ARE SECONDARY STUDENTS GRADUATING WITH THE FINANCIAL SKILLS THEY REQUIRE?

“Are Queensland school graduates adequately prepared through the Senior Curriculum for life beyond school in relation to their personal financial skills? In other words, is there a relationship between what students are being taught and the financial life skills they require for living in contemporary society?”

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2010

Master by Research Degree
Research Thesis

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Submitted: 2 August, 2010
I hereby declare that the work herein, now submitted as a thesis for the degree of Masters by Research of the Charles Darwin University, is the result of my own investigations, and all references to ideas and work of other researchers have been specifically acknowledged. I hereby certify that the work embodied in this thesis has not already been accepted in substance for any degree, and is not being currently submitted in candidature for any other degree.

Signature of Candidate

Date
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Abstract

Given the state of the world economy, never has there been a more pertinent time in history to address financial literacy education. Research from debt agencies and financial institutions show that many young people are experiencing financial difficulties; this situation is unlikely to improve without teaching financial skills. This research explores the extent to which the Queensland Senior Curriculum is preparing young people to operate in a financially literate manner when they leave school.

To establish the extent of personal financial skills gained during the senior high school years, a number of high school graduates (n=24) were interviewed to determine to what extent the senior school system prepared them to make financial decisions in the years immediately after leaving school. In addition, graduates’ views of their experiences during and post senior schooling provided an opportunity to identify the types of financial literacy skills actually being taught in Queensland schools.

A small group of eight teachers was also interviewed to gain a picture of the extent to which financial skills are taught within senior subjects. In addition, expert reviews commissioned by the Queensland Studies Authority into the effectiveness of the Senior Curriculum were studied to examine the degree to which experts believe the Curriculum prepares students or should prepare them for life after school. Finally, a Financial Literacy Seminar was held for Year 12 students at one Brisbane high school. The Seminar was an important event during the research because it sought the views of senior students, providing them with an opportunity to provide feedback regarding the value of financial literacy and the design of financial literacy as a proposed subject for senior students.

Findings from the study showed that Queensland high school graduates do not appear to be graduating with the skills to operate in a financially literate manner in contemporary society. Specifically, very few financial life skills are currently specified in Queensland’s Senior Curriculum Framework or in schools’ senior work programs despite teachers and graduates acknowledging the need for financial
education. In the light of this key finding, a number of recommendations regarding the teaching of financial literacy and the protection of young consumers have been made.
Special Acknowledgements

There are so many important people to thank who assisted me in such a variety of ways so that I could not only commence this research, but also complete it. However, my first acknowledgement must be to my God; without His grace on my life to undertake this valuable research, I could not have completed it.

My second thanks is to Greg Shaw and Mike Grenfell who recognised my passion for education during my Bachelor degree, and encouraged me not only to apply to commence a Masters degree, but also who assisted me in attaining the scholarship I was awarded to study at the university. Their faith in me did not cease there however, they went on to become my supervisors and amazing mentors. Their commitment in supporting me as I studied externally was continually remarkable. I am incredibly grateful for the knowledge and skills they have passed on to me.

I would also like to thank my family, particularly my mum and Anthony (at the time my husband) who throughout the project encouraged me to keep going, and who kept reminding me of the bigger picture. The emails, text messages and phone calls I received from my mum were always appreciated and were very encouraging.

Unfortunately, during the course of completing this research, there were many personal challenges to deal with and overcome. Intense health issues regarding my baby daughter involving lengthy and repetitive hospital stays, in addition to marital separation, was not an easy combination to deal with. It was during this time that my church family provided me with the support, encouragement and assistance I needed. My thanks must particularly go to Peter and Denise Renshaw, Peter and Linda Hollands, Birgit Peterson Glasson, Anna Mulholland, Adam and Caroline Palmer, Ricky and Deborah Suffredini, Michael and Christine Paynter, and Mark Savery.

My final thanks must go to Alison Elliott, who despite having enormous responsibilities at CDU, willingly took over as my supervisor when Greg Shaw was no longer able to perform this duty with his departure from the University to Bachelor. In the brief time I have worked with Alison, she has taught me a great deal and was always uplifting in her discussions regarding the research.
SECTION 1
EDUCATION TODAY
CHAPTER 1

Introduction

This research explores the extent to which the Queensland Senior Curriculum Framework provides a sound basis for preparing young people to operate in a financially literate manner when they leave school. Preliminary evidence from the literature and from discussions with teachers and my own teaching experience in schools indicated that the Curriculum did not appear to be adequately preparing students to be financially literate. As witnessed in the wider community, many young people are in serious trouble when it comes to managing their financial affairs. Research from debt agencies and financial intuitions (as discussed in this chapter) show that many young people are experiencing a variety of financial problems, particularly high or unmanageable debt. The situation is likely to become worse unless financial literacy is given more than just lip service by governments, education bureaucrats and teachers. This research aims to identify the degree of exposure to financial literacy skills students have received through the Senior Curriculum Framework in Queensland schools, as well as the financial skills high school graduates identify as necessary and beneficial to living in society as a young adult.

Firstly, a few facts that demonstrate the types of challenging financial situations some young people are finding themselves in.

Consumers aged between 18-24 incurred the highest average debt values, following an increase of 10.5% on the June quarter 2007. Younger Australians also account for the largest proportion of referred debt, with those up to 34 years old accounting for more than 50% of debt referred. (Christian, 2008a)

The evidence shows mobile phones are the No. 1 reason for young people's debt. (Familari, 2009)
They [the Office of Fair Trading] are having young people in their late teens, early 20s, suggesting they should become a bankrupt because they have racked up thousands of dollars in premium services on mobile phone, Ms Burney said. More and more young people are seeking financial counselling services…and without exception, every single person in the financial counselling services area, who has spoken to me [the Minister for Fair Trading], say the problem starts with a mobile phone. (Australian Associated Press, 2007)

The following article appeared in the Brisbane Times, 12 October, 2008, and is representative of the seriousness of the financial difficulties experienced by some high school graduates.

Despite cuts to official interest rates, it's not likely Australia's newest demographic is rejoicing. The nation's "new poor" - Generation Y - is drowning in debt.

Presumably locked out of the property market and instead locked into renting often sub-standard accommodation, Gen Y is a major part of the new "middle-class poor", relying on parents for support.

Sarah Madsen, 20, and Josh Dunkinson, 22, made the decision to move back home when they could not service rent payments, utility bills and $10,000 in credit card debt. (Calligeros, 2008)

This report about young adults relying on their parents for financial support was indeed confirmed by the findings of this research, as will be highlighted in Chapter 7. In relation to credit, the Queensland Council of Social Service’s President Karyn Walsh said, “Young individuals whose monthly credit card repayments exceeded their income constituted a large portion of the emerging middle-class poor” (cited in Calligeros, 2008). The same Brisbane Times article reported:

Siobhan Healey, 23, took little time to fall into $26,000 of credit card debt. The Paddington retail worker said a "rush of independence" perpetuated the
spending spree that followed the arrival of her first credit card. Ms Healey acquired [sic] a second credit card to service the debt she incurred on the first.

"Then I got a loan to pay off both of those credit cards," she said.

And in order to fulfill another Gen-Y calling - overseas travel - Ms Healey extended her initial loan.

"Then I came home and went 'Oh-my-God!'"

Debt Mediators Australia spokesman Ben Paris likened Ms Healey's plight to "shuffling deck chairs on the Titanic".

"People don't realise you can't squeeze blood from a stone and so they borrow way beyond their means," Mr Paris said.

"We talk to 25,000 young people a year who are in financial distress - and we're just seeing the tip of the iceberg."

Ms Healey is one of few working to dig their way out of debt, since contacting a financial counsellor and debt agreement administrator.

"I have had to completely change my thought pattern and learn to 'save to buy'," she said.

"And that's a lesson for everyone." (Calligeros, 2008)

Like the above illustration, the current research confirmed the regularity of recent graduates travelling overseas or planning such trips, with one graduate interviewed explaining how she had failed to realise she would need some money for living expenses when she arrived home from her holiday – she had spent everything she had while overseas (see Chapter 7). The research has indicated that such stories are not isolated cases; many young people are experiencing financial difficulties due to a lack of financial preparedness or understanding.
Schooling is the primary vehicle through which the next generation is educated and socialised to live as citizens in society. Schooling is, of course, not the ‘only’ vehicle for children’s education; they learn through their ongoing interactions with their family, community and their individual experiences (Freebody, 2003). However, education has a central role in the social, economic, moral, cultural, physical, emotional, intellectual and political development of individuals. As such, it should provide a foundation in financial literacy for students’ future economic well-being.

This research aims to explore the nature of financial literacy within the Queensland Senior Curriculum, the extent to which financial literacy has been taught in schools, and the degree to which young people feel they graduated from school with relevant financial skills. The senior phase of schooling is especially significant because it coincides with a time in students’ lives when they begin to see beyond their schooling years and visualize how they see themselves in their future. A foundation in financial literacy is important at this stage of students’ lives because this stage of life represents a time of adult-like responsibilities, and new or greater independence. Some aspects of financial literacy can be taught to students in earlier year levels but would not have the same impact as with Year 11 and 12 students because of their maturity and stage of life. As will be discussed, the more relevant learning is for students the more likely they will deeply engage in the experience.

This research reflects on the current Queensland Senior Curriculum Framework (which will be referred to as the Curriculum). It investigates the financial experiences of graduates and teachers in the classroom, and examines the usefulness of the current Curriculum in assisting schools to prepare graduates to be financially literate. As Education Queensland (EQ) supports the need for students to be financially literate and responsible consumers (Department of Education and Training, 2007), it was expected that topics about financial literacy would be evident in the Curriculum. This thesis explores the extent to which financial literacy is actually reflected in the curriculum and implemented in schools.

With the impending implementation of a national curriculum (The Australian Curriculum), curriculum designers and educational planners have an opportunity to
make a marked difference to how education will prepare young people for the social futures which await them. These curriculum decisions will have lasting effect, not only for students as individuals entering the adult world, but also for Australia’s economy longer term. As acknowledged by curriculum planners, it is time for education to better reflect the type of global society we now live in; and thus, the issue of financial literacy should feature prominently within the new curriculum.

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The Adelaide Declaration on National Goals for Schooling in the Twenty-First Century (1999) is a key plank which informed the development of existing curricula, nationwide. The Declaration provided guidance and common direction in curriculum planning for State and Territory governments across all sectors of schooling by establishing a list of agreed national goals. The overarching purpose of these goals was to ‘improve the quality of schooling nationally’ in order to ensure Australia’s future. In December 2008, The Melbourne Declaration on Educational Goals for Young Australians was released to acknowledge the changing nature of Australian and global society. Its purpose, however, remains the same in terms of improving the quality of schooling for all Australians. Both documents reflect the belief that education prepares students to participate in the wider community as informed citizens. Few would disagree that the function of education is to prepare students for ‘the real world’. However, it is the degree to which schools are responsible for preparing students that is openly debated.

The objective of this research, however, is not to debate where the line is regarding the role of parents and teachers in preparing students for the future per se, but rather to address growing concerns regarding the financial life skills of high school graduates, and how these are reflected in the Queensland Studies Authority’s (QSA) Senior Curriculum Framework, and taught in senior secondary schools in Queensland.

Given the aim of this research is to address public concerns about the financial problems many young adults are experiencing, the research endeavoured to identify the financial skills secondary school graduates believe are necessary from their own
experiences, as well as their perspectives on attainment of these skills during their schooling. Data on graduates’ perceptions of their financial preparedness are discussed in Chapter 7. A small group of eight teachers was also interviewed to gauge the extent to which they believe the curriculum addresses the real financial needs faced by students as they leave school.

Discussions with teachers and high school graduates indicated that they believe that, generally, graduates are not adequately prepared to operate with financial literacy. They did not believe that the current Senior Curriculum provided many (if any) real opportunities to learn about financial matters outside of completing mathematical formulas and some budgeting. In view of the findings from this research a number of recommendations regarding the development and implementation of financial literacy education in schools are. Implementation of these recommendations may go some way assisting senior students to become more financially literate and better prepared to participate as young consumers. In addition, given the financial troubles reported (that are discussed in this chapter) recommendation is made regarding the practices of institutions that provide financial advice and products to young consumers in order to better protect young consumers.

Education systems, and particularly curricula around Australia, are under continuous and intense scrutiny by various social and political groups, and are now heading towards the greatest change yet – a national curriculum. The increasing influence of industry and the growth of vocational subjects in the Curriculum have pressured schools to respond to a changing workforce (Council for the Australian Federation, 2007). As described by former Prime Minister, John Howard, in his address to the Centre for Independent Studies, “to lock in and build Australia’s prosperity in the 21st Century we need an education system that develops the potential of every individual; a system that is flexible and responsive to its users” (Howard, 2007).

One area of need that has been identified by both State and Federal governments is financial literacy. The Consumer and Financial Literacy Professional Learning Program was developed for the Australian Government to respond to this need and was launched in 2008 (see http://www.mymoney.gov/). The program was presented to Queensland teachers during 2008 and is further discussed in Chapters 4 and 9.
Clearly society has changed over the last thirty years and what was previously relevant and a priority in our curriculum in the past may not necessarily be the same today (Gilbert & Macleod, 2006). Yet, current curricula, it can be argued, have changed little in the same period to reflect evolving societal needs. Key requirements for today’s school graduates are skills in responding and adapting to changing environments and conditions, as well as engaging in ongoing learning. For example, it was argued by former Queensland Minister for Education, Rob Welford that young people require far greater education in consumer and financial literacy as they engage in matters, such as the use of mobile phones, credit cards, and other issues that their parents may not have had to deal with. He said:

In our increasingly complex world, people need to become informed consumers at a younger and younger age. They must understand the role of money in our society, learn to read the fine print… and learn to use mobile phones and credit cards responsibly (Welford, 2008).

Access to credit cards, personal loans and mobile phones are some of the more obvious changes over the years, and are matters that are causing trouble to many young Australians (Bullock, 2006; Christian, 2008a, 2008b, 2008c; Johnson, 2007) due to their lack of skill, understanding and knowledge of financial matters. Also concerning is the apparent unawareness young people have regarding the possible repercussions of defaulting on payments. As the CEO of Dun and Bradstreet, stated: “Expectations for missed bill payments reveal another layer of potential trouble with many people unaware of the implications of defaults on their ability to access future affordable, mainstream credit” (Christian, 2008d). The financial naivety of young people regarding defaulting on payments was explored and validated by investigations undertaken in the current research and is discussed in Chapter 7.

Given that the Queensland State Education 2010 (QSE 2010) strategy states that “schools also assist and enable young people to make the transition to an independent adult life” (Department of Education, 2000, p. 3), there is a concomitant requirement to equip students with the knowledge they require to deal with financial matters appropriately and with a degree of skill.
In recent years, the QSA has commissioned considerable research and review into the effectiveness and relevance of its senior syllabuses (QSA, 2008), and many of these have been published (Conley, 2005; Freebody, 2006; Gilbert & Macleod, 2006). Part of this research project examined these reviews focusing on the relevance of the Curriculum for senior students, and the extent to which syllabus content around financial life skills matched graduate students’ perceptions of their preparedness in this area.

To help contextualise this study, the nature of financial literacy teaching in schools in other comparable nations, specifically the United States of America and United Kingdom, was explored. It was of interest to know whether high school graduates in these countries have experienced similar issues regarding personal financial skills and how governments have responded to this.

Mastering basic financial skills is important for young people today. Knowledge and understanding for managing income and expenditure, entering into contracts and loans, opening bank accounts, managing debt, short and long term planning, consumer protection and avoiding bankruptcy, are essential for young people. The need for young people to possess these skills is an issue highlighted by the large numbers of experts who are referred to throughout this report. It is imperative that students have adequate financial knowledge and skills to deal with these situations and others.

Given the widespread financial problems that many young people are evidently experiencing, the primary question that this research addresses is: Are Queensland school graduates adequately prepared through the Senior Curriculum for life beyond school in relation to their personal financial skills?

Specifically, the research aimed to:

1. Identify what financial life skills are currently specified in the Years 11 and 12 Queensland Studies Authority’s Curriculum Framework.
2. Document how a sample group of teachers have translated syllabus statement content about financial literacy into practice, and how they have implemented it in their teaching; thus identifying the degree to which financial literacy is built within work programs.

3. Identify the perceptions of a sample group of recent secondary school graduates regarding their own financial literacy, and to establish the extent to which that they believe they were prepared through their senior schooling for life beyond school in terms of their ability to manage their finances. Specifically, do graduates feel they have adequate financial literacy skills and knowledge to function successfully and make wise decisions and choices since leaving school?

4. Identify what financial life skills are considered necessary for contemporary society, and how organisations and governments are addressing these needs.

In the light of findings from this study which indicate a very limited and inconsistent focus on financial literacy teaching in senior secondary schools in Queensland, a number of recommendations have emerged regarding possible changes to the Curriculum in order to better emphasise financial literacy education so as to better prepare graduates for the financial skills they require both in their late teens and after school. In addition, recommendation has also been made to address the way in which financial providers supply and promote their products to consumers, in order to better protect young consumers. These recommendations are listed in Chapter 8.

**Structure of this report**

This report is organised in four sections:

Section 1 (Chapters 1 and 2) examines the concept of curriculum theory looking at what curriculum is and who influences the Curriculum. This section contextualises the research and attempts to explain the current approach to financial literacy content and teaching in senior school curricula in Queensland schools.

Section 2 (Chapters 3 and 4) reports on several reviews that have been conducted into the effectiveness of the current Curriculum as commissioned by the QSA, and
discusses the aspects of financial literacy that were identified by the reviewers. It also reports on curriculum efforts regarding the implementation of financial literacy teaching across the USA, UK and Australia.

Section 3 (Chapters 5 and 6) discusses how the research was undertaken. Chapter 5 identifies the research methodologies utilised for this study, and reports specifically on the qualitative and grounded theory approach taken to conduct and analyse the interviews with secondary school graduates and teachers, while Chapter 6 discusses the Financial Literacy Seminar undertaken at Indooroopilly State High School for Year 12 students.

Section 4 (Chapters 7 and 8) reports the findings of the research and provides a number of recommendations for more effective implementation of financial literacy in the Senior Curriculum Framework. Specifically, Chapter 7 analyses the data from the graduate and teacher interviews. Chapter 8 provides a list of recommendations as a result of the entire study. This section is completed with the report’s conclusion.
CHAPTER 2

Curriculum Theory

In order to evaluate the effectiveness of the current suite of senior syllabuses in relation to financial life skills, it was important to gain a bigger picture perspective of curriculum, that is: What is curriculum and who influences its development? This chapter forms the background to the research and begins with a review of the history of curriculum development in Queensland, before focusing specifically on the inclusion of financial literacy.

Curriculum frameworks are designed, largely, to produce a certain kind of citizen. Originally, it is argued by Majordomo (1999), that their overarching purpose was to ‘control’ thinking, even though curriculum frameworks were marketed somewhat differently to the masses. For example, between 1910 and 1916 when a new education system was implemented in Indiana, USA, its Prussian roots meant a focus on “a non-thinking work force to staff the growing industrial revolution” (Majordomo, 1999). In Australia, early curricula in the late 1880s similarly focused on improving social order, particularly with the establishment of free, secular, and compulsory education.

Barcan, in his article Comprehensive Secondary Schools in Australia, (2007) provides a detailed analysis of the changes which occurred in Australian education from the mid 20th Century onwards. He discussed the consequences of a move away from prescriptive curriculums, external examinations and non-selective secondary enrolment in the various states, to the changes brought about by the ‘comprehensive’ secondary schools providing secondary education ‘to all’, which were rolled out across the country from 1953 – 1980s. He explained that the establishment of these comprehensive schools had their origins in the USA and the UK, and in Australia were employed in part as a result of the rise in population due to the post-war baby boom, with baby boomers reaching high school age during the early 50s, and in part to increased prosperity at the time resulting in families being able to keep their children at school for longer periods. It was during this period in Australian history
that education became a way for young adults to “achieve socio-economic advancement” (Barcan, 2007, p. 141).

The previous avenues which had existed to separate students into various post-primary pathways (e.g. work, junior technical, home science, commerce, and academic) were made redundant and taken over by new comprehensive secondary schools. Initially, curriculum content of the new schools was consistent with the academic secondary school curriculum framework; however with the new population of students going on to complete secondary education, changes had to be made to accommodate the diversity of academic abilities which existed. In Queensland, the move away from very prescriptive syllabuses and the abolition of external examinations was significant and is discussed further in the following section. However, whether examining early prescriptive curricula or the changeover to school-based assessment and broad learning outcomes, it has been suggested curriculum frameworks, past and present, have been developed to produce a particular kind of citizen.

During the 20th Century the objective to provide a specific workforce can be seen. People did not change careers or move from job to job unless they had to. It was not uncommon to remain in the same job or with the same company until retirement age. Industry demanded consistency, and that meant being good at your job, there was no need to ‘up-skill’ or complete further education. Consequently, educational focus was not about preparing students for their social future and economic well being, but rather the focus was on transition to work to increase human capital and therefore the national economy. Or, it was for further education for those of high academic ability, the view being that these academics would provide future leadership. What I am questioning here is that, if it is true that “most Australians have neither the inclination nor skill to analyse investments” (Australian Financial Review, 2010) and that nations around the world, including Australia, are now scrambling to ensure that their citizens have relevant financial knowledge and skills, then has this situation been brought about as a direct result of viewing education in this way? Is this why financial literacy education has being largely omitted from the curriculum (see Chapter 7)? Unfortunately, it has taken a global financial crisis for leaders in political, business and education sectors to realise that the lack of importance placed
on financial literacy education has been detrimental to their nations and it could be argued, that such a situation is prolonging the agony of numerous national economies, as many people struggle to re-gain control over their financial lives. As recently as April, 2010:

President Obama declared April to be National Financial Literacy Month, saying: ‘Our Nation’s future prosperity depends on the financial security of all Americans. This month, let us each take time to improve our own financial knowledge and share that knowledge with our children…I call upon all Americans to observe this month with programs and activities to improve their understanding of financial principles and practices.’ (U.S. Department of the Treasury, 29 April, 2010, para. 8)

Furthermore, US$50 million was allocated for a Bank of USA program to increase financial literacy levels around the country, in addition to US$265 million for a “well-rounded K-12 education, including financial literacy.” (Department of the Treasury, 29 April, 2010, para. 9) This level of funding and national attention demonstrates clearly not only the need that exists for increased levels of financial literacy, but also the acknowledgement of the strong relationship between a nation’s prosperity and their people’s own level of financial literacy; a key understanding in the present study. So how did we in Queensland, Australia, come to the current position in terms of financial literacy and the difficulties that young people are reportedly facing? The following section continues to provide a brief summary of the history of secondary education in Queensland to provide a backdrop to the current issues being faced by young people in our society, which will be elaborated on by the graduates themselves interviewed for this study.

A Brief History of Queensland’s Curriculum

From 1860 until 1970 Queensland secondary education was “controlled by the nature and content of public examinations” (Randall, 1990, p. 9), that is, that “the content for detailed study was usually determined by teachers from an analysis of past examination papers” (Randall, 1990, p. 9). In 1907, the Queensland Government gave authority to the University of Queensland to issue Senior Certificates and more
importantly, to execute and oversee public examinations throughout Queensland. This is particularly noteworthy given the University of Queensland’s continued influence over curriculum matters.

