> <li>● Professional qualifications</li> <li>● Students/youngsters starting in a profession are able to act in an enterprising and commercially responsible manner: <ul style="list-style-type: none"> <li>○ They are aware of the financial opportunities on the market and the players on the market</li> </ul> </li> <li>● Students/youngsters starting in a profession maintain a satisfactory balance between income, expenditure, assets and debts</li> <li>● Students/youngsters starting in a profession adjust their spending to their income so that income and expenditure are in balance and no large-scale deficits occur</li> <li>● Students/youngsters starting in a profession actively keep financial records: <ul style="list-style-type: none"> <li>○ They are able to keep personal and professional records in an orderly manner, so that information can easily be retrieved</li> <li>○ They comply with their payment obligations</li> </ul> </li> <li>● Students/youngsters starting in a profession ensure that they have sufficient income and/or assets: <ul style="list-style-type: none"> <li>○ They are able to acquire sufficient income</li> </ul> </li> <li>● Students/youngsters starting in a profession avoid incurring (problematic) debts: <ul style="list-style-type: none"> <li>○ They are able to avoid incurring problematic personal and/or professional debts by intervening in the event of payment arrears</li> </ul> </li> <li>● Students/youngsters starting in a profession are able to adjust their finances in the event of changes in their personal and/or professional circumstances or their life or development stages <ul style="list-style-type: none"> <li>○ They have a general idea of (their own) company's life course and/or stage of development and know that they must adjust their income and expenditure if changes in circumstances occur</li> </ul> </li> </ul>
Awareness	<ul style="list-style-type: none"> <li>● Links with students' experiential world: <ul style="list-style-type: none"> <li>○ Students are financially aware with respect to the (near) future</li> <li>○ They are aware of the changes that will take place in their lives as students later on (renting digs, grants, part-time jobs, study costs, insurance, student loans, etc)</li> <li>○ They are aware of the financial consequences and decisions relating to work and care, relationships, divorce and pensions</li> <li>○ They are aware of advertising and its aims</li> </ul> </li> <li>● Professional qualifications</li> <li>● Students/youngsters starting in a profession are conscious consumers: <ul style="list-style-type: none"> <li>○ They develop personal and professional purchasing habits that fit in with their personal and professional preferences and with their available personal or professional budget</li> </ul> </li> </ul>

- Students/youngsters starting in a profession arrange their financial affairs in a conscious manner:
  - They are able to enter into savings schemes and forms of credit that fit in with their budget and their personal and/or professional wishes
  - They are able to take out sufficient personal and professional insurance
- Students/youngsters starting in a profession act in a businesslike manner:
  - They are aware of financial matters that influence the organisation
  - They have an understanding of financial concepts, and they are aware of the financial consequences of carrying out their own work
  - They can speak in terms of costs and benefits
  - They make use of financial information in order to keep abreast of the organisation's performance
- Students/youngsters starting in a profession act in a cost-conscious manner, both personally and professionally:
  - They examine the options for cutting costs and implement them wherever possible
  - They use various resources in the most economical way possible
  - They make use of the most effective cost-saving methods
  - They always weigh up the costs and benefits
  - Their aim is to economise without limiting their service
  - They keep an eye open for unnecessary waste and take action wherever necessary

**Table 3.A3.8. Senior secondary vocational education**

Level 3-4 (age 16-18)

