

Financial Skills in Schools

- Require financial literacy to be taught at all levels in all schools by 2025.
- Draw upon the wealth of existing teaching resources and work with industry leaders and educators to develop lesson plans.

Being good with money is an essential life skill. Having the knowledge and skills to be 'money smart' and make good financial decisions benefits us now and helps us reach our goals.

But research shows that our young people's experience of the teaching of financial skills has been inconsistent for more than a decade. Ten years ago, a Programme for International Student Assessment (PISA) report on Financial Literacy shone a light on the state of play in our schools. It showed a large variation in performance, and many 15-year-olds at the lowest rung of financial literacy proficiency.

Soon after that, a survey by the New Zealand Council for Educational Research found that while about a third of school leaders felt that their school had a strong emphasis on financial literacy, not all teachers felt they were required to

teach it, or that it was their responsibility. Only 18 percent of teachers reported regularly teaching money matters within a curriculum area, although 64 percent reported using teachable moments to include it. "Student responses reflected this apparent lack of explicit teaching, reporting that they had received little or no financial literacy learning at school."¹

Similarly, the Retirement Commission found 80 percent of the young people they surveyed wished they had learnt more about money at school.



1. Financial literacy of secondary students, and its place within secondary schools: Study commissioned by the Commission for Financial Literacy and Retirement Income, NZCER, 2014.

Over the last six years, Labour has increased the standing and visibility of the teaching of financial capability in our schools. We made financial literacy a core part of the **School Leavers Toolkit**, which brought together a wide array of useful learning resources.² Today, many schools have partnerships with bank programmes, such as KiwiBank's Banqer and ASB's GetWise. The Retirement Commission's Sorted in Schools programme is also widely used.

But there is more to do. We still hear concerns from employers and parents that too many students are reaching the end of their time at school without learning enough about how to make good financial choices in their adult life.

Ensuring that kids leave school with financial literacy is too important to be left to chance.

Labour will require financial literacy to be taught at all levels in all schools by 2025.

Schools will have flexibility on how they integrate the financial literacy curriculum into their work programme.

Financial capability supports the New Zealand Curriculum's vision by providing a learning context for students to become:

- informed decision makers
- financially literate and numerate
- enterprising and entrepreneurial
- contributors to the well-being of New Zealand.

<https://nzcurriculum.tki.org.nz/Curriculum-resources/NZC-Online-blog/Financial-capability-in-New-Zealand-schools>

2. <https://sltk-resources.tki.org.nz>

3. As per footnote 1

What will students learn?

A financial literacy framework will be developed with progress steps for each year level to achieve.

The framework will be based on the existing 'financial capability progressions', to ensure all learners have core competencies around:

- saving and investing
- budgeting and financial management
- setting financial goals and planning ahead
- banking
- borrowing, credit and debt
- Kiwisaver and insurance
- income and taxes
- consumer rights
- identifying and managing risk.

This framework will be aligned with the newly reformed school curriculum, and designed to be integrated into other curriculum areas such as social sciences and maths.

While financial literacy can be well-suited to cross-curricular teaching, there is also a risk that teachers see financial literacy as an area that is "additional to their current teaching".³ We will integrate the teaching of financial literacy around a few key subject areas in particular. These are likely to be maths and social sciences, as the majority of existing resources are aligned with these subjects. However we will finalise this after consultation with the sector.

Resources

A wealth of both paper-based and online resources has already been developed by the banks, the Retirement Commission, and other experts that we can draw on as exemplars to support teaching and learning of financial literacy. We will work with industry leaders and educators to develop lesson plans.

Labour has invested in establishing an evidenced-based Curriculum Centre which has led and supported the reform of the New Zealand Curriculum. The financial literacy framework and lesson plans will be developed through the existing baseline for the Curriculum Centre.

How it will work – a parallel with New Zealand history

There are parallels between financial literacy and the teaching of New Zealand's history. When we came into Government, some schools were doing an excellent job of it, others were struggling and some weren't really providing students with a good grounding in it at all.

Chris Hipkins as Education Minister in 2019 heard the call that this wasn't good enough – every Kiwi kid deserved to learn our history. So he set a requirement (which came into full effect this year) that Aotearoa New Zealand's histories would be taught in every school.

This was put in place by updating The New Zealand Curriculum and Te Marautanga o Aotearoa to make explicit the expectation that New Zealand's histories are part of the local curriculum in all schools and kura.