In 1964, the Education Act changed the structure of the education hierarchy. Two new authorities were formed; the Board of Junior Secondary School Studies and the Board of Senior Secondary School Studies. These Boards were given authority over the secondary school curriculum and examinations. Randall noted that, “These Boards included strong representation from both the Queensland Department of Education and teachers” (1990, p. 9). It was from this time onwards that changes began to be seen in secondary schooling, and new subjects slowly emerged. However, Randall went on to note citing Goodman (1990), that regardless of the expansion of subjects offered to students, most students were still undertaking the six prerequisite subjects required by their preferred university. The continued trend by students to select these six prerequisite subjects is important because it demonstrated what students saw as the ‘real’ curriculum while confirming the significant influence tertiary institutions had (and still have) over what students chose to learn at secondary school.

In 1969, the Radford Committee was established at the direction of the Board of Senior Secondary School Studies to review the system of public examinations and student achievement in Queensland. The Committee’s report was pivotal to the future direction of Queensland education. Perhaps the most important recommendation, implemented in 1972, was the abolition of public examinations with a move to school-based assessment, a decision that to this day is hotly debated by teachers, particularly those who have worked in NSW, as was confirmed by the teachers who were interviewed for the current research. The teachers who had previously taught in the southern states very much favoured the prescriptive syllabuses which detailed exactly what students had to be taught, in comparison to Queensland’s broad statements, which was said is open to various interpretations and therefore different content and skills taught.

An additional recommendation of the Radford Report was the change to have a single statutory board responsible for all secondary education in Queensland. This
board, the Board of Secondary School Studies (BSSS), became responsible for issuing Junior and Senior Certificates, and the development and approval of syllabuses, including procedures for assessment (Randall, 1990). (It should be noted here that subject syllabuses are developed within a curriculum framework.) The BSSS was an independent body not under the jurisdiction of the Department of Education. This Authority provided advice to the Minister for Education yet was not controlled by the Minister. The BSSS was now responsible for the development of secondary syllabuses and established Syllabus Advisory Committees to undertake this task. Still in existence today, they were (and are) responsible for creating the current broad syllabus frameworks which exist. With the introduction of School-Subjects (now called Authority-registered subjects), teachers were encouraged and provided with the opportunity to engage in the development of new syllabuses. This was an important step as it saw the commencement of teachers having real influence over the curriculum. However, it was reported that teachers’ new flexibility and their ability to be involved in the development of School-Subjects was not viewed favourably by many teachers due to the added workload this created (Randall, 1990).

During the 80s and 90s a range of new developments were seen in education, and ‘control’ was certainly a main focus of political attention. In 1988, a new Education Bill was submitted to Parliament by Brian Littleproud. The Bill would remove control of the P-10 curriculum from the Board of Secondary School Studies by replacing it with a new body, the Board of Senior Secondary School Studies, the aim of which was to re-gain control over curriculum development (and the Junior Certificate which he had desired to phase out), by restricting the new Board’s authority to the senior years The Bill was passed the following year and changes immediately implemented (Department of Education, 1990). The P-10 Curriculum which began to be developed during the late 70s was now back in the control of the Department of Education. Meanwhile, the new Board of Senior Secondary School Studies (BSSSS) was established and was responsible for secondary schooling in Queensland. However, interestingly, its membership was reduced from 22 to 17 and was influenced by the Minister for Education. The following extract described the representation of membership as follows:
The proportion of representation of tertiary institutions, Department of Education, and non-government schools was reduced, and the Director of the Board was no longer an ex officio member. Employers and community groups involved in education were given direct representation for the first time. The new legislation gave the Minister for Education increased power over the Board, and the power to nominate four practising teachers to each of the Subject Advisory Committees passed from the Board to the Director-General of Education. (Department of Education, 1990, p. 20)

Representation on the Board and the Subject Advisory Committees (now called Syllabus Advisory Committees) is pertinent because it demonstrates the various interest groups able to influence the development of each syllabus. This is of interest when examining representation on the P-12 Curriculum Committee which reviews and makes recommendations to the QSA about the approval of syllabuses submitted by the Syllabus Advisory Committees (see Chapter 7). There certainly appears to have been a shift of focus away from community and industry influence to a more academic and administrative group of members in recent times.

While various bureaucratic authorities controlling curriculum matters came and went during the 1990s, attention was turned to student assessment. With the push to evaluate or measure educational outputs and therefore determine the ‘return’ on investment in education (which would likely determine further spending in the area), Outcomes-based Education (OBE) which had been introduced in many countries, including the USA, UK, South Africa and Canada during the 80s and 90s, was also adopted in Queensland during the 90s. The focus of OBE was to determine exactly what students ought to know or be able to do at each year level in each subject and by the end of their schooling life. In a sense, curriculum developers worked backwards to determine the goals to be achieved throughout each stage of schooling and in each subject area. The concept was simple in theory, in that it was all about educational accountability. In other words, if this much money is being spent on education what is the return on that investment? Of course the driving forces behind this concept were “political, economic and educational” (Killen, 2000 p. 1). An oxymoron perhaps, but interestingly, while governments individually attempted to
secure their nation’s future ‘economic’ well-being, there is little evidence of any focus on specific financial literacy education in schools.

It was also during this time that reports such as the Mayer Key Competencies (1992) which detailed the types of employability skills desired by employers were published and became important to the education scene (as will be discussed further in Chapter 3). Such reports revealed the need for secondary school graduates to have a number of life and employability skills, such as the ability to manage finances, and were ‘apparently’ important sources in shaping the current Curriculum Framework. In reality, however, the actual inclusion of specific life and employability skills were very much given lip service in the Curriculum and used as political rhetoric, as evidenced by Gilbert and Macleod’s review (2006) discussed in the following chapter.

Whether it has been OBE with its 792 core learning outcomes to be achieved between Years 1-10 in Queensland schools, the Queensland Curriculum, Assessment and Reporting framework currently used in Queensland State schools, or the Senior Curriculum, financial literacy appears to have been largely ignored throughout Queensland’s education history. The development of curriculum frameworks has focused on assessment, employment transition and tertiary entrance, for the benefit of state and national economies. This emphasis on post school pathways and student performance has meant little attention has been given to the social futures and economic well-being of individuals in curriculum planning.

**What is Curriculum?**

So what is ‘curriculum”? There is much debate around defining the term curriculum due to its various forms, applications and uses within educational settings and particularly schools (Grossman, 2008; Lundgren, 1983) and there are a range of definitions of curriculum (Lundgren, 1983). However, it is important to define curriculum, and particularly to articulate its purposes, if the need exists to change the curriculum. Is it as simple as re-writing a document, or are there other deeper matters to take into account in developing curricula?
Throughout the past century, theorists such as Ralph W. Tyler, Franklin Bobbitt, Lawrence Stenhouse, Shirley Grundy and Ulf P. Lundgren have set out to define what curriculum is in order to better understand how it is placed within the education system, and where it fits within society more broadly. Drawing on the ideas of these key curriculum theorists helps educationalists to gain an overall picture of what curriculum is or can be. Following, I have provided some of their thoughts to consider.

Tyler, in 1969, identified curriculum as an ‘end product’ of what should be taught by identifying both the purpose of schooling and needs faced by contemporary society. Less than 20 years later, Grundy explained the notion of the curriculum as a product and praxis in her book *Curriculum: Product or Praxis* (1987). She defined curriculum as “a way of organizing a set of human educational practices” (1987, p. 5). Both Grundy and Lundgren regarded curriculum to be ‘culturally constructed.’

Lundgren detailed the development of curriculum texts throughout the ages, beginning in ancient Greece where he explained that curriculum was initially separated into two fields of knowledge, the “trivium (grammar, rhetoric and logic) and quadrivium (arithmetic, geometry, astronomy and physics)” (1983, p. 16). He discussed the social and political changes that have altered the process of selecting, organising and presenting curriculum content (and some of these changes have been discussed). The main theme of his writing was that the curriculum is a ‘text’ which is influenced both socially and politically, for the purpose of production and reproduction of society, and the division of labour. This line of thought may have been necessary for the type of society Australia was then, but Australia has moved into a period of time when the kind of society desired must be re-evaluated, particularly as the traditional division of labour has, to a large extent, disappeared with a move from the industrial revolution to the technological revolution, the new real need for life long learning and flexibility in all sectors, and increased globalisation.

Thirteen years later, Smith (1996, 2000, p. 2) summarised four key aspects of curriculum, which bring together many of the key dimensions of previous discussions about curricula.
1. Curriculum as a body of knowledge to be transmitted.
2. Curriculum as an attempt to achieve certain ends in students – product.
3. Curriculum as process.
4. Curriculum as praxis.

With a new century approaching, curriculum purpose was again broadened it seemed, and a new way of conceptualising curriculum was presented by Glatthorn in 1999. This identified eight different types of curriculum:

**Hidden** (unintended), **excluded** (what has been left out intentionally or unintentionally), **recommended** (advocated by experts), **written** (as found in official documents), **supported** (as found in text books, software and media), **tested** (embodied in tests), **taught** (what teachers actually deliver), and **learned** (what students learn) [bold emphasis added]. (Cited in Grossman 2008, p. 2)

Building on the ideas of what curriculum is, Glatthorn’s definition above is possibly the most inclusive of what curriculum entails today, and assists in explaining why curriculum development is indeed a very complex process, particularly when curriculum changes need to be made.

In 2005, Kennedy, also cited in Grossman (2008), attempted to separate the components of curriculum:

1. Curriculum as a prescribed plan for learning;
2. Curriculum as all the learning experiences encountered at school, planned and unplanned;
3. Curriculum as a reflection of the expectations that society has for young people, and
4. Curriculum as a statement of values (p. 3).

Together these theories highlight the way in which the shape and purpose of curriculum have developed over time, and that even today, there is a degree of
confusion not only regarding what curriculum is but also its purpose. The obvious complexity of what a curriculum entails does make it difficult to establish a specific definition. However, what can be agreed to is that in its most basic form, a curriculum is a course of study, while syllabuses are units or subjects which are taught within a curriculum. In the present study, the Curriculum Framework encompasses both the P-10 Curriculum and Senior Curriculum. The term Curriculum in this report has been used to reference the ‘written’ Queensland Studies Authority’s (QSA) Senior Curriculum Framework that can be accessed through its website at http://www.qsa.qld.edu.au/

In relation to the inclusion of financial literacy education within the Curriculum, the focus of this study, this report investigates the extent to which financial life skills are currently specified in the QSA’s Senior Curriculum Framework. Preliminary commentary prior to the commencement of this research indicated that financial literacy was present in the Curriculum, although limited. However this research has determined that very little financial literacy education is contained within the Senior Curriculum, with most graduates interviewed indicating that their senior schooling experience left them ill prepared for the financial situations they have experienced post-schooling. Unfortunately, even the launch of the Consumer and Financial Literacy Professional Learning Program in late 2008, has, according to the present research, failed to have an impact on Queensland teaching practices or on student learning outcomes, at least in the schools selected to participate in this research (see Chapter 7).

Who Influences Curriculum?

While recognising that the word ‘curriculum’ has multiple meanings and broad extent, in this report ‘Curriculum’ is referring to the QSA’s Senior Curriculum. The question is raised: Who influences the curriculum? The answer to this question can assist in surmising why financial literacy does not feature prominently (if at all) in the Senior Curriculum. This section identifies some of the main stakeholders who influence curriculum decision making and some of the results of their influence on Queensland curricula. The curriculum is not value-free; its development reflects the intentions (both implicit and explicit) of those who influence it. Althusser (1970)
called schools ‘Ideological State Apparatuses’ and identified the overlapping relationship between economic, political-legal and ideology practice, to explain how society functions (Arze-Bravo, Murray, Robertson, & Tunzelman, n.d.). Althusser viewed schools and other institutions in society as agents of socialisation within a capitalist society influencing the ideological development of individuals. The application of Althusser’s Marxist views some 40 years ago can still be seen today given the influence our schooling system has on individuals as a result of the Curriculum they are exposed to (or not exposed to). It is an issue of controlled thinking or knowledge. I mention this to ask the question: Who influences the Curriculum (and therefore our society) and how does this influence relate specifically to financial literacy?

It is the group within society which holds power, the dominant ideology, which controls the distribution of knowledge within a society and determines which kinds of knowledge will be made available. And the most effective mechanism for effecting this is the education system (Kelly, 2004, pp. 38-39).

Tyler also discussed the influence schooling has on society and highlighted the process of changing people’s behaviour through the schooling system some 50 years ago. His writing indicates that very little has changed in regard to this function of schooling today.

Education is a process of changing the behavior patterns of people. This is using behavior in the broad sense to include thinking and feeling as well as overt action. When education is viewed in this way, it is clear that educational objectives, then, represent the kinds of changes in behavior that an educational institution seeks to bring about in its students. (Tyler, 1969, pp. 5-6)

As has been established in this chapter, historically, curricula frameworks have been designed to produce a particular kind of citizenry. It is known, even though not necessarily publicised, that the development of these frameworks has been somewhat achieved through political and monetary support donated by various conglomerates.
or interest groups. Given that this report focuses on financial literacy education, the banking sector can be examined in regards to the provision of ‘educational’ funding. A number of financial institutions, such as the Commonwealth Bank of Australia, Westpac, HSBC and the Bank of Queensland have funded financial literacy programs for schools as they have a vested interest in promoting financial literacy as a way of selling their products. While this may not be a problem in terms of encouraging students to save money and providing grants to schools for financial initiatives \textit{per se,} it has been argued that some of these same institutions lack ethical lending practices and transparency regarding their own financial products as is regularly reported in the media, particularly on current affair shows right around the country. Problems surrounding credit cards and defining responsible lending remain topics of ongoing public controversy and concern.

However, financial institutions are only one industry vying for influence in education. The following section begins to briefly discuss other ‘heavy weight’ stakeholders in Australian education. These players include the Government, national and multi-national corporations, tertiary institutions and the more general influence of ‘human capital’ development.

\textit{Government.}

Both State and Federal governments have over the past 10 years greatly influenced the curriculum ‘actually taught’ in the classroom. Although it is expected that governments be involved in the development of the Curriculum Framework, their influence has gone beyond the Framework and has impacted the very way in which many teachers conduct their lessons Australia wide. Particularly with the launch of the My School website in January, 2010, both students and teacher performance has come under close scrutiny with the ability for the public (and media) to compare student achievement between schools. With high-stakes testing such as NAPLAN (National Assessment Program – Literacy and Numeracy) it is no surprise that many teachers around the country have responded to this latest ‘ranking system’ by planning lessons around these tests. As recently as this month (May, 2010) Channel 7’s Sunrise program began to report on emails sent in by viewers indicating that some parents had been asked to keep their ‘under performing’ child at home.
In South Australia a teacher was sacked when it was discovered she had altered students’ answers on the NAPLAN test. Although cheating is clearly unacceptable, the real question is why do teachers feel they have to take such extreme actions as asking certain children to stay at home or in the above case, altering students’ results? This uncharacteristic behaviour does exist, and I have even witnessed these types of conversations between teachers and parents the day before such testing. The trend towards state-wide and national testing by State and Federal governments over the past decade appears to have led to some, if not many schools, adopting a system of ‘teaching to test’, to utilise past test papers in order to train their students on how to complete a set test. I have seen this occur myself in many schools, from Year 3 through to Year 12, where students have time devoted each week, for the completion of practice questions from previous year’s papers. In the senior years, practice Queensland Core Skills Tests (QCST) are often provided to senior students, with some schools providing weekly, timetabled QCST lessons. Schools do not even have to photocopy past papers, they can order them directly from the QSA. Lipman discussed this occurrence of gearing teaching towards test preparation in her book ‘High Stakes Education: Inequality, Globalization, and School Reform’ (2004). She noted the pressure on teachers to assist students in achieving standardized benchmarks and as a result teachers, with the ‘encouragement’ of school district officials, narrowing the educational experience of students in order to focus on test preparation to improve published results. Although she wrote of the United States experience, similar results can be seen here in Queensland.

More significantly, the Federal Government now has optimal influence over the development of the Australian National Curriculum. The implications of this influence are unknown fully at this stage. Although the curriculum has been developed by curriculum experts, and there has been extensive public consultation at each stage of development, it is likely that the Government’s political priorities will have influenced the structure of the Framework and therefore curriculum. In relation to inclusion of financial literacy within the Australian National Curriculum, it might be expected given the recent launch of the Australian Consumer and Financial Literacy Professional Learning Program, that the new National Curriculum would include financial literacy. However, review of the Draft Consultation Version 1.0.1
for K-10 Mathematics, indicates a very different story. Searches throughout the document on the words ‘finance’, ‘financial’ and ‘money’ expose a distinct lack of attention to financial literacy.

An ‘attempt’ has been made in the K-10 Mathematics draft syllabus to indicate the importance of financial literacy: “A particularly important context for the application of number and algebra is financial mathematics” (p. 5), and there is even a strand called ‘Financial Maths’ in the program for Year 9 and 10 students, however beyond recognising money in the earlier year levels, little else in the way of financial literacy is included. The main trouble with the inclusion of Financial Maths as listed in the syllabus is that finance will only be used as a context for learning other mathematical skills – that is, students will learn how to ‘calculate’ interest rates, or solve problems using money rather than learning ‘about’ interest rates. Therefore, very little will have changed between Queensland’s existing Mathematics syllabus and the new National draft K-10 syllabus in terms of financial literacy inclusion. I would also question the relevance of teaching 14 year olds how to calculate interest rates; surely this is a topic more appropriate for senior students (especially given the insignificant interest earned on many children’s savings accounts these days). This discussion of the importance of providing relevant, contextual learning is taken further in Chapters 4 and 7. So, it is apparent that the Government is certainly influential not only in the construction of curricula Australia wide, but is also quite influential over what is physically taught by teachers at a classroom level. It is unfortunate that despite this influence, financial literacy education is still being given lip service by those responsible for establishing the Australian National Curriculum, rather than being given the national priority it deserves.

**National and multi-national corporations.**

Corporate organisations, such as the Australian Chamber or Commerce and Industry, and the Business Council of Australia, are just two of the major influencers of curriculum development in Australia. Others I am aware of include: multi-national giant, ExxonMobil, the Australian Securities and Investment Commission (ASIC), and the big four banks (although their degree of involvement and influence is unknown). Demand by industry representatives to provide an appropriate workforce
has led to curriculum changes and attitudes over the past 30 years. Mercurio
highlighted that since the 1980s “educators have had to share the educational stage
with employers” (2005, p. 81). [Furthermore he added,] “educators, particularly at
the upper secondary level, are no longer able to pay only lip service to employers’
needs”.

Industry representation on curriculum boards and subject Syllabus Advisory
Committees assists in developing the sorts of knowledges and skills that might help
secure quality future graduates for their fields in the longer term. For example,
corporations such as ExxonMobil, who employ in excess of 14,000 scientists and
engineers world wide (ExxonMobil, 2003-2010) continually invest funds in the USA
and internationally to support the development of students in the fields of science
and mathematics with the aim of securing an ongoing workforce. For example, in
2005 “ExxonMobil and PGA golfer Phil Mickelson launched an innovative new
teaching academy in the United States, designed to provide teachers with the
knowledge and skills necessary to motivate students to pursue careers in science and
math” (ExxonMobil, 2003-2010). In 2009, four Australian teachers were selected to
participate in the program – they were the first teachers outside of the US to
participate. It can only be expected that this program (and others) will gain
momentum and influence throughout Australia as a greater number of skilled
graduates for the workforce are required.

It is vitally important for major industry representatives to be involved in the
development of Curricula in order to assist in making sure they keep pace with the
knowledge needs of the changing global society – teachers and administrators cannot
do this alone. However, as will be seen in Chapter 7, it is unfortunate to note that in
Queensland, the P-12 Curriculum Committee which is responsible for
recommending syllabuses to the QSA (as handed to them from the Syllabus
Advisory Committees) is devoid of such representation which is quite a danger to the
relevance of syllabuses being produced – an issue which teachers who participated in
the current research discussed (see Chapter 7). It is apparent that the level of
influence corporations have over the development of curriculum exists, but is limited
when it should probably be extended. This will be discussed further in Chapter 7.
Tertiary institutions.

Tertiary institutions, particularly the University of Queensland, Queensland University of Technology and more recently Griffith University, have had significant influence in the development of Queensland’s Senior Curriculum. This has been due in part to the very way in which many senior students, parents and teachers view the purpose of senior schooling – a good OP (Overall Position) result to gain university entrance. Tertiary influence has also been established and maintained as result of their representation on various education boards and committees established to design, assess, recommend and validate syllabuses and curriculum frameworks with the QSA. While participants representing their university on these boards and committees may well have their own university’s objectives in mind, they also contribute extensive knowledge to these boards and committees due to their expertise in various fields of education. While young adults need a range of life skills to function competently in society, it does seem that as universities seek to attract the brightest students, and therefore look for rigour in the Curriculum, basic life skills, such as financial literacy appear to have been overlooked as a necessary component of senior education.

Human capital.

A discussion on who and what influences curriculum decision making and design would not be complete without noting the influence of ‘human capital’ development on the education system. Building human capital has always been a key goal for education, locally and nationally’. Along with the need for graduates to be financially literate is the need for building national prosperity through the process of increasing human capital. As such, those who are attempting to influence the Curriculum are usually doing so to build or secure future human capital.

The OECD defines human capital “as the knowledge, skills, competencies and attributes embodied in individuals that facilitate the creation of personal, social and economic well-being” (Keely, 2007, p. 9). As Keeley stated, “a modern economy can’t grow without an educated workforce” (2007, p. 9).
The years we spend in education generate a form of capital that has the potential to produce long-term return, just like forms of capital that we may be more familiar with, such as money in a bank or a piece of land. (Keely, 2007, p. 11)

An important component of human capital, as indicated in the Melbourne Declaration (2008) includes the ability to respond to continuous change – and adaptability, creativity, sustainability are the foundations of this flexibility.

With an increasing aging population, decreasing working population and ever changing technologies, the need to build human capital is critical and will forever drive the need for improving teaching practice and the contents of the Curriculum – and in reality, the Curriculum should continue to see significant change if it is to keep pace with our changing society and future.

The findings of the present study indicate that even though an important component of human capital development is personal economic wellbeing, basic life skills, such as financial literacy have been continually sidelined in Curriculum inclusion. The belief appears to be that students can learn financial skills from their parents and from life experiences so it is not necessary to include them in the Curriculum. The trouble with this belief is that the financial world has changed significantly in the past 15 years meaning that many parents may not have the experiences or skills to engage with finance as it exists today. Financial education for all is highly necessary in the current economic situation. People need to learn how to manage money carefully and effectively. As mentioned previously, the fact that so many young people encounter financial difficulties indicates the need for strong, clear foci on financial literacy in curricula supported by government intervention through the introduction of nationwide financial literacy outcomes written into curriculum documents as has begun in the UK and is discussed in Chapter 4. The Australian Government has some way to go if they are to provide effective financial education to Australian citizens.