Competences	
<ul style="list-style-type: none"> <li><b><i>Financial education can seek a link with active citizenship to a significant extent. The ability to make independent choices and decisions is regarded as an important civic competence.</i></b></li> </ul>	
Key concepts	Learning targets
Know-how and insight	<ul style="list-style-type: none"> <li>• Students know the difference between transferable money and money in cash and know how this is used: <ul style="list-style-type: none"> <li>○ They know about other types of money: cash, electronic wallets, debit cards and credit cards</li> <li>○ They can weigh up the advantages and disadvantages of the various forms of payment</li> <li>○ They are familiar with the concepts of ‘credit’ and ‘being overdrawn’</li> </ul> </li> <li>• Students know where money comes from: <ul style="list-style-type: none"> <li>○ They understand that one can earn money by working (employment)</li> <li>○ They know that one can borrow money</li> </ul> </li> <li>• Students know where money goes to: <ul style="list-style-type: none"> <li>○ They understand ‘household expenses’</li> <li>○ They start to understand why money in the shape of taxes and national insurance contributions is deducted from one’s ‘salary’</li> <li>○ They know the difference between declared and undeclared earnings</li> <li>○ They are able to be conscious and critical consumers, and weigh up prices and quality</li> <li>○ They understand financial products for the longer term, such as mortgages, pensions and insurance, and can distinguish at least two kinds of mortgage</li> </ul> </li> <li>• Students can distinguish financial risks and refunds: <ul style="list-style-type: none"> <li>○ They understand that one can save money and borrow money</li> <li>○ They understand that one can keep money in a current or savings account</li> <li>○ They understand the importance of keeping a ‘housekeeping book’</li> <li>○ They understand the difference between ‘good’ debts (planned and manageable) and undesirable debts (unplanned and unmanageable)</li> <li>○ They understand that there are risks attached to not paying one’s bills (role of debt-collecting agencies)</li> <li>○ They know that they can consult debt assistance agencies if they are in financial difficulties, and can soon find these agencies too</li> </ul> </li> </ul>

Skills	<ul style="list-style-type: none"> <li>• Links with students' experiential world: <ul style="list-style-type: none"> <li>○ Students have insight into their spending patterns, particularly those relating to entertainment, mobile telephony use and money spent on clothes.</li> <li>○ They are able to take out insurance</li> <li>○ They can make decisions on part-time jobs</li> <li>○ Students are able to obtain information independently on their rights as employees (occupational health and safety, minimum wage)</li> </ul> </li> <li>• Professional qualifications</li> <li>• Students/youngsters starting in a profession are able to act in an enterprising and commercially responsible manner: <ul style="list-style-type: none"> <li>○ They are aware of the financial opportunities on the market and the players on the market</li> </ul> </li> <li>• Students/youngsters starting in a profession maintain a satisfactory balance between income, expenditure, assets and debts</li> <li>• Students/youngsters starting in a profession adjust their spending to their income so that income and expenditure are in balance and no large-scale deficits occur</li> <li>• Students/youngsters starting in a profession actively keep financial records: <ul style="list-style-type: none"> <li>○ They are able to keep personal and professional records in an orderly manner, so that information can easily be retrieved</li> <li>○ They comply with their payment obligations</li> </ul> </li> <li>• Students/youngsters starting in a profession ensure that they have sufficient income and/or assets: <ul style="list-style-type: none"> <li>○ They are able to acquire sufficient income</li> </ul> </li> <li>• Students/youngsters starting in a profession avoid incurring (problematic) debts: <ul style="list-style-type: none"> <li>○ They are able to avoid incurring problematic personal and/or professional debts by intervening in the event of payment arrears</li> </ul> </li> <li>• Students/youngsters starting in a profession are able to adjust their finances in the event of changes in their personal and/or professional circumstances or their life or development stages <ul style="list-style-type: none"> <li>○ They have a general idea of (their own) company's life course and/or stage of development and know that they must adjust their income and expenditure if changes in circumstances occur</li> </ul> </li> </ul>
Awareness	<ul style="list-style-type: none"> <li>• Links with students' experiential world: <ul style="list-style-type: none"> <li>○ Students are financially aware with respect to the (near) future</li> <li>○ They are aware of the changes that will take place in their lives as students later on (renting digs, grants, part-time jobs, study costs, insurance, student loans, etc)</li> <li>○ They are aware of the financial consequences and decisions relating to work and care, relationships, divorce and pensions</li> <li>○ They are aware of advertising and its aims</li> <li>○ They are aware of social pressure with respect to their peer group's spending on material goods</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>• Professional qualifications</li> <li>• Students/youngsters starting in a profession are conscious consumers: <ul style="list-style-type: none"> <li>○ They develop personal and professional purchasing habits that fit in with their personal and professional preferences and with their available personal or professional budget</li> </ul> </li> <li>• Students/youngsters starting in a profession arrange their financial affairs in a conscious manner: <ul style="list-style-type: none"> <li>○ They are able to enter into savings schemes and forms of credit that fit in with their budget and their personal and/or professional wishes</li> <li>○ They are able to take out sufficient personal and professional insurance</li> </ul> </li> <li>• Students/youngsters starting in a profession act in a businesslike manner: <ul style="list-style-type: none"> <li>○ They are aware of financial matters that influence the organisation</li> <li>○ They have an understanding of financial concepts, and they are aware of the financial consequences of carrying out their own work</li> <li>○ They can speak in terms of costs and benefits</li> <li>○ They make use of financial information in order to keep abreast of the organisation's performance</li> </ul> </li> <li>• Students/youngsters starting in a profession act in a cost-conscious manner, both personally and professionally: <ul style="list-style-type: none"> <li>○ They examine the options for cutting costs and implement them wherever possible</li> <li>○ They use various resources in the most economical way possible</li> <li>○ They make use of the most effective cost-saving methods</li> <li>○ They always weigh up the costs and benefits</li> <li>○ Their aim is to economise without limiting their service</li> <li>○ They keep an eye open for unnecessary waste and take action wherever necessary</li> </ul> </li> <li>• Students/youngsters starting in a profession are financially aware with respect to the (near) future: <ul style="list-style-type: none"> <li>○ They are aware of the changes that will take place in their lives as students later on (renting digs, grants, part-time jobs, study costs, insurance, student loans, etc)</li> <li>○ They are aware of the financial consequences and decisions relating to work and care, relationships, divorce and pensions</li> </ul> </li> </ul>
--	--