If changes to the curriculum are not made so that students are taught how to be financially literate, then it is highly likely that in the years to come, the degree of
financial troubles not just of younger people, but of mature adults also, will be substantial. A secure financial future for Australia must be assured. Australia must have a population of astute young people who can make good financial choices – the future of the Australian economy depends on it. I agree with Goodlad’s sentiments cited in Lundgren, that “the secondary-school curriculum too often reflected knowledge of another era, instead of the scientific advances of the twentieth [and now twenty-first] century” (1983, p. 44). I would argue, given the degree to which the education system develops and prepares students for their futures, and as a result supplies the future workforce, then it is imperative that the Curriculum is written to direct us to our future society rather than simply reflecting what has been before. The Curriculum must without a doubt specify the skills and knowledges students will need once they have graduated rather than the skills and knowledges their parents’ needed – and teachers should not have to guess and interpret what these are in syllabus documents – they should be written clearly for all to work from. In terms of the inclusion of financial literacy within the Curriculum, financial literacy is just as important to students’ personal economic futures (let alone Australia’s future) as Mathematics, English and Science, and it is time for the Key Learning Areas throughout Australia to be reviewed to reflect such changes in our society. The trouble as Grundy notes is that, “very seldom do we start from ‘scratch’ in curriculum matters (1987, p. 6), yet this is a process which needs to take place in my opinion.

Summary

The overarching purpose of this chapter was to provide some background on the development of Australian curriculum, the development of Queensland’s Curriculum Framework specifically, and some of the key stakeholders who influence curriculum development. As stated, the Curriculum is not value free; it reflects the beliefs and values of those who influence, develop and teach it. It was therefore important to note the variety of stakeholders, namely, the Government, corporations and tertiary institutions, who participate in the development of the Curriculum. As well, the need to build human capital also drives curriculum development. Importantly, the values and ideologies of all stakeholders, in addition to schools and teachers have a considerable influence on the curriculum that is actually taught. All of these factors
should be considered prior to evaluating the effectiveness of the current suite of senior syllabuses and considering why financial literacy has not featured prominently in the Curriculum to date.

The following chapter examines the Queensland Curriculum more closely by investigating a number of expert reviews of the Senior Curriculum, and begins to draw comparisons between these reviews, in addition to comparisons with findings obtained through the teacher and graduate interviews conducted in this study.
SECTION 2
LITERATURE REVIEW
CHAPTER 3

Reviews of the Curriculum

Public criticism against aspects of the relevance of the Queensland Studies Authority’s (QSA) Senior Curriculum has certainly occurred in the past. However, more recently, media attention and parental interest in curricula have grown due to Queensland students’ poor results in the 2008 NAPLAN (National Assessment Program – Literacy and Numeracy) test. Therefore criticism regarding the effectiveness and quality of Queensland’s Curriculum Framework has again been put under the spot light. In the light of these concerns about the Curriculum, the Queensland Studies Authority has commissioned several reviews into the effectiveness and relevance of its senior syllabuses (Queensland Studies Authority, 2008). Three of these reviews published on the QSA’s website will be discussed in this chapter (Conley, 2005; Freebody, 2006; Gilbert & Macleod, 2006).

This chapter will identify and discuss key findings from these reviews, as well as other matters relating to curriculum issues raised by a number of reviewers and educators (including Hawkes, 2008, and Hunter & Luke, 2000). I believe most of these reviews have, amongst other things, tried to identify the extent to which the Queensland education system is adequately preparing students for the world in which they ‘will’ live. In essence, they are questioning whether the Curriculum is keeping pace with individual and societal needs. Although the reviews are not specifically aimed at addressing financial literacy needs amongst young people through the Senior Curriculum, their reviews take a broader look at preparedness of students to enter various post-school pathways and therefore the types of skills in general that students require. (As mentioned earlier in this report, very few studies have specifically looked at the financial literacy of high school graduates in Queensland, and those studies which have been located have focused on sampling university students.) In this chapter I will begin to highlight a few of the findings which emerged from the present study to demonstrate the consistency of findings with previous studies. However, I will detail these findings fully in Chapter 7.


Specific Reviews Commissioned by the QSA

*What should high school graduates know and be able to do?*

I commence this section with Conley’s 2005 report, *External Perspective on the Queensland Studies Authority Syllabuses for Years 11 and 12*, which focuses on secondary school graduates’ preparedness for tertiary study through examining the content and quality of the QSA’s senior subjects. The introduction to the report emphasised the characteristics of the syllabuses and to what degree they provided foundations for post-school pathways, particularly tertiary preparation (Conley, 2005), but Conley stressed that the report did not analyse the quality of implementation of the syllabuses at a school level, or for that matter, whether the syllabuses were suitable for supporting schools in their implementation.

With his focus on graduates’ preparedness for tertiary study, he was keenly interested in subject content and rigour and noted the distinction between Authority and Authority-registered subjects (subjects which do or do not contribute to university entrance scores). Not surprisingly, the report stated that Authority-registered subjects “lack the intellectual scope and rigour of the Authority subjects” (2005, pp. 2-3). Further to this, Conley questioned whether Authority-registered subjects should be offered to students in the first place given the ‘two-tiered’ learning effect this creates (2005). By this he was referring to the two groups of students produced by such a system, as evidenced in senior school populations – in its most ugly form these two groups are: the ‘academics’ (who undertake five or more Authority subjects) verses the ‘dumb’ (who choose, or are encouraged by their school teachers to undertake a range of Authority-registered subjects). As Freebody suggested, students’ subject choices may well be influenced by the advice given by schools and teachers regarding what would be “appropriate choices for students from different backgrounds or academic performance levels” (2006, p. 25). This has implications regarding the overall experiences students have at school, as well as the content and skills they cover. As the present research discovered, graduates who undertook Authority-registered subjects demonstrated that they had benefited from these ‘practical’ subjects, and in regard to financial preparedness, felt what they had learnt had assisted them in making financial choices (see Chapter 7).
In response to questions posed by the QSA’s Syllabus Review team about what should young people know and be able to do at the end of 12 years of schooling, and specifically whether there should be a set of generic or essential skills students graduate with (Conley, 2005), Conley reported that the purpose/s behind the QSA’s Senior Curriculum must first be addressed before answering these question. Conley’s response to these questions of essential skills revolved around what he termed ‘essential academic skills’ rather than inclusivity of specific life skills. Conley stated,

> It is essential to identify a generic core set of skills that apply in academic environments and the workplace, and are necessary to exercise citizenship responsibilities. These should best be thought of as readiness skills. They prepare someone to do something else. They are foundational in nature. The syllabuses often refer to attributes that meet these criteria, but there does not appear to be a formal, integrated list of these core skills nor a mechanism to ensure they are developed across all syllabuses. (Conley, 2005, p. 10-11)

Conley’s conclusion regarding the lack of a formal set of generic core skills within the Curriculum Framework is significant however not surprising, given the lack of descriptors regarding high school graduate attributes from searches conducted on the QSA’s website. However, neither does Conley go on to suggest what these should actually be. Not only is a list of academic graduate attributes not formalised by the QSA, so too missing, is a list of specific life skills which students should attain by Year 12. In relation to the specific focus of this thesis - ‘Are secondary students graduating with the financial skills they require?’ the report, as stated earlier, provided no direct answer. This was despite the QSA specifically asking Conley what he thought young people should know and be able to do at the end of 12 years of schooling.

Is it because the question regarding what students ought to know or be able to do by the end of Year 12 remains somewhat unanswered, that the idea of ‘subject generalisation’ (as opposed to specialisation) has become the norm in our schools? By this I am referring to the trend for Queensland schools to offer large numbers of subjects to students in earlier year levels to give students an opportunity to
experience a broad range of skills and knowledges, followed by senior subject combinations which do not necessarily lead students in a particular academic or vocational future direction. Conley raises the point that “given the degree of uncertainty regarding which skills are most important for the future, it seems sensible to equip as many students as possible with as many foundational skills as possible” (Conley, 2005, p. 7). While this may be so, it is important that if the QSA continues to utilise such a broad curriculum framework, that learning within syllabuses be relevant to students’ futures.

The goal of providing students with a broad set of experiences through the Curriculum does seem to present a somewhat ‘hit and miss’ approach to schooling, however Conley also states that some students would benefit from the ability to specialise through targeted or integrated subject areas. A key recommendation for the development of future syllabuses was Conley’s recommendation to establish a core set of studies (2005) that would outline the major concepts, knowledges or skills to be taught within a subject, and allow teachers to use their own professional skills to extend learning beyond the core. This recommendation by Conley is supported in the present report. Agreement regarding a core set of skills could provide opportunities for high levels of student achievement, and indeed the mastery of skills could become possible. It could also enable subjects such as financial literacy to have a proper place within the Curriculum with specific skills and knowledges outlined for all students to learn. Professor Allan Luke echoed this concept of specified learning or core studies in a statement made 10 years ago: “We as a system have to actually stand up and designate some knowledges, some skills, some competencies as non-negotiable, as things that everybody will learn” (Hunter & Luke, 2000, p.37).

In response to the QSA’s question of whether the Authority subjects provide senior students with the type of learning relevant to living and working in a knowledge economy (Conley, 2005), Conley noted that the purpose of education should not be ‘instrumentalism’ (by which he meant purely theory-based). Rather, he suggested curricula should provide opportunities for students to engage in activities promoting self exploration and self expression, without sacrificing academic preparation (Conley, 2005). His response to this question on relevance, in addition to later
recommendations in his report, indicated that the Authority suite of subjects do not necessarily provide relevant learning to living and working in contemporary society during the senior phase. Furthermore, Conley concluded that the Queensland senior syllabuses as a whole “reflect very well traditional conceptions of knowledge and its organization. Where they may be lacking to a certain degree is in their omission of new and emerging 21st century skills” (2005, p. 11). Conley’s statement was confirmed by the graduates and teachers interviewed in the current research who advocated the importance of including financial literacy education within the Curriculum, particularly given the current economic climate.

Conley deemed it imperative that the QSA’s syllabus development team consider extending its range of subjects beyond traditional subject areas (such as English, Mathematics and Science), and offer subject clusters or interdisciplinary studies that have “both intellectual challenge and worldly relevance, [which promote] stronger connections to career pathways” (2005, p. 21). While Conley provided the example of Engineering as a senior subject, financial education is a subject that can also be quite intellectually challenging and certainly relevant to graduates’ lives and future ambitions. Conley also made the distinction between ‘core academic syllabuses’ and less academic subjects such as Marine Studies to demonstrate the lack of connection between what students learn through core academic syllabuses and the connection with future post school pathways. I mention this as Conley’s belief regarding the lack of connection between learning and living was likewise confirmed in the present research regarding the financial preparedness of graduates through the Senior Curriculum. Of the 24 graduates interviewed in this study, 18 reported that they did not believe what they had learnt during school had assisted them in developing any financial skills, and when this finding is coupled with Conley’s report, it must be asked of the QSA, where are the connections in the Senior Curriculum between living and learning?

As I have begun to expound, the findings in Conley’s report regarding the preparedness of graduates through the senior syllabuses for life beyond school, foreshadowed the findings of the present research in that they highlight the need for syllabuses to have clear expectations of student learning and the recommendation for the QSA to decide on a set list of generic skills that syllabuses are built upon.
Specifically, Conley’s recommendation regarding a core set of studies within all syllabuses is significant. A core set of studies, would assist in the development of a set of specific skills – both academic and life – and would provide teachers with clarity and autonomy, while providing teachers with the ability to teach beyond the core set of concepts, knowledges and skills, individualising programs to the needs of their students. The ability to individualise learning was an important need highlighted by teachers interviewed in the present research. Overall, Conley’s report required the QSA to firstly establish the specific purpose/s of its Senior Curriculum in order to determine what should be included in the ways of skills in future syllabuses.

**Syllabuses and their connection to the real world.**

A second review, *Obedience, learning, virtue and arithmetic: Knowledge, skill and disposition in the organisation of senior schooling*, undertaken by Professor Peter Freebody, of the University of Queensland, was published just a year later in 2006 and had a somewhat different focus from Conley’s review. Freebody’s review focused on the contents and organisation of the senior Authority syllabuses with a specific focus on the relevance of the syllabus content for students graduating in today’s changing society.

Included in the report was a proposed list of features for any high-quality syllabus in general. Freebody’s recommended features are significant as they foreshadowed issues which emerged in the current research. Two characteristics that Freebody lists as features of any high-quality syllabus included, “focused and uncluttered” and “valid in the real world” (Freebody, 2006, pp. 6-7). In regard to the current research, both of these curriculum characteristics were discussed in interviews with graduates and teachers, and were highlighted as important by Year 12 students who attended the Financial Literacy Seminar. As has been briefly mentioned above and will be discussed further in Chapter 7, teachers in the present research desired greater syllabus clarity and felt that the Curriculum is far too crowded in its current form to be able to include anything else. Furthermore, both graduates and teachers indicated a lack of connection between senior syllabus content and preparedness for the real world.
Freebody stated that “syllabus document and curriculum guidelines are decorated [emphasis added] with references to ‘the real world’ (and variations such as ‘the world of work’, and so on)” (2006, p. 7) but his analyses of the senior syllabuses discovered a very different reality with little evidence real world applications. It is clear that Freebody’s review of the QSA’s senior syllabuses is not particularly favourable. He makes apparent the many contradictions between the organisational framework of the syllabuses, and their relevance in society whilst highlighting the challenges of contemporary syllabus development in a globalised, changing society.

One of the challenges of syllabus development that Freebody referred to was establishing what skills, knowledges and dispositions students need for living in contemporary society (2006). He questioned exactly what skills and knowledges should be transferable from a school setting to real world context, and therefore what future syllabus should look like. However, he explained that the concept of transfer between different contexts is problematic.

Educational policies and practices are built on the presumption that performance will be transferred – that learners will be able to apply what has been learned in the simulated context of school to new, real-world problems, domains of knowledge and tasks. (Freebody, 2006, p. 20)

As Freebody highlighted, the transfer of knowledge does not simply occur because teachers conduct lessons on a particular topic. Specifically, Freebody said,

In summarising the many studies that have failed to show clear instances of transfer, they showed that those that do show such a positive transfer and application employ new tasks that are only trivially different from the original learning contents and setting – ‘direct applications’ – settings similar to the learning setting and, more significantly, known-in-advance to be so. (2006, p. 21)

This view is consistent with Gilbert and Macleod’s research acknowledging, that knowledge transfer “occurs less often than has been assumed and that knowledge is
applied in new contexts only when the task is very close to the one originally learned” (2006, p. 1). In the present research, graduates’ responses to questions about whether they could see the relevance of what they were taught during senior schooling in regard their own lives since graduating, demonstrated that they also queried the connection between what they learnt or did not learn during their senior years and living in the real world with real responsibilities. In this case, it was with specific reference to the financial education they did or did not learn which particularly took into account financial topics covered in the various senior Mathematics syllabuses that the 24 graduates studied.

Like Conley, Freebody also referred to subjects which exist for academically weaker students (although he did not specifically refer to Authority-registered subjects), and suggested that these subjects have an apparent “real world applicability” (Freebody, 2006, p. 23). Although Freebody only suggested such subjects were attractive due to their apparent worldly relevance, results from the current study, in addition to Randall’s study in 1990 are consistent with the supposition that these types of subjects do have real world applicability and are therefore seen as beneficial to students. Students who undertook Authority-registered subjects in the present study (or Board-registered subjects in Randall’s research) selected these subjects based on their perceived usefulness to their future ambitions, usually vocational.

In summary, Freebody’s report indicated that the QSA needed to develop new syllabuses and review current syllabuses based on the changing, global society and the skills, knowledges and dispositions graduates need to live in such a society. Like Conley, Freebody did not specify exactly what those skills and knowledges were, however he did recommend a framework of features necessary to produce any high quality syllabus in general. In regard to the present study which focuses on graduates’ financial preparedness for life beyond school through the Senior Curriculum, Freebody’s focus on real world applicability of future syllabuses has direct implications. Real world applicability can be interpreted to mean those skills and knowledges graduates will need and use when entering the workforce and in general living. There is a responsibility on the QSA to develop senior curricula which address the real financial literacy needs of students and young adults as consumers in a time of global economic instability.
Pre-requisites for success in the workplace and further study.

The review of the QSA’s senior syllabuses conducted by Gilbert and Macleod published in 2006 focused on the degree to which the Senior Curriculum provides students with the types of pre-requisite knowledge, skills and pre-dispositions deemed necessary for success in future employment and study. In focusing on the preparatory function of senior schooling it complemented the reviews of both Conley and Freebody. Gilbert and Macleod established from the on-set that generally, school is viewed by most as a preparatory function for post-schooling pathways, both for further education and for work. The effectiveness of the Senior Curriculum as a preparatory function, they suggest, is being challenged by significant changes in the workforce, such as scientific discovery and understanding, the move from the production of goods to services, and in post-school learning options and experiences (2006).

It is from the standpoint of determining the extent to which students are being prepared for life beyond school through the Queensland Senior Curriculum, that Gilbert and Macleod analysed a large number of Authority and Authority-registered subjects in the suite of senior syllabuses. They contended that there is a degree to which the syllabuses are preparing senior students for their futures, however, they explain that it is not apparent across all subject areas and is highly dependent on the type of subject (Authority or Authority-registered), as well as individual elective units within syllabuses chosen by teachers. For example, they found:

In some syllabuses, core units are specified with additional elective units. In others, there are no required units and the course is constructed completely from a list of electives. In some cases, the number of electives to be studied is specified; in others, schools are advised to choose the number of electives to be studied within a specified range; in yet others, the number of elective units to be studied is completely open. (Gilbert & Macleod, 2006, p. 31)

Of specific interest in the contexts of this project on financial literacy, was Gilbert and Macleod’s analysis of each subject in relation to content around financial skills.
Foreshadowing findings from the current research about the lack of financial skills within the Senior Curriculum, Gilbert and Macleod contended that employment skills, which in their study specifically included the ability to budget and maintain finances (among other key workplace skills) were lacking. In fact they said that a focus on developing such skills was “quite rare” (Gilbert & Macleod, 2006, p. i). It should be remembered that a more explicit focus on employment skills was the whole purpose in adapting the 1992 Mayer Key Competencies, and later the Employability Skills Framework (2002), as a basis for curriculum decision making in primary, secondary and tertiary education settings.

More recently, the Melbourne Declaration for Educational Goals for Young Australians released in December, 2008, also established a commitment to a curriculum supporting students in the development of employability skills (MCEETYA, 2008, p. 1). If employability skills include the ability operate in a financially literate manner, then clearly, these skills are not being valued or they would appear more readily in curriculum documents and teachers’ work programs.

Concerns regarding Gilbert and Meleod’s findings of the lack of employment skills, and in relation to the present study, financial skills, are likewise confirmed by the release of the first draft of the Australian National Curriculum which reinforces the lack of priority financial education is being given in Australia. It is important also to remember when reading this, that the launch of the Australian Consumer and Financial Literacy Professional Learning Program was held during 2008. Recently, (May 2010) I reviewed the draft K-10 Mathematics syllabus to determine whether financial literacy skills had been included in the new Australian National Curriculum. It was unfortunate to discover that a search of the terms ‘finance’, ‘financial’ and ‘money’ rendered a very poor result, despite the syllabus stating in the introductory pages that “a particularly important context for the application of number and algebra is financial mathematics” (ACARA, 2010, p. 5). In this case, what is said in the introduction and what is detailed in the ‘content descriptors’ is quite different. Clearly, those developing the draft syllabus do not appear to have responded to the need for young adults to be financially literate. The ability for students in Years 1, 2 and 3 to be able to recognise, count and represent monetary values in multiple ways, and for Year 9 and 10 students to solve problems using...
financial mathematics does not equate to educating students about financial matters, and yet this is as far as the draft syllabus takes financial literacy.

Gilbert and Macleod clearly indicated they did not believe the senior syllabuses were preparing students for life beyond school. Unfortunately, a trend to omit important life skills such as financial literacy from the new national Curriculum looks set to continue unless significant changes take place within later drafts of the Australian National Curriculum or in Queensland’s Senior Curriculum.

Summary

The reviews of Queensland Curriculum by Conley, Freebody, and Gilbert and Macleod provided an overall analysis of the degree to which the Queensland Senior Curricula adequately prepare students for their futures. What each report clearly established is that there are specific issues around establishing what types of skills students ought to know by the end of 12 years of schooling in order to better prepare senior graduates for their social, educational and occupational futures. Each report focused on various aspects of high school graduate preparedness for life beyond school, and each drew similar conclusions about the development of life skills and particularly employability skills. Central to each report was the belief that syllabuses need to provide greater relevance for students’ futures and be updated to reflect new and emerging technologies, knowledges and practices. Each report contended that educationalists and curriculum developers must firstly redefine what the purpose of the Senior Curriculum is and secondly, establish specific core knowledges, content and skills across all senior syllabuses. A list of graduate attributes was also deemed necessary, which could be tracked across all syllabuses. The general consensus was that there must be a connection between living and learning.

The QSA has obviously given considerable thought to the findings from each of these reviews, and in 2009 released the Background Paper: Developing, maintaining and revising senior syllabuses: criteria for decision making. The Paper responded to the need to develop a set of new criteria to use in the development, maintenance and revision of current and new senior syllabuses. Specifically, the Paper described the need for standards that will provide syllabuses that:
• ensure the best preparation for post-school destinations for a diverse cohort of students
• are the right blend of knowledge and skills that promote powerful, relevant and deep learning and improve general education attainment for students at school
• reflect the changing needs and priorities within society and the economy
• complement, but do not duplicate, other learning options available to young people in the senior phase. (QSA, 2009a, p. 5)

Given the QSA’s on going commitment to improving curricula, it will be interesting to track the QSA implementation of new standards within each senior syllabus, although with the impending Australian National Curriculum for years K-10, their auspice of the Senior Curriculum may well be limited. None the less, future senior syllabuses must better reflect the world students live in and will live in when they graduate and that means updating and making relevant the suite of senior syllabuses.

To iterate the view that students are not being adequately prepared for life after school through the current Curriculum, Tim Hawkes, Headmaster of The King’s School in Sydney, in his article titled, ‘The failure of schools to educate’, asserted without apology the inadequacy of curricula in most Western schools to prepare students for life.

Too many schools have lost sight of those things that will be used by our students when they become adults. The relevance of contemporary school education is compromised by many things, not least by exam systems designed not so much to prepare students for life, as to help them get into tertiary education or improve the resume. (2008, p. 1)

Specifically, he emphasised the need for students to be taught financial literacy (amongst other life skill area).
The level of ignorance in students about financial matters can be frightening. This is revealed in the number of young adults and students who get into financial trouble through an inability to budget, a failure to understand the traps associated with credit cards and incapacity to retire debt. Persistently living beyond their means, relying too much on parental help and making unwise choices on hire-purchase, telephone plans and leasing arrangements are just some of the problems resulting from students not being taught about financial matters. In a society increasingly riven [sic] with debt, wealth generation and wealth management need to be taught. The rudiments of saving, and the traps to avoid when borrowing or getting involved in get-rich-quick schemes, need to be shared with our students if we expect them to manage financial affairs appropriately. (Hawkes, 2008, p. 4)

As a school principal for more than 20 years, Hawkes is acutely aware of the current function of schooling, and he is certain that a school’s role should encompass far more than preparing students to sit final exams. He is determined that his school should be preparing students for their life as adults. Further, he clarifies that it is not beyond the scope or ability of educators to design programs that can instruct students in areas they will need as an adult, in addition to the traditional academic programs. Hawkes’ views are consistent with those of the reports on Queensland curricula reviewed in this chapter. As will be seen in Chapter 7, Hawkes’ views are also consistent with the findings from the present research indicating that graduates do not feel that their senior schooling experiences prepared them sufficiently, if at all, to meet the challenges of personal financial management. Given the present research findings, it is argued here that Queensland’s Senior Curriculum is failing to adequately prepare many students with the financial life skills they require for living in contemporary society. There are minimal (at most) or no links between what students are being taught at school through the Senior Curriculum and the financial literacy skills identified by recent high school graduates as being important in their day to day life once they leave school (reported in Chapter 7). The following chapter moves beyond the scope of Queensland curricula’s by investigating government approaches to the financial preparedness of high school graduates internationally.
Financial literacy education literature indicates consistently that educationalists and governments in Australia, the United Kingdom and United States of America stress the need for high school graduates to have a wider knowledge of financial issues relevant to successful functioning as adults in a complex world (Financial Capability Team and Schools Project Working Group Members, 2006; Financial Literacy and Education Commission, 2006; MCEETYA Consumer and Financial Literacy Working Party, 2005). These same organisations and others have identified a large number of financial topics that ought to be addressed. Such topics included bank accounts, spending, mobile phones, debt, borrowing, financial planning, investing, goal setting, budgeting, credit, sources of financial advice, and rights and responsibilities (Financial Literacy and Education Commission, 2006; Financial Literacy Foundation, Quality Teacher Program Australia and Curriculum Corporation, 2008; National Centre of Social Research, 2006). In recognition of the importance of financial education, several governments have commissioned research, programs and curricula to address the financial literacy needs of both primary and high school students. This chapter discusses some of these projects and indicates the extensive funding and work on increasing young peoples financial literacy that have been initiated in schools internationally.