*Annex 3.A4*

**New Zealand: Possible Progressions of Learning in Financial Literacy**

**Table 3.A4.1. Learning outcomes**

		Learning outcomes				
Strand	Theme	Level 1	Level 2	Level 3	Level 4	Level 5
<b>Managing money and income</b>	<i>Money</i>	Recognise and use coins and notes for simple transactions. Describe examples of using money for different purposes.	Discuss different ways of paying for things.	<ul style="list-style-type: none"> <li>Recognise the value of New Zealand's currency in relation to other currencies.</li> </ul>	<ul style="list-style-type: none"> <li>Define simple interest and discuss examples of when interest is incurred.</li> <li>Convert NZ dollars into other currencies and give examples of why this is important.</li> </ul>	<ul style="list-style-type: none"> <li>Define compound interest and use examples to demonstrate the 'time value of money'.</li> </ul>
	<i>Income</i>	<ul style="list-style-type: none"> <li>Explain ways (including entrepreneurial activity) in which people earn or receive income.</li> <li>Discuss consequences of having more or less money.</li> </ul>	<ul style="list-style-type: none"> <li>Identify regular and unpredictable sources of income.</li> </ul>	<ul style="list-style-type: none"> <li>Identify differences in income for different types of work.</li> </ul>	<ul style="list-style-type: none"> <li>Compare income, spending commitments and life-styles at different stages of life.</li> <li>Investigate different taxes and their impact on spending and income.</li> <li>Discuss how income contributes to well-being.</li> </ul>	<ul style="list-style-type: none"> <li>Investigate the way people get paid including wage and salary deductions.</li> <li>Define and find examples of government transfer payments.</li> </ul>
	<i>Saving</i>	<ul style="list-style-type: none"> <li>Describe examples of choosing between spending and saving.</li> <li>Discuss the benefits</li> </ul>	<ul style="list-style-type: none"> <li>Assess and compare spending options.</li> <li>Practice getting value for money.</li> <li>Investigate and</li> </ul>	<ul style="list-style-type: none"> <li>Investigate the role of banks and other savings institutions. Evaluate them according to risk, interest paid, and</li> </ul>	<ul style="list-style-type: none"> <li>Discuss the effect of inflation on income and savings.</li> <li>Investigate how interest rates rise and fall over time and</li> </ul>	<ul style="list-style-type: none"> <li>Investigate Kiwisaver and other superannuation products.</li> <li>Investigate different investment products</li> </ul>