The call for students to receive financial literacy education is wide-spread. In March 2008, the OECD launched an electronic International Gateway for Financial Education with the aim of providing countries, world wide, with a range of financial resources, educational programs, and up to date information on financial education. Given the current economic climate, there has never been a more important time to educate students so they are more astute financially. With this in mind, this chapter takes a closer look at school programs and the policy level commitments by governments in the United States of America and the United Kingdom to increase students’ financial literacy. I will then present the financial literacy programs and initiatives that have been developed in Australia and discuss the effectiveness of their implementation.
United States of America

The USA has taken center-stage in the recent and ongoing global economic crisis. However, even prior to the collapse of many financial markets in 2008, recognition of the need for financial literacy education was on the Federal Government policy making and spending agenda. In 2003, President George W. Bush signed into law the Financial Literacy and Education Improvement Act, and thus followed the establishment of the Financial Literacy and Education Commission. The Commission’s objective was to “improve the financial literacy and education of persons in the United States through the development of a national strategy to promote financial literacy and education” (Financial Literacy and Education Commission, 2006, p. x). The National Strategy for Financial Literacy 2006, promotes the need for all Americans to have greater personal skills in handling financial matters including the very basic of life skills such as budgeting (2006). One of the main strategies adopted within the National Strategy is in regard to financial education being implemented through its schooling system.

[A] key component of the financial literacy challenge is to integrate financial education into established curricula for elementary, secondary, and post-secondary learning institutions. Identifying opportunities to incorporate financial education in this manner can help young Americans grow into financially educated adults who are astute consumers and who, in turn, impart this knowledge to their children. This kind of financial education can result in better household budgeting and other critical life skills. (Financial Literacy and Education Commission, 2006, p. x)

It is worth noting the call for increased research into successful methods of financial education to “assist policymakers, as well as public and private sector providers of financial education, to improve the effectiveness of their work on financial literacy…” (Financial Literacy and Education Commission, 2006, p. xii). Importantly, this call also stressed the need “to incorporate findings from academic research…to assess the effectiveness of financial education programs” Financial Literacy and Education Commission, 2006, p. xi).
Chapter 10 of *The National Strategy for Financial Literacy 2006*, provided a succinct overview of the challenges to implement financial literacy education in both primary and high schools. These challenges relate to finding room for financial education in an already crowded curriculum, teacher preparedness to teach financial literacy topics, and a lack of awareness by teachers of effective financial teaching materials. To respond to these challenges the Financial Literacy and Education Commission developed the MyMoney.Gov website which provides ample resources, programs, professional development and financial information for teachers to utilise. Additionally, an integrated approach to teaching financial literacy across curricula has been recommended for schools unable to offer specific lesson time. However, even using an integrated approach, no doubts many teachers will still struggle until changes are made to the curriculum. The National Strategy stated:

While many educators now understand the importance of teaching students basic money skills, often tightly regimented course schedules do not allow for the development of a separate, new course to meet this newly recognized priority. Typically, established core curricula consume most of the school day, leaving educators with little time to help their students become financially literate. (Financial Literacy and Education Commission, 2006, p. 84)

Furthermore,

Many teachers are not trained to teach financial topics. Financial literacy is not something they were taught in college or learned through professional development, and therefore, they may not feel comfortable or confident in their abilities to teach it to students. Some teachers may also question their own personal level of financial literacy, making it difficult for them to instruct authoritatively on the subject. The result is that a teacher may fully recognize his or her students’ need for financial education, but simply may not be trained to meet it. (Financial Literacy and Education Commission, 2006, p. 88)
Unfortunately, as in Australia, financial literacy has not yet been mandated in curricula and therefore it is up to individual teachers to decide what they will teach. This means that student outcomes and experiences are dependent on the knowledge and initiative of individual teachers, rather than a set of defined learning outcomes. In some schools in the USA, teachers are being assisted by volunteer executives from non-profit organizations and Government departments to implement and deliver financial literacy programs (Financial Literacy and Education Commission, 2006). The message from the Commission is straightforward – financial literacy is essential: “Teaching financial education in schools starts the process of preparing children to become competent consumers and managers of household wealth” (Financial Literacy and Education Commission, 2006, p. 87).

Although curricula may not have caught up yet with the demands of teaching financial literacy, many teachers in the USA are already supporting the need for their students to be financially literate and have been teaching various financial topics to their students.

A national study commissioned by Networks Financial Institute at Indiana State University showed that about half of all K-12 teachers in the U.S. use some form of financial literacy content in their classrooms. The study showed that high school math teachers were most familiar with financial literacy, with K-5 teachers being the least familiar. (Miller, 2007)

So in the USA, financial literacy education is a national priority and in the classroom is occurring to a degree, however, with no specific state requirement as this stage, students’ exposure to financial matters is dependant on the individual teacher or school facility and their involvement with Government and non-profit organisations. Lastly, only time will tell as to how effective the integrated approach has been in the USA.

United Kingdom

The UK has also indicated the need for its citizens to be financially literate. In the UK, the Financial Services Authority has a statutory responsibility for the financial
education of the nation’s people. As a result of this responsibility, the National Strategy for Financial Capability was established through the partnership of many private and public organisations. The *Financial Capability in the UK: Creating a Step Change in Schools* report was published in 2006, and acknowledged a number of key findings in regard to financial literacy education at a school level. The key findings were that:

- Most UK schools believe that personal finance education is important, but many do not deliver it because they feel the school curriculum is already stretched.
- For those schools that do teach personal finance education, lessons are generally infrequent and cover a narrow range of topics; most schools do not have an assessment policy in place for this subject.
- Few teachers feel confident in delivering personal finance education, and most would like more support and resources to help them.

These findings are important, as the issues on insufficient curriculum time, lack of state requirement and teachers’ own confidence in teaching financial topics raised by teachers in the UK, are consistent with the challenges and constraints reported by teachers and the Financial Literacy and Education Commission in the USA, as well as teachers interviewed in Queensland who participated in the current research. It should also be flagged briefly at this point that these are the same issues which teachers who were interviewed in the current research also brought up (see Chapter 7), indicating a common theme across all three continents, which is significant.

Since the establishment of the National Strategy for Financial Capability, The UK has developed a number of initiatives to assist in the development of financial education. However, one of their most important decisions was to engage the Personal Finance Education Group as the contractor to support its schools in providing financial education information, programs, support and training to teachers. Although financial programs are being run by various contracted organisations in Scotland, Wales and Northern Island, England has without a doubt been the pioneer when it comes to incorporating financial literacy education within the curriculum with some very exciting developments.
To begin with, the Government recently designated £11.5 million over a three year period to support financial literacy education. In addition, September, 2008, saw a new secondary curriculum launched. For the first time, a dedicated ‘Economic well-being and financial capability’ strand was introduced at key stage 3 (ages 11-14) and key stage 4 (ages 14-16), as part of a revised curriculum for ‘Personal, Social, Health and Economic’ education (P. Jinks, personal communication, 22 September, 2008). Then, on 24 March, this year (2010), on the same day as the release of the budget, Schools Secretary, Ed Balls from the Department for Children, Schools and Families announced that personal financial education would become a compulsory part of the curriculum as of September, 2011. The Personal, Social, Health and Economic subject which includes economic well-being and financial capability would be made a compulsory subject for all students aged 5 to 16 (Personal Finance and Education Group, 2010). This is all in addition to the £10 million My Money programme launched by the HM Treasury and the Financial Services Authority in July, 2008.

It is apparent from the steps being taken in England, particularly the decision to mandate personal financial education, and the extensive funding being allocated to financially educate their young people, that the UK Government is serious about its commitment to students’ financial education. Hopefully, these initiatives and programs being developed will gain momentum and be effective in providing school-based financial education. It is also hoped that these significant advances will have a flow on effect throughout the UK and beyond.

**Australia**

So where is Australia positioned compared to countries such as the USA and UK when it comes to financial literacy education for its students, and what changes are likely with the impending Australian National Curriculum?

In February 2004, a Consumer and Financial Literacy Taskforce was appointed by the Liberal Government to develop Australia’s first national strategy for consumer and financial literacy (Consumer and Financial Literacy Taskforce, 2004a). By June of the same year, the Taskforce had released a Discussion Paper, *Australian*
Consumers and Money (Consumer and Financial Literacy Taskforce, 2004b) and made several recommendations to Government. A key recommendation was the establishment of a “national financial literacy body as the means for taking forward a national strategy for improving consumer and financial literacy” (Consumer and Financial Literacy Taskforce, 2004c).

This recommendation resulted in the establishment of the Financial Literacy Foundation (as a division of the Treasury) in June, 2005. Since being established, significant progress has been made in developing financial literacy resources and programs for teachers, including the development of the ‘Understanding Money’ website. This website was designed with teachers and students in mind (see http://www.understandingmoney.gov.au/) and offers a range of financial education resources. The Foundation also met with each state and territory’s education authority to establish a national financial literacy program for Years K-10 (the Consumer and Financial Literacy Profession Learning Program), which it hoped would be implemented in schools during 2009.

On 1 July, 2008, the functions of the Financial Literacy Foundation were transferred to the Australian Securities and Investments Commission (ASIC). Since then, the Consumer and Financial Literacy Profession Learning Program has been launched Australia wide through district and state-wide conferences, to demonstrate to teachers how they can use the program by integrating the financial literacy outcomes listed in the program into their existing state’s curriculum.

Like many teachers, I chose to attend the launch of both the district and state-wide conferences in 2008 for the Consumer and Financial Literacy Profession Learning Program. I was disappointed when attending the district conference on the Gold Coast to see the small number of teachers and schools represented. At this conference there were just ten participants at the primary workshop and twelve at the secondary one. These teachers represented eight and twelve schools respectively. At the State Conference in Brisbane, held in November, 2008 numbers were just as poor, with only 101 delegates attending. What this exemplifies is that while acknowledging the importance of financial education, the commitment for schools and teachers to take up this challenge is limited and reliant on the initiative of
individual staff or schools. In addition, while it was hoped the Financial Literacy Professional Learning Program would be implemented in schools during 2009, my interviews with Mathematics, SOSE and Business teachers, most of whom were Heads of Departments, (see Chapter 7) indicated that only one teacher had heard of the Program and had attended the state-wide conference.

At the district workshop, although the teachers who attended appeared pleased with the initiatives of the program, and were swift to acknowledge the urgent need for their students to gain a better understanding of financial literacy matters, discussion quickly turned to where responsibility would lie for the dissemination of financial literacy and which subject/s should incorporate financial education. It seemed to be a case of teachers wanting students to receive financial training but feeling ill equipped or not desiring the additional workload its delivery would bring.

Furthermore, towards the end of the workshop, I asked the presenter whether the Consumer and Financial Literacy Profession Learning Program, that was being presented, was indeed compulsory (given that so few teachers were in attendance). The answer was ‘no’, but that it was hoped that teachers would adopt the Program. Clearly, despite years of research, negotiation and the establishment of a national financial literacy program, it is apparent that financial literacy education in Australian schools remains a priority of rhetoric rather than practice. This is clearly demonstrated, with the recent release of the draft national Mathematics syllabus (see http://www.acara.edu.au/verve/_resources/Australian_Curriculum_-_Maths.pdf), and was discussed in the previous chapter. The new draft Mathematics K-10 syllabus fails to address financial literacy education in any significant way, merely giving mention of using finance as a context for number and algebra work in Years 9 and 10.

It is also noteworthy that although the Consumer and Financial Literacy Profession Learning Program is undoubtedly valuable, it currently only provides outcomes for Years K-10, not Years 11 and 12, when students are perhaps at their most active financially (with many casually employed) and preparing to become independent. At this point, it seems that Australia is in a similar position to the US. Until financial
literacy is mandated in curricula and outcomes are specified in syllabus documents, financial education is unlikely to be part of Australian students’ core learning.

Summary

This brief review of financial literacy policy and practices in the USA, UK and Australia suggests that while there is policy level support for including the foundations of financial literacy education in school curricula, little has been done to mandate financial literacy content into school curricula or to deliver it to students in a consistent fashion. The exception to this is in England where the inclusion of personal financial education will be mandated for all primary and secondary students from September, 2011. Governments need to acknowledge that unless financial literacy is mandated as a required strand or subject area within the curriculum, it will not feature as a priority in the classroom, despite the resources made available to schools. Financial education is imperative to the future wellbeing of the next generation. As Ben Bernanke, Chairman of the Federal Reserve Board, stated when he opened the Jump$tart Coalition for Personal Financial Literacy and Federal Reserve Board Joint News Conference, held in Washington, D.C in April, 2008:

The financial preparedness of our nation's youth is essential to their well-being and of vital importance to our economic future. In light of the problems that have arisen in the subprime mortgage market, we are reminded of how critically important it is for individuals to become financially literate at an early age so that they are better prepared to make decisions and navigate an increasingly complex financial marketplace. Choosing a credit card, saving for retirement or for a child's education, or buying a home now requires more financial savvy than ever before. (Bernanke, 2008, p.1)

This statement indicates the potentially important role of financial literacy in school curricula both in the US and beyond. Certainly in Australia, further work is needed to mandate the teaching of financial literacy and to develop a suite of financial literacy outcomes for all year levels. It certainly seems that since the launch of the Consumer and Financial Literacy Professional Learning Program in 2008, little else has been done in the area of financial literacy in our schools. The current
Mathematics draft national curriculum does not include financial literacy outcomes for years K-10 in any sufficiency and has ignored the expertise of those who developed the Consumer and Financial Literacy Profession Learning Program, funded by the previous Government to address financial literacy education. The recommendation in the present report is that financial literacy should be mandated as a stand alone non-assessed subject for Year 11 and 12 students (see Chapter 8). Although there is currently a topic called Financial Mathematics in the Year 9 and 10 National syllabuses the description clearly indicates other priorities:

Year 9 - “Solve problems in financial mathematics including application of simple and compound interest including using ICT and judge reasonableness of results.” (ACARA, 2010, p. 20).

Year 10 – “Solve problems in financial mathematics including ones using recursive techniques, and extend these techniques to investigate growth and decay including using ICT. (ACARA, 2010, p. 21)

As can be seen from the descriptors above, finance is not being taught, but financial contexts are flagged as settings to teach students how to solve number and algebra problems.

As indicated in this chapter, financial education is clearly a Government priority in countries such as the USA and UK, however, why so many education departments have failed to mandate its inclusion in curriculum documents remains a mystery. Governments in Australia, the USA and UK all concur regarding the need for young people to have a wider knowledge of financial issues, but to date have failed to effectively act on this belief. Work towards the goal of financial education in these countries has been extensive and costly, yet, evidence of widespread implementation of financial literacy education or of increased student financial literacy is not yet apparent, even in the UK. As indicated in this section, most of the problems acknowledged in delivering financial literacy education have been due to financial literacy not being mandated and outcomes not stipulated in curriculum documents. The lack of mandatory inclusion leads to a lack of relevant and consistent teacher knowledge and skills, and no specific time and place to include financial literacy in
an already over-crowded curriculum. Yet, given the current economic climate, there has never been a more important time to educate students about financial matters, especially in the senior years of secondary school when students are at their most financially active.

Having taken into account the findings from the reviews of the QSA’s senior syllabuses discussed in Chapter 3, as well as the international findings discussed in the current chapter, decisions regarding the way in which the interview instruments would be developed for graduates and teachers participating in the present research were made. The following section details how the current research project was developed and carried out.
SECTION 3
THE RESEARCH
CHAPTER 5

Research Methodology

The purpose of this chapter is to describe the research methodologies used to address questions around secondary students’ school experiences with financial literacy and the extent to which they graduated from high school with relevant financial literacy skills. It was noted from studies on the financial literacy of university students (Beal & Delpachitra, 2003; Bird, 2008; Samy, Tawfik, Huang & Nagar, 2008), that student interviews and surveys have been widely utilised to gain primary data on students’ own level of financial literacy. Given the need to gain in-depth data about students’ in-school experiences and the effectiveness of their financial literacy knowledge for the real world, personal interviews were considered appropriate to provide detailed insights into financial literacy experiences in this context.

It is important to recognise that the above limited studies in Queensland around the financial literacy of young people have mainly sampled high school graduates who are enrolled in university courses. Searches using terms including ‘financial literacy in Queensland schools,’ demonstrated the lack of research about the financial literacy of young Queenslanders. As such, the present study is unique in that it probes the area of financial literacy to explore the financial preparedness of 18 and 19 year olds from a range of post-school pathways – university study, TAFE, traineeships, apprenticeships, and employment of various types.

Research Methodology

The research is qualitative and was based on the concept of grounded theory – to be discussed later. The decision to interview high school graduates and senior school teachers enabled the generation of in-depth and insightful data. In addition, the evaluation forms completed by Year 12 Indooroopilly State High students who participated in the Financial Literacy Seminar held at their school in 2008, added information on current secondary students’ experiences with financial literacy in their senior years. These data provided a sound base against which to explore
relevant policy documents and reports on Queensland curricula and especially the inclusion of financial literacy in the Queensland Curriculum.

The validity of qualitative methodologies in educational research settings have been clearly established over the past 30 years. According to Bogdan and Biklen (2007) “qualitative research was established in order to give voice to those who were marginalised by society as its primary goal is to draw out the stories, feelings and experiences of individuals or minority groups of people within society” (2007, p. 17). While the graduates interviewed in this research were not ‘marginalised’ per se, I sought to understand their thoughts about and exposure to financial education and how this influenced their life beyond school. As Freebody stated:

The significance of qualitative research is that it points to a paradigm – a coherent collection of propositions about the world, their relative importance, and particular ways of finding out and knowing about them – rather than just to a collection of techniques. (2003, p. 38)

Because qualitative research is often based on the narratives of participants in a study and is usually undertaken in a natural environment, the resulting data are seen as holistic and largely representative of the totality of participants’ experiences. Qualitative research can reveal how “individuals interpret and make sense of their experiences” (National Health and Medical Research Council, Australian Research Council, & Australian Vice-Chancellors' Committee 2007, p.25). This was precisely what this research set out to reveal; that is, to reveal graduates’, teachers’ and students’ views and stories regarding their experiences with financial matters while at school and since graduating. It was the everyday stories of these individuals that would provide significant data to answer the question: Are Queensland school graduates adequately prepared through the Senior Curriculum for life beyond school in relation to their personal financial skills?

Understanding that the goal of the present research was to give ‘voice’ to Queensland graduates, teachers and students about their experiences with financial education, grounded theory was viewed as an appropriate underpinning framework for consideration and analysis of data from interviews and from policy documents.
The concept of grounded theory was flagged by Barney Glasser and Anselm Strauss in the late 1960s. Grounded theory differs in its application from other methodologies as it requires theory to be developed as a result of the analysis and conceptualisation of the data collected rather than starting the research with a set hypothesis. Grounded theory based approaches allow for smaller sample group sizes given that the intention is to collect in-depth data. The theory promotes the analysis of data early on in a study to assist in refining and identifying emerging concepts or patterns which are later coded and categorised in order to link these categories and form theories which are ‘grounded’ in the data.

Importantly, grounded theory allows researchers to access empirical data from participants whether by interview, case study, field notes, journals, etcetera (Thomson, n.d). Grounded theory requires that researchers do not influence the data instruments, collection or analysis through their own biases, preconceived beliefs or previous studies, but rather, they develop research questions which are “open and general rather than formed as specific hypotheses” (Davidson, 2002, para. 3). However, I do question the extent to which this is actually possible – can a researcher be completely neutral when research involves the welfare of other people, even if they desire to be? Despite these reservations, in this research concerted efforts were made to ensure that as much as possible, a neutral position was taken, and that respondents had the opportunity to tell their stories absent from bias or influences from myself as the researcher.

The final method undertaken in this research was a literature review, probing and comparing current reports on the effectiveness of the Queensland Studies Authority’s Senior Curriculum and the extent to which financial literacy is covered in the senior syllabuses. In addition to these reports (discussed in Chapter 3), educational policies and practices (see Chapter 4) around financial literacy were reviewed to gain a comprehensive insight into Queensland’s position on and practices in financial literacy in the light of policies, practices and outcomes both nationally and overseas. Although the outcomes of the present study may not be generalisable across all of Queensland, the results are consistent with findings from other published studies, in that they show the paucity of students’ in-school developed financial literacy. In this sense, they have some face validity.
Reliability and Validity

The aim of this study was to explore the extent to which graduates are prepared through the Senior Curriculum to operate in a financial literate manner once they leave school. As will be discussed, although the sample of high school graduates was small (n=24) the in-depth nature of the interviews with them, their varying experiences at secondary school and post school, and the fact that they studied a mandated curriculum, suggest that although the results may not be generalisable to all Queensland schools and students, low levels of financial literacy among graduates is a widespread problem. Further studies designed to look specifically at the difference in financial literacy levels between OP eligible and OP ineligible graduates (that is those who mainly study Authority subjects and those who mainly study Authority-registered subjects and do not intend to go to university) would be an interesting follow up to the current research given that one key finding in this study is that those who had completed Authority-registered subjects, such as Pre-vocational Mathematics, were more likely to be content with the financial literacy skills they had learnt at school and were more likely to state they had been able to apply those skills to their lives.

Participation

A total of 24 graduates and 8 teachers from three schools located in middle ranked socio-economic areas in South East Queensland were interviewed about their in-school financial literacy experiences. Schools were selected by drawing on Australian Bureau of Statistics (ABS) (2006) SES data. School lists were compiled and reduced selectively according to their type – State, Government or specialised.

Initially, only State schools were selected as their enrolment relies on families dwelling within the school’s zoned area, whereas, private schools are not restricted in this way, and are often selective in their enrolment processes. The result was a selection of State high schools that were co-educational and located in Brisbane and the Gold Coast. However, when approval was sought through Education Queensland (EQ) to conduct the research, it was not forthcoming on the grounds that research on financial literacy had not been identified by the Department as a priority area: “Your
application has been reviewed and it has been decided that the topic of your project does not strongly align with the department’s current priorities” (J. Dugan, Personal communication, 18 December, 2008).

I was later informed by another staff member from EQ that I did not require Department approval if I only approached an individual State school and the principal gave approval to participate. Therefore, after discussing the matter with one school principal, who felt the research was quite valuable, I was able to access a single State school. The other two participating schools were Catholic Schools. The final three schools were selected because they provided both a good socio-economic cross section of participants and accessibility.

I would sincerely like to thank the personnel at all three schools (and the Catholic Education office) for assisting me with this research. The research was approved by Charles Darwin University’s Human Research Ethics Committee.

Once the research and school participation was approved by each school principal and the CDU Ethics Committee, I was invited formally to meet at the selected high schools to organise the list of graduates and teachers to be interviewed. Graduates were selected from an alphabetised, 2007 class list, through a process of randomly selecting the first person and every tenth graduate thereafter until 30 graduates had been chosen from the school’s list. Although each school posted out the letters of participation explaining the research (which I provided), only four out of 90 letters were returned. This poor response necessitated a different method of approaching the graduates.

After discussions with principals at the individual schools, alternative ways of contacting graduates were identified. One school requested that I come in and phone the graduates from their office under their supervision; the second school decided to call the graduates themselves (still maintaining the random selection process). From the third school one of the graduates who had responded by post, and had been interviewed by that stage, contacted fellow alumni to request their participation in the research. As a result she provided me with a list of 17 fellow graduates she had contacted to explain the research and request participation from.
Although I was initially concerned that this latter sample of students would not provide the internal validity I needed, I was mistaken. This group of graduates was quite heterogeneous. It contained male and female students studying at university, and TAFE, people working full time, part time and casually, as well as those living at home and independently. This school’s strategy of approaching alumni directly by phone to explain the research was also successful in producing the sample of participants required for the research.

All interviews with graduates and teachers were recorded, and participants provided with a pseudonym to maintain confidentiality. Re-identifiable data were kept solely to compare data sets. Tables 1 and 2 show the characteristics and distribution of both graduate and teacher participants:

Table 1
Composition of graduates interviewed

<table>
<thead>
<tr>
<th></th>
<th>Catholic school</th>
<th>State school</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Male</strong></td>
<td>8</td>
<td>5</td>
<td>13</td>
</tr>
<tr>
<td><strong>Female</strong></td>
<td>8</td>
<td>3</td>
<td>11</td>
</tr>
</tbody>
</table>

Table 2
Composition of teachers interviewed

<table>
<thead>
<tr>
<th></th>
<th>Catholic school</th>
<th>State school</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Male</strong></td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td><strong>Female</strong></td>
<td>4</td>
<td>1</td>
</tr>
</tbody>
</table>

Graduate participants
To establish the extent to which graduates are adequately prepared through the Senior Curriculum for life beyond school in relation to their personal financial skills, it was imperative to find out from the graduates themselves, how prepared they felt the school system left them to make financial decisions pertaining to their own well-
being. Graduates’ views of their experiences during and post senior schooling are important in that they demonstrate the realities of the financial skills being transmitted through our schooling system. As Groundwater-Smith stated, in her presentation regarding the importance of consulting young people to improve teaching practice, “Children have a right to be heard” and, “Who best knows what it is to be a student if not the students themselves” (2009, p. 2). Recent high school graduates, who are the ultimate stakeholders of the education system, were therefore imperative to consult in this matter of financial literacy education.

While the sample group of 24 students was small, students were representative of a wide range of middle socio economic backgrounds and it was anticipated that their experiences would provide a fair representation of the financial literacy skills being taught at a senior secondary level. It was also expected that responses would indicate if reports in the media regarding the financial troubles of young people applied to this group of people. The sample group of graduates (13 males and 11 females as shown in Table 1) represented young people who were 18 or 19 years of age. (Due to Ethics requirements I had to ensure each participant was 18 years or older.) Of these 24 students 14 were OP eligible and 10 were OP ineligible (see Table 3). This difference in OP eligibility (as mentioned earlier) was an important distinction and became a focus in the analysis of the interview data and is discussed fully in Chapter 7.

Table 3
OP eligible and OP ineligible graduates interviewed

<table>
<thead>
<tr>
<th></th>
<th>Catholic school</th>
<th>State school</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>OP eligible</td>
<td>11</td>
<td>3</td>
<td>14</td>
</tr>
<tr>
<td>OP ineligible</td>
<td>5</td>
<td>5</td>
<td>10</td>
</tr>
</tbody>
</table>

Of 24 graduates, 20 were still living at home, although two of these students had moved out of home for a period and had returned. Consistent with the findings in the Next Step Destination Survey (Department of Education, Training and the Arts,
2008), the majority of the graduates in the current research were combining part-time or casual work and study.

The interviews with the graduates were electronically recorded and were usually conducted face to face at the graduate’s home, however on six occasions interviews were conducted via teleconference usually at the request of the graduate and often due to the time he or she arrived home from university, TAFE or work. The interview environment was quite relaxed on all occasions. Most interviews concluded with the graduate asking me questions about the research, sharing his or her enthusiasm regarding the research and discussing with me the need that exists for financial literacy skills to be taught explicitly during senior schooling. The duration of each interview was not as long as initially anticipated; on average, each interview was 20 minutes long – with the longest being 32 minutes and the shortest only 11 minutes.

Interview questions for both the graduate and teacher participants were developed on the basis of literature reviewed during the initial months of the research. This literature, in addition to my own experiences in discussing financial matters with younger adults (let alone my own financial experiences as a young adult), determined a list of proposed questions focusing on whether graduates are being adequately prepared through the current senior curriculum to operate in a financially literate manner.

The questions developed for the graduate interviews needed to enable graduates to describe their experiences at school and since graduating in dealing with financial matters, yet not be so revealing or personal that they would feel uncomfortable during the interview. Therefore, questions on how much money participants had in savings or amounts of money they owed were avoided. Rather, the approach taken was to discuss the events they had experienced and allow individuals to open up and discuss the matter to the depth they were comfortable with (made easier by the fact they were usually in their own homes during the interviews). This approach worked successfully and as a result, produced a rich set of data to analyse. This semi-structured interview approach enabled the participants to somewhat steer the interview and therefore change, to a degree, the scope of questions initially prepared.
Additional questions were asked where appropriate to each participant, and other questions were omitted and/or developed as a result of the earlier interviews. The list of proposed questions was disclosed to each graduate prior to the interview and is shown in Appendix A.

*Teacher Interviews*

Classroom teachers are a great source of knowledge when it comes to describing the effectiveness of the Curriculum at a classroom level, the changing nature of teaching, and establishing what they feel students’ needs are and how best to manage or meet these. They are the ‘front line’ experts, seeing first hand how students engage (or do not engage) with syllabuses. Most teachers have a clear opinion regarding whether the syllabus/es they teach are effective in educating their students, and in discussions, are usually able to identify how syllabuses could be modified to better suit the current student population. Given this depth and breadth of knowledge, it was imperative in conducting this research to obtain the views of a sample group of teachers in order to establish the degree to which financial literacy skills are being taught in particular subject areas, as well as whether they felt exposure to financial literacy skills in the senior school was sufficient in preparing students for their future adult lives. The three department areas selected for investigation were Mathematics, Business and Studies of Society and the Environment (SOSE). It was believed that these three areas lent themselves more readily to the inclusion of financial literacy education. Mathematics in particular, is one of the most likely subjects in which financial literacy is or could be taught.

Eight teachers representing each of the three subject areas: Mathematics, Business and SOSE were selected by each school principal to participate in an interview about the extent of financial literacy skills taught in their department’s senior subjects and their professional opinions about financial literacy for senior students. (In one school only two teachers were interviewed at the request of the principal). All were senior teachers involved in the construction of senior school work programs. All but one were Heads of Department (HOD), even though I had informed the principals that the teachers selected for the interviews did not need to be a department head. In addition, most of the teachers were also ‘Panel Members’ (that is, teachers within a school district who, among other responsibilities, moderate senior students’ work
during the moderation and verification processes in a particular subject), which was advantageous given the questions I raised in the interview regarding work programs and interpretability of the syllabuses. Each teacher interviewed was very experienced having taught for many years (although I did not specifically ask how many years they had taught). Not surprisingly, each teacher demonstrated comprehensive knowledge about the range of subjects within their department. In two cases, teachers were also able to compare their experiences with the Queensland Curriculum to teaching experiences in other states.

The teachers interviewed (three males and five females) were a heterogeneous group in that they all had quite varied teaching experiences in terms of location, years of experience and teaching responsibilities. The interviews took place in each school in a private room that was convenient and comfortable for the teacher. The duration of each interview varied from 23 minutes to 43 minutes and each was digitally recorded. At the end of each interview most staff had questions for me and provided additional ‘informal’ and unrecorded feedback. During this time what was continually expressed by these teachers was the dilemma of knowing students needed to learn financial literacy skills but questioning how to ‘fit’ financial education into the timetable. Much discussion was had regarding the use of Pastoral Care lessons and other ‘life’ programs to disseminate this important financial literacy information to students.

All of the interviews ran very smoothly. Prior to the interview each teacher was provided with a sample list of questions (shown in Appendix A) that might be asked during the interview, and was informed that the questions would be used as a guide dependant on the information shared by the teacher. Early analysis of interview data assisted in the development and refinement of interview questions.

The emergent themes as categorised in the data analysis of the graduate and teacher interviews were established with the assistance of a Microsoft Excel spreadsheet. I organised the transcribed interview text into various themes and coded patterns according to the questions asked and the answers, discussions, stories and examples provided by the participants. These themes and coded patterns are described in Chapter 7.
**Problems Encountered**

Although the research was clear in its objectives, in that it sought to identify the degree to which financial literacy is taught within the Senior Curriculum, an issue that emerged during the study was one which Gilbert and Macleod identified in their report (2006), that is, the ‘electiveness’ of the senior schooling years. Students in Years 11 and 12 have the ability to select a number of subjects to study. Due to the range of subject combinations, students are exposed to a wide spectrum of experiences, knowledge and skills. In saying this, however, it was initially assumed that given that the senior syllabuses are presumed relatively prescriptive throughout Queensland schools, graduates’ experiences with the syllabuses would be comparable at least within matching subject areas. This, as the interviews revealed, was not necessarily the case (see Chapter 7). In terms of financial literacy, the focus of this study, the extent of financial literacy education within senior school syllabuses was dependent on the senior subjects studied by the sample of graduates. Fortunately, the cross section of graduate participants was such that a sufficient number of senior subjects (24 Authority and 14 Authority-registered) were taken by students, providing good subject representation.

Graduates’ range of socio-cultural backgrounds also needed to be considered during the interviewing process and in the analysis of the interview data. It was considered important to ask how much influence a graduate’s family background has had on their ability to manage personal finances. It was noted, that two of the graduates who were recent immigrants to Australia from non-English speaking backgrounds, struggled to understand the questions asked during the interview. Throughout these two interviews, there were times when I needed to ask a question in a number of ways in order for it to be understood. This difficulty in comprehension was in itself concerning given that these students had recently completed their secondary schooling in Queensland.

An additional challenge in conducting this research was the lack of comparable research findings. As discussed at the beginning of this Chapter, research in Queensland regarding the financial literacy of young people is limited. Reports published (Beal & Delpachitra, 2003; Bird, 2008; Samy, Tawfik, Huang & Nagar,
2008) have sampled university student populations limiting the results to those who can attend university or choose to attend university in the first instance. In saying this however, Beal and Delpachitra’s study foreshadowed the same conclusion that this study reports - that “the education system in Australia...appears to put little emphasis on financial education so that high-school leavers are little prepared for the major, and minor, financial decisions in life” (2003, p. 2). (Beal & Delpachitra’s research investigating the financial literacy among university students, sampled the student body at the University of Southern Queensland in Toowoomba.) Beal and Delpachitra’s study concluded by saying that: “financial literacy is not high and this, no doubt, stems from the lack of financial-skills education in high schools” (2003, p. 9). Although it is not evident from their report how they arrived at the conclusion that high school education is to blame for poor financial skills, according to the current research, they would be, largely, correct.

The current research investigated the financial preparedness of graduates looking specifically at how ‘senior schooling’ prepares students to make financial decisions as young adults. Explorations of the relationship between the Senior Curriculum and graduates’ financial literacy have simply not been conducted in the past, to my knowledge, in Australia or overseas. Research regarding graduate preparedness for post school life has mainly focused on post school pathways, specifically, preparation for the workforce and employability skills, or preparedness for higher education. Although these factors are important, just as critical is the financial preparedness of secondary school graduates.

Financial Literacy Seminar

As mentioned at the beginning of this chapter, there were three main aspects of the research, a review of current literature regarding financial literacy and the Senior Curriculum, the graduate and teacher interviews, and the Financial Literacy Seminar. The Seminar was an important event during the research because it sought the views of senior students, providing them with an opportunity to offer feedback regarding the design of financial literacy as a proposed senior school subject. The Seminar is discussed in detail in the following chapter, however it should be noted here that the topics for the Seminar, which included: Personal Loans, Basic Budgeting, The
Consequences of Debt, Credit Cards, Mobile Phones, Contracts and Scams, and a workshop on Buying a Car, were chosen based on the literature reviewed early in the research (Australian Associated Press, 2007; Calligeros, 2008; Christian 2008c, 2008d; Welford, 2008), as well as my personal experience with young adults and their finances. The Seminar was provided for Year 12 students and an evaluation form was received back from those in attendance to discuss how useful they found the information presented. The evaluation form also enabled participants to suggest any further financial topics that they would be interested in learning about, as well as provide their opinions on a proposed financial literacy type of subject for senior students. A copy of the evaluation form is found as Appendix B.

**Summary**

In summary, this is a qualitative study which has drawn on the principles of grounded theory to develop research instruments and analyse the data collected. This chapter provided a brief description of the principles behind grounded theory in regards to how researchers draw conclusions which are grounded in the data. Furthermore, a background about the importance of qualitative research was provided to illustrate the development of this methodology within the field of education. The chapter explained that although the results cannot be generalized to all Queensland schools and recent graduates, they do support findings from other published studies about young Australian’s poor financial literacy, and therefore have some face validity and transferability. The following chapter outlines the Financial Literacy Seminar event and the evaluations received from participants.
CHAPTER 6

Financial Literacy Seminar

The Financial Literacy Seminar was developed as a key part of this research in order to explore what financial topics were considered useful by senior students and to gain their views on the importance of financial literacy. It was intended that information from students attending the seminar would complement the information provided by the graduates and teachers who participated in the interviews during the research. Given that this research sought to determine the relationship between the Senior Curriculum and financial preparedness of graduates, it made sense to access the responses of a group of senior students to a range of financial literacy topics. The Seminar was organised as a one day, stand-alone event for Year 12 students and was held at the beginning of Term 3, 2009. Presenters approached for the Seminar represented industries including the banking, solvency and government sectors, and in reality, represent the small number of industries that can be involved in the preparation and delivery of a financial education program in conjunction with teachers. Overwhelmingly, the feedback from students in attendance emphasised the value of the seminar and the usefulness and relevance of financial literacy skills for young adults. In this way it reflected many of the graduates’ responses (as is discussed in Chapter 7). This chapter discusses the Financial Literacy Seminar, describing the how the Seminar was organised, the topics presented, the responses of senior students to a range of financial topics, and their relationship to responses from the graduate interviews and in relation to literature reviewed.

Seminar Design

The Financial Literacy Seminar was presented to Year 12 students of Indooroopilly State High School (my old high school) on the 29th July, 2009. The purpose of this seminar was to present a number of financial topics believed to be relevant to this age group in order to increase their financial knowledge and receive instant feedback on the usefulness of the topics presented, as well as their suggestions on other financial topics they would be interested in learning about. The topics presented included: Personal Loans, Basic Budgeting, The Consequences of Debt, Credit
Cards, Mobile Phones, Contracts and Scams, and a workshop on Buying a Car. The topics were selected on the basis of research indicating the financial issues young people are experiencing (Australian Associated Press, 2007; Calligeros, 2008; Christian 2008c, 2008d; Welford, 2008), as well as my own experience with finance as a young adult, and in discussing financial matters with other young adults. Experts were approached to present each of the topics (except for Basic Budgeting, which I presented). The experts included keynote speaker, Stephanie Retchless from The Finance Fairy, Morgan Lane from Worrel's Solvency and Forensic Accountants, and Siobhan Ford and Agata Rusin, Investigators from the Australian Competition and Consumer Commission (ACCC).

It was important to approach presenters who could provide accurate financial advice; therefore this meant seeking experts, rather than teachers who had only some knowledge of these very specific areas. In fact, teachers who I initially spoke to indicated that they felt inadequate presenting any of the topics listed to senior students. This lack of confidence is consistent with findings from research in the USA and UK on teacher confidence in supporting students’ development of financial literacy. A UK study reported that:

> Just under a third (29%) of primary schools would also like more advice from government education departments, while within secondary schools, a quarter (24%) would like to have more external people in to talk about personal finance. Across all types of schools, there was also a desire to have more training (19% of primary, 21% of secondary and 14% of independent school). (National Centre for Social Research, 2006, p. 5)

Clearly, many teachers lack confidence in teaching about personal financial matters and would like to harness the support of experts to assist them. Certainly, teachers can be supported to deliver financial literacy programs, however experts who work in the finance industry could be utilised to provide real life examples and current information to students on a regular basis.

Prior to the Seminar I provided a list of topics to the presenters so they would be aware of the ‘big picture’ and know what would be presented during the day. It was
also stressed from the on-set that this event was for the education of young adults rather than an opportunity for marketing a product or service. Not surprisingly, each presenter was very professional and focused on the assigned financial literacy topic/s. Impressively, each presenter picked up on what a previous presenter had spoken about emphasising the importance of certain financial aspects (for example, the importance of insurance) to the students.

The feedback (written and verbal) from students highlighted the usefulness of the topics presented to students’ immediate needs and short term futures. Similarly, the feedback from the presenters was very positive and they indicated their willingness to address students in the future if the opportunity was made available. Both presenters and students recognised the value of the information to financial well-being, as evidenced by their feedback forms.

A total of 108 students (out of a possible 188 Year 12 students) participated in the seminar. Regrettably, the School’s Heads of Department had nominated to conduct the seminar on a Wednesday, which (unknown to me at the time) was the School’s inter-school sports day; a day when Year 12 students are permitted to go home at 12:30pm or participate in inter-school sport. In addition, the Year 12 students were not informed about the Seminar until a few days earlier, meaning that factors such as work commitments would be an issue for afternoon attendance.

Students who were in attendance for the whole day were asked to complete an evaluation form at the end of the Seminar and 65 forms were collected. (A copy of the form is provided as Appendix B) The evaluation form had three main aspects. The first was for students to rate the usefulness of the subject matter presented on a five point scale - Not Very Helpful, Somewhat Helpful, Helpful, Quite Helpful and Very Helpful. As can be seen from the table below, no less than 79% of students who completed the evaluation form rated each of the topics either Helpful, Quite Helpful or Very Helpful.
Table 4  
Student ratings of financial topics presented at Seminar

<table>
<thead>
<tr>
<th>Topics</th>
<th>No Response</th>
<th>Not Very Helpful</th>
<th>Somewhat Helpful</th>
<th>Helpful</th>
<th>Quite Helpful</th>
<th>Very Helpful</th>
<th>Quite Helpful &amp; Very Helpful %</th>
<th>Helpful, Quite Helpful &amp; Very Helpful %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Loans</td>
<td>1</td>
<td>1</td>
<td>7</td>
<td>23</td>
<td>18</td>
<td>15</td>
<td>53.2</td>
<td>90.3</td>
</tr>
<tr>
<td>Basic Budgeting</td>
<td>0</td>
<td>3</td>
<td>10</td>
<td>22</td>
<td>23</td>
<td>7</td>
<td>48.4</td>
<td>83.9</td>
</tr>
<tr>
<td>The Consequences of Debt</td>
<td>0</td>
<td>2</td>
<td>9</td>
<td>21</td>
<td>15</td>
<td>18</td>
<td>53.2</td>
<td>87.1</td>
</tr>
<tr>
<td>Credit Cards</td>
<td>1</td>
<td>0</td>
<td>4</td>
<td>19</td>
<td>28</td>
<td>13</td>
<td>66.1</td>
<td>96.8</td>
</tr>
<tr>
<td>Mobile Phones, Contracts &amp; Scams</td>
<td>4</td>
<td>2</td>
<td>10</td>
<td>20</td>
<td>18</td>
<td>11</td>
<td>46.8</td>
<td>79.0</td>
</tr>
<tr>
<td>Workshop: Buying a Car</td>
<td>6</td>
<td>0</td>
<td>0</td>
<td>14</td>
<td>17</td>
<td>28</td>
<td>72.6</td>
<td>95.2</td>
</tr>
</tbody>
</table>

The workshop on Buying a Car, conducted at the end of the day (at a time when students would normally be tired and ready to go home), was the most popular session of the day. Nearly all students (95%) rated this session as *Quite Helpful* or *Very Helpful*. This positive response demonstrated the willingness of students to engage in learning when the learning is contextual and relevant to their lives, or they can clearly see how the information presented will benefit them in the years to come. One student said, “I found the workshop most helpful because hearing about real life experiences really assisted in understanding and learning about financial literacy”. This finding was not particularly unexpected and is consistent with Education Queensland’s principle that “schools should provide children and young people with opportunities to explore, engage with and discuss financial contexts which are relevant to them through authentic learning experiences” (Department of Education and Training, 2007, p.1). As Jerome Bruner said many years ago, “the best way to create interest in a subject is to render it worth knowing” (Bruner cited in Stenhouse, 1975, p. 15).
The figures above indicate quite clearly that the majority of students felt that each of the topics presented was either: *Helpful, Quite Helpful* or *Very Helpful*. These positive ratings demonstrated that the topics selected were appropriately pitched for these students, and that they are well aware of the importance of such financial topics in their current or futures lives.

The second aspect the evaluation was to determine whether the students felt that financial literacy should be taught as a part of the Senior Curriculum and if so which teachers would be best suited to teach it. When asked on the evaluation form whether students would like to have financial literacy as a subject taught at high school the high number of negative responses were unexpected, given the positive feedback on the seminar itself. Of the 65 seminar participants who completed the evaluation form, 32 students (49.2%) indicated that they did not want a financial literacy subject while 31 (47.7%) indicated they would find inclusion of such a subject useful. Two students did not respond to this question. One reason why so many students did not seem to want a financial literacy subject might relate to the stress many students already experience due to the pressures of the current Senior Curriculum, as the following comments made by three students illustrate.

“I don’t think there would be enough material to learn.”

“Already there is little enough time to juggle the classes we have.”

“Not enough time to juggle the classes we have already. I think the seminars are enough to help us.”

It should be noted that these comments were made by students despite there being no request or room for a comment in relation to this on the form (students were simply required to circle ‘yes’ or ‘no’). From the students’ comments about time constraints, in addition to the discussion in Chapter 4 regarding the challenges of implementing financial literacy education in Australia, the USA and UK, it appears that the ‘crowded curriculum’ is a major impediment to implementing any new subject-including financial literacy. That the very students most affected by the crowded curriculum recognise its potentially negative impacts is particularly noteworthy. This
thought is reflected in a student’s comment in responding to the question on the form ‘What aspects of the seminar were not helpful and why?’ who said, “It took up school time we desperately need as seniors in third term – QCS and moderation are just around the corner.” Perhaps if the question was restated so that it asked students if they would like Financial Literacy as a non-assessed subject taken one or two periods per week, the response may have been somewhat different.