		of saving.	evaluate different options for depositing savings.	access to funds. <ul style="list-style-type: none"> <li>• Give examples of differences between different social groups (cultural, gender, socio-economic) in saving and spending</li> </ul>	discuss how they affect lenders and borrowers.	as a way of saving.
	<i>Spending and budgeting</i>	<ul style="list-style-type: none"> <li>• Investigate what people 'have to' spend money on.</li> </ul>	<ul style="list-style-type: none"> <li>• Explore spending choices for a given amount of money and recognise that peoples' spending choices differ.</li> <li>• Create a simple budget for an activity or event and keep records of money transactions.</li> </ul>	<ul style="list-style-type: none"> <li>• Identify regular financial commitments families have to make.</li> <li>• Use money management tools to monitor spending and saving.</li> </ul>	<ul style="list-style-type: none"> <li>• Create a personal or family budget and use financial tools and records to monitor.</li> </ul>	<ul style="list-style-type: none"> <li>• Investigate life stage financial events and identify the financial decisions required.</li> </ul>
	<i>Credit</i>	<ul style="list-style-type: none"> <li>• Recognise the responsibilities in borrowing money.</li> </ul>	<ul style="list-style-type: none"> <li>• Identify examples of using credit to buy things.</li> </ul>	<ul style="list-style-type: none"> <li>• Explain how credit and interest works.</li> </ul>	<ul style="list-style-type: none"> <li>• Discuss differences between 'good' and 'bad' debt including manageability of debt and its long term impact.</li> <li>• Research the cost of credit from different lenders.</li> </ul>	<ul style="list-style-type: none"> <li>• Identify aspects of credit worthiness when applying for a loan.</li> <li>• Investigate student loans.</li> </ul>
<b>Setting goals and planning</b>	<i>Setting financial goals</i>	<ul style="list-style-type: none"> <li>• Identify a short term money goal and discuss how to attain it through</li> </ul>	<ul style="list-style-type: none"> <li>• Set financial goals as part of planning a project or activity and identify the steps</li> </ul>	<ul style="list-style-type: none"> <li>• Create a plan for short term and long term saving based on personal or family</li> </ul>	<ul style="list-style-type: none"> <li>• Investigate and evaluate how financial planning can help to</li> </ul>	<ul style="list-style-type: none"> <li>• Research career choices and the financial goal setting required for different</li> </ul>

<b>ahead.</b>		earning and saving.	involved in achieving them. <ul style="list-style-type: none"> <li>• Discuss and reflect on the financial goals.</li> </ul>	goals.	attain life goals.	options. <ul style="list-style-type: none"> <li>• Evaluate different sources of financial advice.</li> </ul>
	<i>Identifying and managing risk</i>	<ul style="list-style-type: none"> <li>• Discuss and practice ways of keeping money safe.</li> </ul>		<ul style="list-style-type: none"> <li>• Identify types of financial risks to individuals, families and communities and discuss ways of managing them.</li> </ul>	<ul style="list-style-type: none"> <li>• Discuss the role insurance can play in reducing risk in relation to financial goals.</li> </ul>	<ul style="list-style-type: none"> <li>• Research the risks involved in different investments including the share market.</li> <li>• Recognise scams through research and identify ways of avoiding them.</li> </ul>



The Russia Financial Literacy and Education Trust Fund was established in 2008 at the World Bank with funding provided by the Ministry of Finance of the Russian Federation. The work supported by the Trust Fund is jointly managed by the World Bank and the Organisation for Economic Co-operation and Development (OECD) and is directed toward improving public policies and programs to enhance financial knowledge and capabilities in low- and middle-income countries. This effort has focused on the review of national strategies for financial education, the development of methods for the measurement of financial knowledge and capabilities, methods for evaluating the impact and outcome of programs, and research applying these methods to programs in developing countries. The products of this program of work can be found at the Trust Fund website at:

[www.finlitedu.org](http://www.finlitedu.org)