Additionally, when students were asked which department should be responsible for teaching financial literacy, of the 33 students who responded to this question the majority (84.8%) indicated it would be most suitably located in the Business Department (referring to it in various ways). This finding concurs with teachers’ and graduates’ views that Business teachers are most likely to be the best group of teachers to handle this proposed, new area of learning. Other responses included: SOSE, Mathematics, English, and a specific one period lesson per week called the Learning Enhancement Program (LEP) conducted at their school; a lesson used for QCS practice and other programs during the year for Year 12 students.

The third part to the evaluation form was to gain further information from the students regarding what aspects of financial literacy they found particularly helpful (as well as what they did not find helpful) and other financial topics they consider would be beneficial for students to learn about. This final section of the form enabled students to make their own comments and suggestions. Following, are a few of their responses and comments to these questions.

“It’s good, if possible I want to have more information and deeply understand these subjects” [sic].

“I want to know more information.”

“I learnt a lot of things I wasn’t aware of like just how expensive it would be to move out. As well as not to get a credit card because I had planned on getting one to get a good credit rating.”
“…I think it was a powerful and extremely important seminar in terms of making sure others don’t repeat such mistakes.”

“I think it’s necessary to know these things to prepare yourself for life outside of school.”

“This seminar was extremely helpful and has helped guide me to some of the choices I shall make.”

“Helped to prepare for life after school.”

“I am not interested in finance but I am getting interested in finance since I… [attended the] financial literacy seminar.”

“I really valued listening to Steph Retchless but really, it was very valuable and important to understand adult finance.”

When asked what other topics students would have liked to have learnt about, the following suggestions were made:

- Tax and investing – 10 students
- Home loans – 4 students
- HECS / HELP – 2 students
- General expenses to expect / managing money – 2 students
- How to get a job – 1 student
- Typical graduate incomes – 1 student
- Options for low income earners (i.e. Centrelink) – 1 student
- Careers in the finance industry – 1 student

As acknowledged by the Consumer and Financial Literacy Taskforce, “overspending, over borrowing, under-insuring, scams, schemes and the complexity of financial products and processes need to be avoided, understood or overcome to achieve financial success” (2004a).

Summary

This chapter reports on the outcomes of the day-long financial literacy seminar for Year 12 students. The seminar was organised to explore what financial topics were considered useful by senior students, to gain their views on the importance of financial literacy, and to complement the information provided by the graduates and teachers who participated in the interviews during the research. The analyses of student responses to a series of questions about the Seminar and need for financial literacy education highlight students’ views about their need to have better financial understandings. Findings indicate that students understand the importance of having financial knowledge for when they leave school, and they also have a clear idea of the sorts of topics likely to address their future financial literacy needs. This foresight by the Year 12 students re-affirms the following statement by Maguire in 2005:

Children have good social radar for assessing the situations and contexts in which they find themselves. Thus children’s perspectives and voices are important signifiers of their conceptualizations of the situatedness of their learning, their interests, needs and perceptions. (Cited by Groundwater-Smith, 2009, p. 3)

Overwhelmingly, students responded positively to the financial topics presented because they could see clearly how the information would apply to their lives and immediate futures. This finding supports the belief that learning needs to be contextualised and made relevant if students are to gain maximum benefit and be able to transfer the learning experience.

The Financial Literacy Seminar contributed positively to this research by complementing graduate and teacher perspectives on the financial needs of student and graduates and therefore the importance of financial literacy education. It is therefore a recommendation of this research that a financial literacy subject be developed for senior students which includes a combination of the topics presented at the Seminar, and those suggested by the students and graduates (see Chapter 7).
SECTION 4
RESEARCH EVALUATION
AND FINDINGS
CHAPTER 7

Data Analysis and Evaluation

The primary question that this research addresses is: Are Queensland school graduates being adequately prepared through the Senior Curriculum for life beyond school in relation to their personal financial skills?

Specifically, the research aimed to:

1. Identify what financial life skills are currently specified in the Years 11 and 12 Queensland Studies Authority’s Curriculum Framework.
2. Document how a sample group of teachers have translated syllabus statement content about financial literacy into practice, and how they have implemented it in their teaching; thus identifying the degree to which financial literacy is built within work programs.
3. Identify the perceptions of a sample group of recent secondary school graduates regarding their own financial literacy, and to establish the extent to which that they believe they were prepared through their senior schooling for life beyond school in terms of their ability to manage their finances. Specifically, do graduates feel they have adequate financial literacy skills and knowledge to function successfully and make wise decisions and choices since leaving school?
4. Identify what financial life skills are considered necessary for contemporary society, and how organisations and governments are addressing these needs.

Gilbert and Macleod, in their review *An analysis of the current suite of QSA Years 11 and 12 syllabuses* (2006) reported the very limited occurrence of financial literacy skills within individual syllabus documents and concluded that employability skills such as financial literacy education are lacking within the Senior Curriculum. This chapter outlines the findings of the current study and is divided into two main sections: graduates’ interview responses and teachers’ interview responses. Each section is further divided to address the themes that developed in the data analysis as a result of the graduate or teacher interviews. Given that the interviews were semi-
structured and based on grounded theory principles, interview questions were somewhat different for each interview. Questions were refined as the interview process unfolded for each respondent. Data from the interviews with recent high school graduates and practicing teachers were then grouped into themes around participants’ experiences with financial literacy within the Senior Curriculum. These themes are reported and discussed in this chapter. Recommendations as a result of the research are presented in Chapter 8.

**Graduates’ Interviews**

The purpose of interviewing the 24 high school graduates who graduated in 2007 was to gain an understanding of the types of financial knowledge to which they had been exposed through the Senior Curriculum and the types of financial experiences they had encountered since graduating. The overall aim was to investigate whether graduates’ school experiences had prepared them for financial tasks they had experienced since graduating. As mentioned in Chapter 3, the purpose of asking recent graduates to participate in the research was, firstly, because it was assumed that they would have experienced a range of financial situations requiring some financial skills and decisions. Secondly, they would still be able to recall some of the things they learnt at school regarding financial literacy. It was specifically important in this analysis to establish the extent to which graduates’ in-school financial experiences (or lack of) impacted on the financial life skills they have required in the immediate post school period. It is acknowledged that it is not realistic to expect schools to prepare students for every financial skill they may need, however, the question is, to what degree is school preparing students to make any financial decisions? This is what the interviews with graduates and teachers set out to determine. The reminder of this section discusses eight main themes which developed as a result of the graduate interviews. The first theme highlights graduates’ views regarding the very purpose of education.

**Purpose of education.**

In Chapter 2, I briefly discussed the development of Queensland’s curriculum and schooling structure, and more importantly, introduced the idea that even today there is a degree of confusion not only regarding what curriculum is but also its purpose.
Interestingly, it seems that the uncertainty regarding curriculum is again encountered when attempting to define the purpose of education – there are various theories (Apple, 2004; Biesta, 2008; Dewey, 1938, 1998; Richardson, 1997; Stevenson, 2007; Vadeboncoeur, 1997). Therefore, I decided to commence the interviews by asking graduates to outline their beliefs about the purpose of education. I felt their views on education were important as they would help contextualise their views about what the education system should be achieving, which I could then reflect on in terms of how financial literacy was placed within their educational experience.

Biesta in her report: *Good Education in an Age of Measurement: on the Need to Reconnect with the Question of Purpose in Education* (2008) acknowledges that “there is much discussion about educational processes and their improvement but very little about what such processes are supposed to bring about” (p.33).

Graduate responses to the first question about the purpose of education, revealed four main themes: these were: preparation for the ‘real world’ (n=12); preparation for the future (n=7); preparation for the workforce (n=6); and preparation for further education (n=5). (Some graduates focused on more than one of these themes). Of the 12 graduates who picked up on the theme of preparation for the real world, four respondents explained that schooling is not achieving this purpose and that life skills are lacking in school curriculums. The concept that 12 years of schooling should prepare students for the real world was not surprising, and is a pivotal argument in the current research in terms of preparing students for their financial futures. A clear majority of graduates’ responses (n=19) indicating that the purpose of schooling was to prepare them for the real world (n=12) or their future (n=7). It was likewise important to note that most graduates (n=18) indicated that their senior schooling had not significantly assisted them in financial aspects of their life since graduating; this is discussed in greater detail later in this chapter, but is important to flag here.

The following examples indicate graduates’ responses about the importance of schooling as preparation for the ‘real world’.

“To get students ready for the future, to get them prepared for the outside world of school.”
“So when we are put out in the real would we have experience, knowledge and we survive.”

“Probably, fundamentally, it's about learning the basics, but really Grade 11 and 12…everything’s leading up to those years. It's just trying to get you out into the real world.”

“They say it was for preparing us for the real world, but when you go through it, a lot of that stuff doesn't actually prepare you for the real world. It's actually just preparing you for more schooling, [be]cause the intention is that you go on to uni.”

“It was a very short term thing; getting the grades to get to uni if that was your goal. Or getting your apprenticeship. So it was really just setting you up for the next step. Some people say preparing you for life but I don't think it really does, it's just getting you to your first goal and then you're on your own from there.”

Graduates’ perceptions on the purpose of education were consistent with those of the teachers interviewed, that is, like the teachers, the graduates believed that education is designed to prepare young people for their futures. It is argued in this report, that the process of preparing students for their futures must surely include the need for students to have a sound understanding of financial matters. Hence, it was important to establish to what extent graduates felt they were prepared for making financial decisions through the financial experiences to which they were exposed during senior schooling.

*The financial skills graduates were exposed to during senior schooling.*

The next set of questions focused on graduates’ recollection of financial skills taught within the subjects they studied during Year 11 and 12, and their perceptions on how prepared they were to make financial decisions having left school through their engagement with these financial topics. Graduates were asked to list the subjects they studied and whether they undertook an OP (Overall Position) or non-OP pathway (an OP pathway leads towards university entrance). Once graduates had
listed their subjects they were asked what financial skills they recalled being taught during Year 11 and 12, and within what subjects these skills were taught. These questions were designed to pinpoint which senior subjects may have included financial literacy skills and the extent to which graduates perceived that financial literacy was covered across the Senior Curriculum at a classroom level.

Graduate responses to these questions revealed the senior Mathematics courses: Mathematics A and B (both OP or Authority subjects) and Pre-vocational Mathematics (a non-OP or Authority-registered subject) were the subjects most commonly identified as containing the majority of financial skills to which graduates were exposed. The inclusion of financial literacy within these three subjects is discussed in greater detail in below.

The other subjects that contained some financial skills according to the graduates were Marine Studies, Home Economics, and Business Communication and Technologies (BCT) (all Authority subjects), and Tourism and Business (both Authority-registered subjects). Graduates who referred to Tourism, Marine Studies or Home Economics discussed class content that focused on learning to budget for a holiday or to purchase the materials to make an outfit. The graduates who had taken either BCT or Business referred to learning how to write cheques, about saving money and using credit cards. Another subject identified by two graduates that also contained some financial literacy content, will not be mentioned by name so as not to identify the two schools where it was taught. This subject was taken as an alternative by those students who had chosen not to undertake any Mathematics course. According to one graduate, the subject covered a number of financial topics; however the experience of the other graduate was somewhat different. S/he could not recall any financial literacy content. This discrepancy in recollections about the content of this subject provides a cautionary note in relying solely on the recollections of graduates when other means are available to cross check information provided. Because of this unavailability of reliable data, this subject was not considered in the research analysis.

It was as a result of graduates’ continual reference to Mathematics as the main subject in which they were taught financial skills (with 20 responses) which
prompted me to explore their experiences with the range of senior school Mathematics subjects. (There are four Mathematics subjects typically available to senior secondary school students; Mathematics A, B, C and Pre-vocational Mathematics. Mathematics C has not been included in the study due to its scientific focus, and because students who undertake it, must also study Mathematics B). Specifically, I attempted to determine whether selecting a particular Mathematics subject better prepared graduates financially. My interest in whether graduates’ preparedness was significantly affected by their choice of Mathematics grew after my first interview with a Mathematics teacher when I was informed that Mathematics B students would find financial literacy education ‘too easy’ and that they would be ‘bored’. This response was provided after questioning the teacher about why Mathematics A students are exposed to a greater range of financial literacy topics than Mathematics B students. My investigation into the different experiences and preparedness of graduates who undertook the various Mathematics subjects produced some important findings about graduates’ own financial skills, which I will continue to discuss later in this section.

The main theme which emerged from the graduate responses to the financial skills taught within the subjects they studied, was that despite a number of subjects purporting to contain financial literacy, about half the graduates (n=11) specifically stated that very little financial literacy was in fact covered, with most of the graduates interviewed only able to recall one, two or three financial topics (n=20). Graduates also indicated regularly that most of their ‘financial’ experiences were ‘formula driven’ rather than being taught contextually. By this they meant that their exposure to financial literacy teaching was quite superficial and brief. The most frequently recalled topics were: loans / interest (n=12), budgeting (n=7), and percentage (n=4). Saving money and using credit cards each received three mentions. Almost half of the graduates (n=11) ‘specifically’ stated that they had received little if any training in financial literacy. The following remarks by some graduates are illustrative of graduates’ beliefs about their limited exposure to financial literacy at school.

“Saving and budgeting - I think we did an assignment on that type of topic. Although I can't remember what we had to do.”
“I can't really picture a time at school when we sat down and learnt something about how I should finance and use my money and all that stuff.”

“We didn't have a single thing about loans. I know a few people with loans who hardly even knew how they worked.”

“Because I did Maths B, it was more focused on the higher end of maths. The only real close kind of financial maths we did was conversions from different currencies and that was varying anyway. And figuring out complex interest and stuff like that. That's about it.”

“[We] did a lot of budgeting and stock exchange. Interest…it was more for if you worked in a bank.”

“The only subject that had anything to do with money would've been Maths B, but in saying that, that wasn't personalised, that was more calculating.”

It was intriguing that graduates’ perspectives of their engagement with financial literacy education was quite different to the Mathematics teachers’ perspectives of what they taught in the way of financial literacy (the teachers were quite optimistic). However, the discrepancy between the two perspectives is not uncommon. Stevenson noted that:

Characteristically, student thinking is confined to applying factual information to familiar ‘well-structured’ problems: that is, problems with unambiguous definitions and set goals, and a single correct solutions which has already been determined…The test of students’ thinking occurs in private artificial situations (i.e. written examinations) on theoretical material which is usually far removed from the realm of the students’ present or future life experiences. (2007, p. 146)

Using the example of lessons on working out simple and complex interest in a Mathematics lesson, teachers may perceive that they are teaching their students how
to work out interest payable on a loan, however, students’ perceptions on what they are being taught may be entirely different – they may see the lessons as simply learning another formula required for their upcoming examination. The real connection with personal loans and home loans, the differences, the pros and cons, the uses, may never be discussed or realised. Wenger noted, “the reification of knowledge is thus not in itself a guarantee that relevant or applicable learning will take place…Students with a literal relation to a subject matter can reproduce reified knowledge without attempting to gain some ownership of its meaning (Wenger, 1998, p.265).

In contrast to the above graduates’ comments, two graduates who had apparently been exposed to a higher level of financial literacy content made the following remarks:

“Through my construction course we got taught about different kinds of wood and how much it would cost. Like to ship it in from wherever it came from. And different tools and how much they would cost.”

“If you're getting a bank loan, how much the loan is going to set you back, how much interest you're paying on the money...The types of expenses that adults deal with…rates, rent and electricity when moving out of home, and how much money you had left over after paying all your bills. Budgeting.”

What is interesting from the above comments is that the two graduates concerned had chosen to follow a non-OP pathway and had undertaken Pre-vocational Mathematics. Considering so many other graduates had said that they could see no connection or a minimal connection (n= 18) between the financial literacy skills they had learnt at school and the ability to apply those skills in the real world, these graduates’ comments, along with a few others (to be discussed) drew my attention.

The difference shown above between graduates’ experiences and perceptions of the financial literacy education they were exposed to highlights the importance of attaining graduate perspectives and comparing these to curriculum objectives and indeed teachers’ own perceptions. This issue of differing perspective can be seen in
the study: Beyond Mapping and Embedding Graduate Attributes: Bringing Together Quality Assurance and Action Learning to Create a Validated and Living Curriculum, by Bath, Smith, Stein & Swann (2004), which sought to examine the alignment between what is “espoused and enacted through the curriculum…and what students experience and learn” (Bath, Smith, Stein & Swann, p. 313). Their study was similar in nature to the present study in that its methodological approach was grounded in the perceptions of both university students and their teachers. The study made a number of conclusions as a result of the action research carried out which included highlighting the importance of regular student and teacher feedback to better align curriculum output with individual perspectives: “Teachers’ perspective and expectations… may not be aligned with what the students both experience and perceive in terms of their development of graduate attributes” (Bath, et al. p. 325). Stevenson (2007) refers to this difference between the curriculum and what is enacted as the ‘rhetoric-reality gap’. It is important for education authorities to realise that what is espoused in curriculum documents and even what teachers believe is being taught in their classrooms may or may not reflect the realities of what students learn or believe they have been taught. This fact can be clearly seen when looking at the present study’s data regarding Mathematics teachers’ perspectives on the degree of financial literacy included in the senior Mathematics courses and graduates’ perspectives on the same question.

**Difference in preparedness through choice of Mathematics study.**

Graduates’ choice of senior Mathematics subject influenced the types of financial literacy experiences they encountered at school. Generally, the graduates with the greatest recollection of financial skills taught and / or most satisfied with their exposure to financial literacy skills were those who had undertaken Authority-registered (Non-OP) subjects, (generally, a non-university pathway), particularly Pre-vocational Mathematics. This section explores in more detail the differences which emerged when analysing the experiences and financial preparedness of graduates in relation to the Mathematics courses undertaken at school. It was fortunate that the sample of graduates who participated in the research well represented those who had chosen to study an OP pathway (n=14) as well as non-OP pathway (n=10).
Of the 10 graduates who had taken the non-OP pathway, six had undertaken Pre-vocational Mathematics, an Authority-registered (non-OP) subject, and four of these graduates indicated they were satisfied with the teaching of financial literacy skills in the course. The other two graduates had studied Mathematics A where they said they had learnt about saving, budgeting and calculating interest payments, and said that school had assisted them ‘a little’. The following comments, illustrating graduates’ satisfaction with the financial literacy skills they were taught, were provided by two of the graduates who studied Pre-vocational Mathematics.

“I moved out of home for a bit to see what it was like and…it [the skills learnt in Pre-vocational Mathematics] all came in handy when I was working out what I had to do, what were the different expenses, how much I should be paying in interest if I got a loan? Just your normal basic stuff. Like what you need to actually do.”

“[We were taught] how to add up quantities that you'll need for a job, which I've actually just revised in TAFE...[and] calculating wages for your workers. I'm always calculating my wages...I always want to know how much I am going to be getting, I don't want to be underpaid...I can't really remember having to do too much money stuff in Grade 11 and 12 with Maths A it was mostly in the Pre Voc.”

Not only were the graduates who had undertaken Pre-vocational Mathematics more satisfied with the financial literacy skills they had learnt, the interview data also demonstrated that four of these graduates had begun to make steps towards their financial futures in terms of saving money towards a future house deposit. (Only two other students indicated that they were saving money for a house deposit and both studied Mathematics A, although one was OP ineligible). In other words, of the six graduates who had commenced saving for a house deposit, five had studied a non-OP pathway.

Between graduates’ satisfaction with the financial literacy skills they had received during senior schooling, in addition to the practical application of their understanding – that of saving a deposit for a future house, which demonstrated great
financial maturity for this age group, it is suggested that those students who undertook the Pre-vocational Mathematics program during senior schooling were probably better equipped for their financial futures than those who studied either Mathematics A, or particularly Mathematics B. I must say ‘probably’ because Pre-vocational Mathematics is an Authority-registered subject, that is, a school-based subject registered with the QSA but not prescribed by the QSA, therefore students’ experiences between schools can vary considerably.

In line with the series of questions about saving money, I asked each graduate whether they budgeted regularly, actually recording on paper or their computer what they needed to put away for expenses, etcetera. There were only four graduates who said that they budgeted regularly, and interestingly, all four had studied Mathematics A where budgeting is a financial topic within the syllabus. However, budgeting was also reported by graduates and teachers as a financial topic in Pre-vocational Mathematics and Mathematics B. So again, the difference in financial experiences graduates’ were exposed to, based on their choice of Mathematics study, was apparent.

Through further analysis of the interview data, it became evident that graduates who had chosen to study Mathematics B (an OP or Authority subject) were not fairing as well financially as those who had undertaken either Pre-vocational Mathematics or Mathematics A, and neither did they feel they had been exposed to much, if any financial literacy education (as mentioned earlier in this chapter). An examination of the topics the graduates remembered being taught in each senior Mathematics subject goes someway towards explaining why the Mathematics B graduates believed they were not prepared to operate with financial literacy.
Table 5
Financial topics graduates remembered being taught in their senior Mathematics classes

<table>
<thead>
<tr>
<th>Pre-vocational</th>
<th>Mathematics A</th>
<th>Mathematics B</th>
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<tbody>
<tr>
<td>Loans &amp; interest rates</td>
<td>Loans &amp; interest rates</td>
<td>Loans &amp; interest rates</td>
</tr>
<tr>
<td>Percentages &amp; discounts</td>
<td>Percentages</td>
<td>Calculating amounts</td>
</tr>
<tr>
<td>Budgeting</td>
<td>Budgeting for a business</td>
<td>Budgeting</td>
</tr>
<tr>
<td>Calculating wages</td>
<td>Budgeting for a car</td>
<td>Currency conversions</td>
</tr>
<tr>
<td>GST</td>
<td>Credit cards</td>
<td>Depreciation</td>
</tr>
<tr>
<td>Household expenses</td>
<td>Real estate commissions</td>
<td></td>
</tr>
<tr>
<td>Business venture</td>
<td>Stock exchange</td>
<td></td>
</tr>
<tr>
<td>Adding up quantities for a job</td>
<td></td>
<td>Re-financing</td>
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</table>

As can be seen in the above table, the financial topics covered in each of the Mathematics courses are quite different. The topics covered by Mathematics B students included ‘loans and interest rates’, ‘calculating amounts,’ and ‘currency conversion’, which are certainly helpful topics to teach students because of their applicability in obtaining future credit through loans and for overseas travel. However, topics such as ‘re-financing’ and ‘depreciation’ are particularly complex concepts, which many young adults would not encounter for quite some years after graduating. The topics listed under Pre-vocational Mathematics and Mathematics A are more likely to be the types of financial skills and knowledges students will require once having graduated.

Given the need to equip young people for their futures, I question the relevance of some of these financial topics for senior students, particularly if they are only being taught formulas rather than learning ‘about’ these financial issues. As several graduates indicated, learning about formulas for solving algebraic equations, seemed more important than learning about loans and their use in the first instance. Learning how to work out interest payments on a home loan and learning about investing is quite different. While both are important, how can graduates be expected to use these types of mathematical skills without an understanding of the concept being studied?
It is therefore, not surprising that most graduates (n=18) reported that the financial
skills they had (or had not) learnt at school had not assisted them in operating in a
financially literate way since graduating or had only been of little help. Given
graduates’ reported experiences with financial literacy education, it is questionable
whether the classroom lessons dealing with financial matters experienced by these
students are successful and it is doubtful that the outcomes are in line with
Education Queensland’s goal that “schools should provide children and young
people with opportunities to explore, engage with and discuss financial contexts
which are relevant to them through authentic learning experiences” (Department of

Graduates’ claims that they ‘did very little’ in regard to financial literacy in
Mathematics B were further confirmed by the Mathematics teachers interviewed in
this research who indicated that what was taught regarding finance was more focused
on using formulas, algebra or logarithms in Mathematics B, than on the practical
applications of topics such as, interest rates, loan and depreciation. While it is
acknowledged that the primary goal of Mathematics B is to prepare students for
university entrance, if the purpose of secondary education is to prepare students for
life beyond school, then teaching students about financial matters they will require
an understanding of in their post-school life should also be covered. Given the
absence of any current subject that focuses specifically on financial literacy, the
inclusion of basic financial literacy skills in the Senior Mathematics courses would
be appropriate and beneficial to students’ preparedness for the ‘real world’. The
effective integration of financial literacy into all senior Mathematics syllabuses
would be ideal (Bath et al.; Locke, 2008), however due to the nature of the
Mathematics syllabuses and their relative weight to produce students’ OPs, as will be
discussed in Chapter 8, a recommendation of this report is that financial literacy
should be mandated as a stand alone, non-assessed subject for all Year 11 and 12
students.

The apparent differences in the degree to which financial literacy was included
within the senior Mathematics subjects is generally consistent with Gilbert and
Macleod’s findings about the inclusion of specific skills within syllabus documents
reported in their report: An analysis of the current suite of QSA Years 11 and 12
This study analysed Authority and Authority-registered senior syllabus documents to determine the number of times the syllabus documents made mention of particular skills under a number of major headings such as ‘Employment Skills / Knowledge’, which in their study included the skills ‘Budgets and Manages Finance’. Examining the Authority subjects first, Mathematics A had five occurrences of ‘Budgets and Manages Finance’, while Mathematics B had no occurrences. Other Authority syllabuses which referred to these skills included Accounting and Business Communication and Technologies (BCT), each with three occurrences of ‘Budgets and Manages Finance’ (Gilbert & Macleod, 2006, p. 98).

Pre-vocational Mathematics and Tourism were the only Authority-registered subjects that referred to the skills ‘Budgets and Manages Finance’, with two and three occurrences respectively (Gilbert & Macleod, 2006, p. 102). Overall, the interview data gathered from the six graduates who undertook Pre-vocational Mathematics indicates a much higher emphasis on financial literacy than Gilbert and Macleod’s findings for the same subject, likely due to the focus of individual teachers and the in-class pedagogy. In summary, it was apparent that students who had undertaken Pre-vocational Mathematics or Mathematics A were better prepared financially for life beyond school, in that they had better knowledge and skills to enable them to manage their finances and make financial decisions than those graduates who had studied Mathematics B.

Having asked graduates about the types of financial literacy topics they remembered being taught during their senior years, the next set of questions focused on the types of financial experiences graduates had encountered since leaving school, such as any financial decisions they had made, if they were saving money towards a particular goal, and any financial problems they had experienced or any financially related stories they could share.

*The extent to which school prepared graduates for their financial responsibilities and experiences.*

Having sought graduates’ responses on the types of financial skills they remembered learning during their senior school years, they were asked a series of questions
regarding their experiences in dealing with financial matters since leaving school as well as their views on how prepared they felt school left them to make good financial decisions. Graduate responses to the types of financial responsibilities they had taken on since completing high school revealed that most graduates ($n=22$) had taken on a number of new financial responsibilities. The financial responsibilities of these 22 students included: paying board or rent and gym memberships, purchasing food, and meeting car expenses. These financial responsibilities were usually in addition to their mobile phone, university academic requirements such as text books and socialising habits. Only two of the 24 graduates reported they had almost no financial responsibilities as their parents provided funding to meet most of their accommodation, study and social needs. Four graduates had complete financial responsibility as they had moved out of home either prior to completing Year 12 or shortly after. Two other students had previously moved out of home and had since moved back home for financial reasons.

As stated at the start of this chapter, one of the main purposes of asking recent graduates to participate in the research was because it was assumed that graduate students who had been out of school for nearly two years would have experienced a range of financial situations requiring some financial skills and decisions. The reality that most graduates ($n=22$) had taken on a number of new financial responsibilities since leaving school, confirmed this initial assumption. Their new financial independence had begun, although not without problems, as was revealed by the next set of questions which focused on graduates’ spending habits and financial experiences and the extent to which they felt their secondary school studies had prepared them for making financial decisions in the real world. Responses from the six graduates who had experienced moving out of home provided especially useful insights into their perceptions of how well schooling had prepared them to deal with living independently. In each case they reported that in moving out of home they needed good financial understandings when transitioning between the comparatively sheltered life of the family home and financial dependence, to greater financial independence associated with living independently of their parents.

Moving out of home for the first time is usually a challenging venture for most young adults (those aged between 16 and 21). This challenge is perhaps exacerbated
by the lower incomes often earned by people in this age group. The reality of a low
income and greater financial responsibilities was highlighted by all six participants
who had experienced moving out of home. They all shared experiences of the new
difficulties created by leaving home, and how they had to change aspects of their
lifestyles such as socialising and spending habits to accommodate their new
situation. Graduates’ reflections about their own post school experiences and the
limited financial education received during the senior schooling years supported their
reports of the lack of financial skills that could assist them in transitioning to greater
financial independence. Of these six graduates, there was no distinction between OP
ineligible and OP eligible graduates as they were equally represented. One OP
ineligible graduate could not recall any financial literacy being taught, meanwhile,
another discussed the benefits s/he attained through studying Pre-vocational
Mathematics. An additional four graduates cited financial topics taught through
Mathematics A, although only one of these graduates indicated that the topics had
assisted them significantly since graduating although was vague in what aspects had
helped. The topics reportedly covered in Mathematics A by these four graduates
included budgeting, the stock exchange, interest, saving money, percentage and tax.
In other words, of the six graduates who had experienced moving out of home, only
two said their schooling had assisted in regard to financial literacy education.

The comments below illustrate just a few of the feelings communicated by some of
these independent graduates, and their experience in transitioning to an independent
lifestyle. Their comments can assist in highlighting some of the areas that the
Curriculum could focus on to assist in the preparedness of young adults for financial
independent living.

“I moved out of home for a while, and you don't realise how hard it is. When
they say, ‘You're going into the real world’, you actually are. And not being
taught certain things, you're actually learning it the hard way…Even grocery
shopping - how to do that or petrol, or if something happens, like in this day
and age, people lose their jobs. What you've got to cut down…Sometimes it's
really good to have some good advice….Knowing who to speak to.” (Non-OP
graduate)
“I moved out of home for a year after [Year 12] and I found it was just like a whole new step, like nothing could have prepared you for that. There's not enough hands on experience [at school]. I guess you learn from experience. It's very theory [based]. I'm a first year apprentice…so the hassle was being very tight on money and not being able to go out…All the leisure stuff disappeared.” (OP graduate)

“We weren't really taught anything about budgeting. Unfortunately real life situations and learning how to live out of home - we weren't taught anything about - which is kind of sad. They didn't focus a lot on it, they just focused on learning different sides of a triangle...” (OP graduate)

“They looked at the types of expenses that adults deal with, for example, rates, rent and electricity when moving out of home, and how much money you had left over after paying all your bills…Budgeting…this was very helpful.” (Non-OP graduate)

Excluding the sentiments expressed in the last quote, the overall feeling from the remaining five graduates who had experienced independent living was that they had felt financially unprepared when they moved out of home and commenced their lives as independent young adults.

Responses from the six independent graduates on the extent to which school prepared them to move out of home and deal with financial matters they had encountered, indicated varying degrees of assistance from the school in teaching them financial skills for real world living. Three of these graduates said that learning how to budget had been helpful to them. When examining these six graduates’ interview data, four graduates indicated that the main influence on their financial knowledge and decision making was based on their family’s influence or instruction with the other two indicating that they were learning about financial matters mainly from ‘life’s experiences’. Clearly, schooling had minimal impact on these graduates’ perceptions of what was influential in shaping their financial knowledge.
The notion of schooling failing to prepare students to handle new adult financial responsibilities was a common thread in all graduates’ responses about the effectiveness of the Senior Curriculum regarding the inclusion of financial skills that would assist in the post school years. Of all the graduates who participated in the research, only six believed the financial skills they had learnt at school had positively assisted them since graduating, and three graduates thought school-based financial literacy teaching had helped ‘a little’. Unfortunately, nearly three quarters of graduates (n=15) said that school had not assisted in equipping them with financial skills for the real world.

The overall interview data regarding graduates’ perceptions about the usefulness of the financial literacy skills they were taught (or were not taught) during senior schooling indicated that most graduates (n=18) could not see a significant connection between what they were taught at school regarding financial literacy (if they received financial education training) and the application of those skills for real world living. This apparent lack of financial education within the Senior Curriculum, seems to have contributed graduates’, overall, lack of financial knowledge.

Graduates’ financial experiences since graduating.

Having established from the interview data that most graduates (n=18) did not consider that their schooling had assisted them ‘significantly’ (3 respondents said school had helped ‘a little’, while 15 said it had not helped at all) in developing the financial skills they have needed since graduating, the next series of questions focused on the types of financial experiences graduates had encountered to see whether there was a link between what graduates had learnt and the application of those financial skills. The graduates were very open and honest about their financial experiences during the interviews and were willing to provide examples of the types of financial situations they had encountered. In fact, the respondents were so forthcoming that at times they talked softly (as their parents were often at home) and indicated to me that they did not want their parents to hear some of their stories. I mention this to show the honesty of the participants during the interview, and therefore the quality of data available for analysis.
In terms of the ability to save money to achieve a goal, the graduates’ experiences were varied. I asked two main questions regarding saving money. The first, discussed earlier in the chapter, was whether graduates’ had commenced saving for a house deposit and six graduates had. It was interesting to note that many graduates who were working casually or part time, usually due to study commitments, cited minimal hours of work as a reason for why they had not commenced saving for a house deposit, the general belief being that when they finished studying and started working full time then they would be in a better position to save money. The focus I want to draw attention to is not so much that these graduates were not saving money for a house deposit, but rather the belief that they do not have enough money to do so. It seems that most of the graduates did not realise the reasonably good financial position they were in by residing with their parents, nor did they realise the number of expenses they will incur when they finish their degrees or other study and many move out of home; a reality shared by those who had already experienced the transition from home to independent living.

The second question was more general and asked graduates if they had savings plan (that is, did they put away a certain amount of money each week for saving) or were they saving money for anything in particular. Graduates’ responses to a question about their saving goals indicated that nearly three quarters (n=15), had or were in the process of saving money towards travel overseas and or the purchase of a car (whether their first, or a better one). (It was noted that none of the graduates who were saving money for a house were also saving for a holiday, and one was saving for a car.) It is a reported trend for young people comprising Generation Y to graduate from high school and commence travel, particularly overseas (Calligeros, 2008). This trend was indeed confirmed by the data in this research which showed that eight of the graduates were in the process of saving money towards a holiday or had just returned from a holiday for which they had saved money. Although there is certainly nothing wrong with graduates saving money towards a holiday, few students had really considered saving money for future financial investments or security.

In discussing graduates’ saving habits and financial position, one third (8) of the graduates were doing reasonably well according to themselves, that is, they always
had enough money to cover their expenses and needs. However two thirds (16) of
the respondents indicated they had encountered financial troubles or had been
experiencing trouble saving money and/or managing their money. For example, it
was alarming to note the number of graduates’ responses which showed that their
friends or family were frequently being used for assistance to cover expenses
(whether needs or wants) and that the money borrowed was then paid back over a
period of time. Half of all the graduates interviewed stated that they borrow (or ask
for) money from either their parents or their friends when they do not have the
money they require. This further indicates why skills such as budgeting and lessons
about everyday living expenses would be appropriate for senior students who will
require this type of knowledge on graduating (if not before for some). It was
concerning that some of these graduates referred to the person they were borrowing
from as a ‘credit card’.

The following illustrations from the interview transcripts demonstrate the types of
financial habits and experiences that were disclosed, and as was discussed in Chapter
1, appear to be similar in nature to the experiences that other young adults are
regularly reported to encounter when they leave school. The graduates’ comments
were in response to questioning about the experiences of managing their own
finances since graduating, and also, any problems they encountered in managing
their finances, including any debt they had incurred. What was clear from the
graduate interviews was a trend to rely quite heavily on the financial assistance of
their parents or friends for needs and wants, and that this was linked to difficulties in
managing finances and/or saving money.

“Mum has helped me by covering costs for me for example, insurance... If
Mum hadn't have been around then I probably would have stories to tell you
about… I'm like any kid my age, I've come to times when I haven't had
money to go out on the weekend or something like that, but I've never been
like: I need to pay this bill but I don't have the money.”

“If I need money I'll just talk to my parents and they'll do it on the same
terms as a bank. They'll give me a set amount of money and a time to pay it
back, and then I'll have to pay interest as well.’
“I'm like a sieve when it comes to money; it just trickles away into nothing...that's why I've got separate accounts so I can't touch it...I see something and say 'Yeah, I need that now,' and really at the end of the day, I can say that I got this, but I'm no closer to getting a house... or car.”

“A month ago I got my first plan mobile phone, and they had to do a credit check on me and of course there was nothing, and I almost didn't get it, but I got it and now I've paid my second phone bill and it was like $200 and it's supposed to be $60...I had a bit of trouble with that, but that's okay...$200 doesn't sound like that much, but it's my entire pay check for a week...I use people as credit cards, so I'll be like, 'Can I borrow this money and I'll pay it off?', and that's what I do - that way I don't get any interest and then I can take my time paying it off cause they know that I'll pay it off.”

“I first moved out with my partner. We decided to get this house in a dodgy place...we decided to move in with friends and they basically did wrong by us and left us with a $1500 debt and they upped and left and took everything... So I came home and there was nothing left... And over Christmas I wasn't working because I was casual so I wasn't getting paid for 3 weeks and my partner was unemployed at the time...When we got the Government's...$900 - all that went towards bills. [They moved in with her mum temporarily between these places to save up again.] Then we moved into the place we're in now, and within a week of each other my partner and I became redundant from our jobs...we were unemployed for a month and it got to the point we had no money to buy food or pay rent. My parents are buying me groceries... And...we couldn't pay rent for a few weeks because we didn't have any money. And Centrelink didn't really want anything to do with us.”

“There's definitely been the tight weeks, where we haven't had enough money to do something, or needed to only put $20 in the car exactly and not just fill it up... I keep track, I'm pretty organised in my diary, I keep track of what day and what month things are coming out so I'm prepared for them.
But there's definitely been times where we haven't been able to go out for dinner or go see that movie, because we needed to save money for a bill.”

“A lot of my friends and myself, we get to the end of the week and we're like 'I'm broke,' and my parents always say to me 'You can't just get broke.’…There's never been an instance where I've been completely cut out, not being able to pay anything, because I don't really have anything that I have to pay for other than my phone which isn't expensive, but I did come back from [overseas] six weeks ago and...came back with no money and I didn't prepare myself and I had to live for about four weeks off nothing… I didn't even think ‘I've got to come back and I haven't been working for the past two weeks’, I just spent it.”

“My parents always help me, so if I can't pay for something they'll always back me up.”

“If I have money left over at the end of the week I'll put it aside.”

"I'm trying to [save] but it's not working really well. I was going to save for a car but I don't really see the point when I don't have my driver's license and I need my parents to help me. I've just finished saving and buying a guitar, an electric guitar and an amp and that was about $1500...so I'm not really saving for anything in particular at the moment.”

These quotations reveal the lack of skill many graduates have when it comes to saving money regularly in order to meet personal expenditure. Although I am not suggesting that young people should not be receiving any financial assistance from their family or friends, the comments above indicate the importance for young people to be taught how to prioritise their money so that they have money set aside for known and regular expenses and money for their ‘wants’ or entertainment. Other examples of financial experiences described by some of the participants included payment plans they had entered into to pay for speeding and other fines, Centrelink debt, and car insurance excess due to an accident. Young people should not be
expected to suddenly understand how to prioritise their money in this way just because they have graduated from high school.

Managing money is a skill that must be taught and demonstrated so that young people can see the benefits and the freedom associated with responsibly managing their income – a skill that Neale S. Godfrey has advocated since the 80s after her three year old suggested she use her ‘magic piece of plastic’ to purchase a toy she said she could not afford to buy (Godfrey, 2006). Since that time, teaching people to become financial literate has become her life’s goal. Her financial literacy curriculum: ‘Modem Curriculum Press’ of Pearson Education is now used in many American schools and is assisting in developing students’ financial literacy and their enjoyment of financial matters (Godfrey, 2006).

It is apparent from the present research, that in spite of all the attention to equip young people for their social futures and active citizenship, evidently, not enough is being done through the Queensland Curriculum to assist in equipping young people with the financial skills they require in order to make good financial choices, manage their financial affairs and financially prepare themselves for their future, which I feel, is a serious betrayal of our duty of care as educators.

*The consequences of debt.*

At the beginning of this report, I raised the concern of young people and their limited understanding about the consequences of debt (see Chapter 1). According to Christine Christian, CEO of Dun and Bradstreet,

> Consumers aged between 18-24 incurred the highest average debt values, following an increase of 10.5% on the June quarter 2007. Younger Australians also account for the largest proportion of referred debt, with those up to 34 years old accounting for more than 50% of debt referred. (2008a)

Christian had also stated that “Expectations for missed bill payments reveal another layer of potential trouble with many people unaware of the implications of defaults on their ability to access future affordable, mainstream credit” (Christian, 2008d). Meanwhile, Familari (2009) reported that “evidence shows mobile phones are the
No. 1 reason for young people's debt”. As a result of these concerns, the next series of questions were designed to investigate graduates’ understanding about debt and the consequences of debt. It is also worth noting the number of people aged under 25 who were declared bankrupt or entered into debt agreements during the 2008 – 2009 financial year. According to the data provided on Australian Government’s Insolvency and Trustee Services Australia website, a total of 1990 bankruptcies were filed, and 1227 debt agreements entered into. Specifically in Queensland, 456 bankruptcies were filed, and 489 debt agreements entered into. In fact, Queensland for the past four years has come second only to NSW in regards to the number of young people aged under 25 who have experienced bankruptcy or entered debt agreements. Although ‘unemployment’ is listed as the number one reason for the financial demise of these people, ‘excessive use of credit’ is the stand out second most common reason (Commonwealth of Australia, 2002). So it is very apparent that financial education is needed to address this ongoing problem.

Using the example of receiving a mobile phone bill, the graduates interviewed were asked to describe what would happen if the bill was not paid. The reality of their answers was significant, if not highly concerning. Following is an account of the graduates’ description of the process of debt collection and consequences of debt. It is important to note the extent to which young people understand the consequences of debt due to the significant restraints it can place on them in regards to accessing future credit, such as for personal loans and home loans, let alone which companies or institutions they are able to access such funds from and interest rate which will apply.

Over half of the graduates (n=13) indicated that the mobile bill would increase whether because of a late fee or interest charge. Other suggestions included, that letters would be issued (n=7), the phone service would be cut off (n=7), and debt collectors would become involved (n=5). When asked whether any other actions would occur, five graduates suggested that people would be sent to repossess some of their belongings, another three graduates suggested they would be phoned, go to court or the credit company would be notified. At this point, I asked most of the participants whether or not they had heard of debt collectors and what they did. It was difficult to determine the extent to which the graduates understood the role of a
debt collection agency. Most of the graduates indicated that they had heard of them, however, there was often confusion regarding the role of debt collectors. The assumption being that they were people who repossessed goods, was common. Graduates’ responses regarding this question indicated that most graduates were aware of debt collectors by name only and not by practice.

A very interesting research finding was graduates’ knowledge of what a credit rating is. Carrying on the discussion of the unpaid mobile phone bill with the graduates, I asked whether they had heard of a credit rating and what it is for. Of the 24 participants, 17 knew what a credit rating was and were able to indentify that a bad credit rating would affect their ability to obtain a future loan or credit. Considering that not one graduate (or teacher) identified this as a financial topic taught at school, the question must be asked, where did they learn about this? Although beyond the scope of this research, given so many graduates knew about the importance of a good credit rating (n=19), an understanding exactly how the graduates had learnt about this (and a few mentioned that they had seen advertisements on television) requires consideration.

What was concerning regarding participants’ knowledge of a credit rating, was that very few graduates had realised that something ‘as small as a phone bill’ could adversely affect their credit history. From the interview data it seems that many graduates were unaware that small debts could have the same consequences as large debts. The following description provided by one graduate exemplifies this line of thought.

Once the payment has not been paid for a couple of months, I'd say it would go to a debt collection agency, which would then try or send me letters to say that you haven't paid your bill, which then could happen if I don't respond to that I get a bad credit rating or I probably...get the repo men over or something like that and they can take some of my possessions I suppose. I don't know how bad that would get over a phone bill unless it was a couple thousand dollars, but you never know.
This graduate knew that a bad credit rating would affect him when trying to obtain a loan, and explained he knew of this process because he assists in the debt collection process at his retail workplace, where he is responsible for sending out the letters to those owing money.

Thus, Christian’s (2008d) statement earlier about many people being unaware of the consequences missed bill payments can have was in this research by and large correct. Although most graduates were aware of the function and importance of a good credit rating, their lack of knowledge that something as simple as an unpaid phone bill could affect this was clearly evident. The interview data regarding the consequences of debt clearly demonstrated that education is needed to address this issue. Given that Pre-vocational Mathematics, Mathematics A and B all include a topic on loans and interest rates, it makes sense for the issue of debt and the consequences of debt to be integrated within this topic. However, regardless of whether it is taught within Mathematics, or better still, taught in a financial literacy type of subject, it is appropriate, and according to the statistics on young people’s issues with debt reported in this chapter as well as earlier in Chapter 1, and highly necessary for all senior students to learn about the consequences of debt.

The interview data also showed that very few graduates had any knowledge that organisations exist that can provide financial counseling or assistance if they were to find themselves in debt that they could not handle. Not surprisingly, many graduates indicated they would seek assistance from their parents, family or friends if they experienced financial trouble. Other suggestions included approaching a bank, Centrelink, or an accountant. Two graduates noted they had seen something on television about assistance when in financial distress.

Graduates’ lack of understanding regarding the possible consequences of missed bill payments was quite important considering the implications that this can have longer term regarding their ability to be able to access future mainstream credit. Therefore, it was interesting to explore graduates’ understanding and knowledge of both personal loans and home loans.

*Personal loans and home loans.*
In order to probe graduates’ knowledge about different types of loans available and their feelings about taking out loans, graduates were initially asked whether they knew the difference between personal loans and home loans and whether they could provide an example of what a personal loan might be used for. Given that all graduates who had studied Pre-vocational Mathematics or Mathematics A or B (n=22), had studied loans and interest rates, their responses would again reflect how much they may have learnt from school in regards to this topic.

The data revealed that most participants seemed well informed regarding the difference in use between home loans and personal loans and most graduates had definite feelings about taking out these loans. Although graduates’ acknowledged that most people would have little choice but to take out a home loan to buy a house, differences in opinion arose regarding personal loans. For example, when each graduate was asked whether they felt that personal loans were a good idea, half of the graduates indicated that unless it was essential, personal loans were to be avoided at all costs. Only six felt they were good idea (six did not know what a personal loan was or were not asked this question). The following responses are illustrative of the beliefs about personal loans held by many of the graduates and demonstrated their generally good knowledge about personal loans.

“I'd rather go without than have a loan on something…I always get confused when people get loans to get stuff like TVs and computers and that type of stuff, I don't understand it…I'd rather have the crappiest TV out than have to pay off a loan, just because I've got a fancy new LCD.”

“If I want something bad enough, I'll save and wait…It's really been them [my parents] drumming into me, ‘If you really want it save for it and get it.’ There's no need to go into debt for it. If it's not there it's not a big deal.”

“I was always told by my parents, don't get a loan, just save.”

“I can see how they'd be good at the time but once the payments start rolling over…and the interest kicks in it's not going to be good in the long run.”
“If you need it, you need it, but if you don't need it, don't get it; you just don't want to put yourself in that type of strife.”

“I guess it matters what they need the money for and how urgent it was. If you really need a car sure, and you can afford the repayments, then go for it. But I’m really against paying interest; I just think it's wasted money.”

Some graduates, who were erring on the side of caution in answering this question on whether personal loans are a good idea, often based their answer on whether the applicant for a personal loan had stable employment.

“It's up to the person. If they want the money and they don't have it straight away, if they've got a nice job to keep up with the repayments then go for it…if you can keep up with the interest.”

“You’ve got to make sure before you get a personal loan that you can actually afford to pay it back. Cause if you're working in an unstable environment and you're not sure if you're going to lose your job or not or if your not enthusiastic, you could lose your job, then you’ve still got a loan to pay off afterwards…For someone my age, I think it's a bad idea.”

Following are a sample of responses from those graduates who felt that having a personal loan was a good idea.

“I think it's a good idea to borrow some money for a loan because sometimes if you can't afford to pay something, a car, you need to borrow some money and you can pay it ...back.”

“If I decided that I was going to go get a car and I saved up a certain amount of money for the car and I just needed a little bit more then I would probably go and get a personal loan.”

“It's good for me as I need a reliable car for work, so in advance I can't save up $13,000 straight up and I need a car now and I can pay it off fairly easy.
Even though you're paying an extra $6000 of interest…at the end of it; it's good for me...We got taught to try not to get a loan, it's better to save it…Save as much as you can first.”

All of these responses demonstrated that they had already as young adults established convictions about the pros and cons to borrowed funds; but where had these convictions come from? Had they been developed from their schooling experience?

_Greatest influence._

I made mention at the start of this report (see Chapter 1) that schooling is the primary vehicle through which the next generation is educated and socialised to live as citizens in society. I also noted that schooling is, of course, not the ‘only’ vehicle for children’s education; they learn through their ongoing interactions with their family, community and their individual experiences (Freebody, 2003). Since the majority of the graduates interviewed (n=18) stated that school did not contribute significantly to their attainment of financial knowledge or skills, then the question I needed to ask the graduates was: Who or what was their major influence in this area? Where were they obtaining the financial knowledge and skills they were using in their daily lives?

The graduates’ response to this question was quite succinct; 20 out of 24 graduates stated that their parents or family had been the greatest influence on financial knowledge in their life. Usually it was their parents who had instilled certain values, convictions and habits into the participant’s life; however, family influence was also attributed to grandfathers and older siblings. In almost all cases, the graduate provided one or more positive examples of how their family had assisted them. Following are a few examples.

“We've been on a few trips [overseas]…with dad's work…and during that time we had the opportunity to do a bit of travel, so like they saved and it was kind of like, ‘Kids we're thinking about doing this and we're going to be budgeting so you're not going to have this for a couple of months.’ They just involved us in their money plans so letting us know that they're going to be
pretty tight for a few months, it's like we're aware and we know we're going to reach a good goal. There's something good at the end of it. I think by them involving me it's taught me that it's ok for me to be really tight for awhile because in the end you only need the basics, so it's not a big drama if we didn't get Nutella for a week or whatever….I think also, just them teaching and coaching me on saving for my car - it's kind of like, we know it's far away but it's a good goal, we know you want it, if you're going to work hard and save then you'll really reap the benefits at the end. And I did because they matched me dollar for dollar…so I ended up getting a good car that's going to last me.”

“Mostly come from my mum. My mum, back in Africa, she's like a business woman; she used to own her restaurant, so I just learnt from her. She knows how to prioritise the way she does, and budget. She teach me how to pay things. So I learn things from her[sic].”

“I'd probably say my Granddad, [be]cause he used to teach me a lot about money and banking and he's a really good saver. He basically taught me everything about the banks and how they work and where to put your money and to save it for a rainy day.”

“My parents used to get money out of my account each week and make me save it, like put it into another account so I don't spend it and they had the card. But it was good…Saving up for a house was mum's idea.”

“Through my mum, she made sure that I knew how, like that I knew what I was doing with money and how to sort of act responsible.”

Although graduates’ family proved to be the source of most financial knowledge and habits, a few other sources were nominated such as, other people’s stories, their friends, television advertisements, personal experience, work and school (see Figure 1).
Figure 1
Graduates responses to the question: Who or what has been the greatest influence in your life when it comes to financial literacy?

As can be seen from the graph above, the data clearly demonstrated that graduates recognise their family as a source significantly influencing their knowledge of financial matters in comparison to the other sources. (It should also be noted that some graduates provided more than one influence/r during the interview.) I should also point out that I changed the way in which I asked the question regarding who had been their greatest influence – originally the question had been written to determine how influential each graduate’s family had been in educating them about financial matters, however, I decided not to lead the question in this manner to avoid making assumptions about the importance of family. Nevertheless, graduates’ families did prove to be the significant influence in the area of financial literacy.

A subject called Financial Literacy
By the time I had arrived at the question on influence, most graduates had provided significant information regarding their own knowledge of financial topics, and had
often begun to identify the gaps in their own financial knowledge. I was therefore able to focus on areas of financial literacy that the graduates thought should be taught at school. Importantly, the topics were consistent with the topics suggested by the Year 12 students who had attended the Financial Literacy Seminar. Below is a list of the graduates’ suggestions (including the number of graduates who offered each suggestion).

- Budgeting / managing money (16)
- Saving money (12)
- Loans (11)
- Expenses / spending (9)
- Credit cards (8)
- Debt / bankruptcy (4)
- Typical graduate incomes (4)
- Financial planning (4)
- Moving out of home (3)
- Buying a house (3)
- Credit ratings (3)
- Buying a car (2)
- Where to get financial assistance (2)
- Life after school (2)
- Tax (1)
- Share market (1)
- Basic business knowledge (1)
- Cards verses cash (1)
- Stamp duty and legal fees (1)
- Resume writing (1)
- Banks (1)
- Internet banking (1)
- How to read bills (1)

In reviewing the list of topics above, it is noteworthy out of the six session topics presented at the Financial Literacy Seminar for Year 12 students, (Personal Loans,
Basic Budgeting, The Consequences of Debt, Credit Cards, Mobile Phones, Contracts and Scams, and Buying a Car) five of these topics were nominated by the graduates, confirming the importance of these financial issues for young people. The data above well demonstrates what financial skills and knowledges young people think they should be taught and believe they require for living in society.

It was therefore not surprising that when the graduates were asked whether they thought it would be a good idea to introduce a non-assessed, one or two period per week, subject called ‘Financial Literacy’ for all Year 11 and 12 students, that their response was a resounding ‘yes’. All 20 graduates who were asked this question, believed that this would be a very helpful course to prepare future graduates for life after school, particularly in preparing graduates for when they buy a car or move out of home. (There were four graduates who were not asked this question as it was not a prepared interview question and was introduced after the commencement of interviews with the teachers.) Most graduates were very keen and clear in their response regarding this suggestion as demonstrated in the following examples.

“Yes. [Be]cause I would never have saved for what I'm saving for...if mum and dad didn't say you have to do it. There would be parents out there who would just go ‘Do what you like with it’, or not worry about it, or not know. There's teachers at school that have the information and life experiences...so they'd be able to pass that information forward.”

“It definitely sounds like a good idea. Because we're in an unstable economy right now, it would probably be a very good idea...[be]cause it is going to happen again, so it would prepare people for the future.”

“Definitely, [be]cause a lot of kids or adults go out of school these days, even if they get a trade, they might want to get a new car to be able to drive around and take their tools, and that means you've got to get a loan. Some things you don't realise you might have to save to get a loan. Or you might not get along with your parents and you have to move out.”
“To me, yes definitely, because it would help me a lot more to know a lot more about money, especially in this country.”

The responses above demonstrate the type of answers given by the graduates in that the graduates did not simply say ‘yes’ to the question, but without prompting went on to provide a reason for their support of such a subject for senior students. This validation from the graduates is further evidence that young people are keenly aware of what they need to know or have a better grasp of in terms of financial knowledge to be able to function in a financially literate manner in contemporary society. It also supports the idea that financial literacy is indeed a ‘generic skill’ which all students, regardless of study pathway should have the ability to attain; that is, the development of financial literacy should be listed as a graduate attribute for all senior secondary graduating students.

When asked if Year 11 and 12 was a good time for a financial literacy subject to be taught, one graduate said, “definitely, because they can see the end”. Another graduate said,

I suppose it's because they should be older enough to understand and realise. And when you get out of school, you're pretty much just chucked out into the real world and you have to deal with it. Everyone's so protected at school so there's no point teaching them two or three years after because they're already in the real world and it could be too late.

When I asked the same graduate if it is too early to teach a financial literacy dedicated subject earlier in high school, s/he said, “Maybe, maybe Year 10s might be able to deal with it. But maybe any younger, they're just not interested in it at that point”. This response is consistent with the data discussed in the previous chapter regarding the need to ensure learning is relevant and contextual for learners. The data therefore supports the belief that if learning is relevant to the lives of the students being taught, and it is taught in a contextual manner, the transfer of the learning experience, as well as the engagement of the students in the learning process, is much more likely to be effective and therefore lasting. Examples of such success include the Mobile Finance Park experiment (Allen, 2009) and Modern Curriculum
Press (Godfrey, 2006). Clearly, the data showed that the graduates were very supportive of a financial literacy ‘type’ of subject being introduced into the Senior Curriculum.

Who should teach financial literacy?

The final question participants were asked was: Which school department would be best suited to look after the preparation and teaching of a proposed financial literacy subject? Consistent with the teachers’ responses to the same question in their own interviews and the views of students who attended the Financial Literacy Seminar, the Business and Mathematics departments received the greatest number of nominations from the graduates. Eleven of the eighteen graduates who were asked which department would be most suitable to teach a financial literacy subject nominated the Business department, five nominated the Mathematics department, and two suggested either of these two departments would be appropriate (although when asked to nominate one, both decided on the Business department). Other suggestions included: SOSE (Studies of Society & the Environment), English, Health and the utilising a school’s Career Advisor. Some of the graduates’ comments regarding their choice of department were quite interesting in that they highlighted the recognised connection of financial literacy with Mathematics, yet the disconnection which apparently exists in terms of ‘real life’ engagement which some graduates indentified as an element in Business.

“Business - the Mathematics department wouldn't be suited to that sort of stuff…Maths teachers have a certain teaching style I've found, they teach things in a certain way and I don't think they would be suited to teaching stuff to do with financial literacy - they're Maths teachers…Business teachers, why, because they deal with topics that are already pretty close to that...it's not too far removed from dealing with it on a personal level.”

“Business - because all the topics that they touch on are very real world…it's their area of expertise and they know how to go about telling kids of our age how to do it. Whereas, a Maths teacher, maybe they don't have kids… they're not used to sort of coaching people on savings or coaching people on ‘this is how you bank stuff’. So I think they [the Business staff] can connect with
everyone a bit better and know exactly what you need to know and what you don't need to know.”

“Mathematics - Because there's a lot of working out to do; like adding up all your bills and you've got to save and that type of stuff.”

“Mathematics because it is maths.”

“You'd think Maths, that would be the first that would come to mind… Probably be a cross between Maths and English because obviously you'd need to learn some of the words that come with loans or whatever, some of the lingo to understand what's going on…Maybe if there were two periods a week, one could be run by the Maths department and the other period could be run by the English department and focusing on different areas of it.”

Given the overwhelming support of financial literacy as a proposed subject by the graduates, it is a recommendation of this report, that financial literacy should be mandated as a stand alone non-assessed subject for Year 11 and 12 students and that teachers from the Business and Mathematics departments be utilised to develop and staff this subject.

To summarise this section on the findings, analyses of the graduates’ interview data established that the majority of the respondents did not feel as though the financial education they had received during their senior schooling had significantly assisted in preparing them to make financial decisions and take on greater financial responsibilities when they graduated. The data clearly demonstrated that most of the graduates have heavily relied on the knowledge, habits and financial support offered to them from their parents and family. This was shown through graduates’ responses to who their greatest influencer has been in regard to gaining financial understanding, and from their stories about their financial experiences and habits. Interestingly, the data showed that graduates’ choice of senior Mathematics subject did appear to influence, to a degree, their perceptions of financial preparedness, and some financial habits, such as budgeting or saving for a house deposit. Other findings included graduates’ lack of understanding regarding the consequences of
debt and the potential implications of what might be termed ‘small debts’ Their
general unawareness that small debts can have just as serious consequences as large
debts in regard to the ability to access future credit was significant to note.
Graduates’ financial experiences and spending habits were varied. However, the
recurring themes such as difficulty in managing money or saving (except for things
such as a car or holiday) revealed that the graduates interviewed tend to experience
similar financial issues to other young people (as highlighted in Chapter 1), and
alarming, many borrow money from friends and family on a ‘regular’ basis.

While this research was limited to 24 graduates the findings regarding a lack of
financial skills and financial awareness may broadly represent graduates leaving high
school. In addition, as I have shown, there is correlation between this research and
the reporting and comments of others. At the least, this research provides indication
that further examination of the issue is warranted. As described in Chapter 5, the
schools chosen to participate in this research were located in Brisbane and the Gold
Coast, and were co-educational facilities representing middle socio-economic
communities. Despite the differences in location or type of school (State or private),
the sample of graduates who participated in the research shared a number of
common financial similarities in regard to their senior schooling and post-schooling
financial experiences. As reported earlier (see Figure 1), graduates’ knowledge
regarding financial matters is largely attributed to their parents, which may well be a
problem if their parents possess limited knowledge about financial matters. Although
the research did not seek to investigate the financial literacy of graduates’ parents,
if parents are not financially astute, then they may find it difficult to effectively
educate their children about financial matters. With countries such as the UK and
USA legislating to financially educate ‘all’ citizens (not just school students), it
would be unlikely that Australian citizens do not also require financial literacy
education (although this is beyond the scope of this report).

A desire to be more informed regarding financial literacy was strongly reflected in
graduates’ positive responses regarding the proposed non-assessed financial literacy
subject for Year 11 and 12 students. It is likely that a subject of this type would
better prepare graduates for life as future adult citizens, and may well be necessary to
ensure their future economic wellbeing. As acknowledged by all groups involved in
this research: teachers, graduates and Year 12 attendees of the Financial Literacy Seminar, Business and Mathematics teachers would be the most suitable group of staff (with relevant professional education) to facilitate and oversee a financial literacy course for senior students.

Teachers’ Interviews

Graduates’ perceptions about their financial preparedness were supported by the findings of the research which demonstrated limited occurrence of financial literacy within the Curriculum The remainder of this chapter will explore teachers’ views of the same question on financial preparedness. As will be demonstrated, their views on graduates’ financial preparedness, and the need for the Curriculum to focus on financial education, were generally consistent with the views of the graduates.

In interviewing a group of teachers, the aim was specific: To document how a sample group of teachers have translated any syllabus statement content about financial literacy, and how they have implemented it in their teaching practice, thus identifying the degree to which financial literacy is built within work programs. This section discusses and analyses the interviews conducted with the sample group of eight teachers representing three schools (one State, and two Catholic), within three different subject areas: Mathematics, Business and Studies of Society and the Environment (SOSE). It compares these interview responses with the graduate interview data, as well as literature reviewed in the research, as discussed in Chapters 3 and 4. The section begins by describing the interview structure and process with the teachers who participated in the interviews.

Interview structure.

The interviews with the teachers ran quite differently to the graduate interviews, which had been largely directed by the stories, feelings and experiences of each graduate. (It should be noted that only four graduate interviews had taken place at the time of the interviews with the teachers.) The teachers generally answered a question and then waited for the next one, following along with the list of proposed interview questions I had provided them. Prior to asking questions specifically relating to financial literacy, I felt the need to examine two key concepts:
• Teachers’ beliefs about the purpose of education and individual classroom lessons.
• Teachers’ views about the interpretability of syllabuses and the development of school work programs.

Although the questions I developed to investigate these concepts did not relate directly to financial literacy per se, teachers’ answers assisted me to acquire a greater understanding of how they viewed themselves within an education and schooling context. The teachers’ responses also assisted me to know how work programs in individual schools are developed, thus demonstrating how a teacher or teachers use syllabus statements to produce work programs for their students, and who is involved in this process. Understanding who is involved in the development of senior work programs and how they are developed was important in terms of the possible inclusion of financial literacy programs in the various subject areas; I was interested to know how many teachers were involved in the development of senior work programs at each school, that is, was one teacher driving financial literacy education or was there a team. Once these factors were established, questions directly relating to the teaching of financial literacy were asked. Thus, analysis of these data has been divided into five sections to deal with the individual themes which emerged from the data. The first of these was about teachers’ beliefs about the purpose of education.

Beliefs on the purpose of education and individual classroom lessons.

From the on-set of this research it was apparent that our entire schooling system hinges on a very important notion, and that is, the purpose of education. The trouble is (as was described in the graduates’ section of this chapter) there are many differing beliefs regarding what this purpose is, or at least what it should be. Therefore, as curriculums are formed, there will naturally be tensions towards various goals, whether they are preparation for further study, preparation for the workforce, preparation for citizenship, or other defined aspects of development or preparation. Belief systems surrounding the development of curriculum were therefore addressed in detail throughout Chapters 1 and 2. The current chapter also
discussed graduates’ beliefs regarding the purpose of education which did vary, again supporting the idea that: what constitutes a ‘good’ education, is not discussed sufficiently (Biesta, 2008) to effectively establish what the purpose of Australian education is.

Chapter 2 focused on the various stakeholders in the education enterprise and the bigger picture of how education contributes to our nation as a whole. However, what was an interesting discovery was that in contrast to the earlier discussion in Chapter 2 about the importance of human capital development, at no stage throughout any of the teacher interviews did any respondent make an explicit reference to national prosperity or even the future individual prosperity of their students. Teachers’ responses repeatedly focused on providing ‘knowledge and skills’ for the real world, and preparing students holistically as future adult citizens who would need educational, social and moral grounding. But they were not specific about how these goals would contribute to a student’s future economic wellbeing or their students’ future contribution to society’s economic prosperity.

The teachers’ answers to this question were not surprising and reflected the thoughts of both Vadeboncoeur (1997) and Stevenson (2007). Vadeboncoeur (1997) addressed the issue of the purpose of education in terms of teacher education training and stated:

Throughout the twentieth century, two competing views of child development and the purpose of education have framed the teaching pedagogy in teacher education. In the first view, the purpose of education is to educate the individual child in a manner which supports the child’s interests and needs… In the second view, the purpose of education is social transformation and the reconstruction of society aligned with democratic ideals. (1997, p. 15)

This reflects Lundgren’s theory of the curriculum as a ‘text’ which is influenced both socially and politically, for the purpose of production and reproduction of society, and the division of labour (1983). Ten years after Vadeboncoeur, Stevenson,
likewise provides a summary of the purpose of schools in providing education, reflecting on Dewey. He said that a school’s role:

…was to transmit basic knowledge and the skills of reading, writing and arithmetic, as well as to convey a broad understanding of society and the student’s role in it. In other words, schools, and hence classrooms, were structured to present basic information, to enable the practice of routine skills, and to maintain existing social conditions and relations. (Stevenson, 2007, p. 144)

When teachers were asked about the purpose of education, three main themes emerged from the data. Firstly, there was a belief by three teachers that the purpose of education had changed (although the teachers offered no explanation as to what the purpose ‘had been’). These teachers cited technological advances, changes in the type of student population, and the emphasis on ‘skills’ rather than simply subject ‘knowledge’ as reasons for this change. The second main theme to emerge from the data was that the purpose of education was to do with the holistic development of individuals (n=3), which included educational, moral, social and intellectual development of their students. The third theme to come out of the data was that education provides preparation for the real world (n=3), which included preparation for the work force and students’ everyday lives. It is interesting to note that ‘holistic’ development was not referred to by the graduates as a purpose of education. However, like the graduates, teachers’ overarching belief was that the purpose of education is to prepare students for life beyond school and employment. This belief reinforces the view of the larger community regarding the purposes of education: as a tool of preparation for adult living.

Following the question about the purpose of education, teachers were asked whether the purpose they described changes when they look at their individual classroom lessons. They were asked what priorities they have in mind when preparing or teaching their own lessons. One teacher stated that their purpose remains the same, however three were quite clear in outlining that the immediate focus of their lessons is getting through the required work from the syllabus; one teacher making the comment “…you have to get through the work, you have to test it all and you just
run out of time. You don’t get time to spend doing the nice things”. The view about a lack of time to teach students other beneficial skills and knowledges not written into the syllabus was shared by many of the teachers, particularly during the time spent discussing issues informally after the interview in regard to finding time to teach financial literacy. Stevenson also made mention of this belief: “Therefore, to be regarded as an effective teacher (by the majority of school authorities, colleagues, parents and students, as well as even oneself), the efficient coverage of material is necessary” (2007, p.147). The pressure on teachers to get their students through the academic requirements, and therefore the syllabus is clearly evident.

The remaining three teachers’ responses about the purpose of individual lessons, was aligned to acknowledging the individual learner, that is, how individual students learn. These teachers said they designed their lessons and adapted their teaching styles to assist in the learning process and reflect the individual learning styles of those in their classes. The data were clear, however, in showing that teaching students skills and knowledge from each subject syllabus was the primary focus in each lesson. Given this focus on sticking to the syllabus, it can be argued that life skills and other knowledges not explicitly included (such as financial literacy) are unlikely to be taught.

To summarise, it was clear from teachers’ responses to these two initial questions that generally they have three goals in mind for their students. The first is the holistic development of the individual, the second is preparing students for their future employment, and the third is ‘getting them through’ the academic requirements of the schooling system. It was evident from the teachers’ responses that they had a fairly consistent view of the purpose of education, as well as the rationale they apply to their individual classroom lessons. I would suggest, given the selection of schools chosen to participate in this research (as described in Chapter 5), that this sample of teachers has the potential to be representative of teachers as a whole group, but at the least indicates a need for further investigation of these issues.

*Interpretability of syllabuses*

Having identified each teacher’s thoughts about the purpose of education and how their lessons contributed to that purpose, I moved on to a discussion regarding
subject syllabuses and how within each individual school, teachers translate syllabus documents in order to develop senior work programs. I was also interested to discover whether the issue of syllabus clarity is as wide-spread an issue across schools and departments as I had encountered in my teaching. (For example, it has been suggested to me on more than one occasion that you can make the Curriculum say anything you want it to – a point demonstrated by the QSA representative at the Queensland state-wide launch of the Consumer and Financial Literacy Professional Learning Program in 2008, as teachers were shown how to ‘map’ the Program’s national outcomes across to Queensland’s individual subject syllabus statements, making the new outcomes ‘fit’ as it were.)

My qualification (a Bachelor of Education) was focused on P to 10; however I was interested to discover whether this issue of clarity exists amongst staff teaching within the senior phase of learning (Years 11 and 12). This clarity in syllabus documents is important as it is the students’ educational experience over these two final years of school which produce Exit results or OPs (Overall Positions) comparable with students from other schools and states. Obviously, if the syllabus statements are clear then students from all schools in Queensland, providing teachers are similarly well skilled, are more likely to receive reasonably consistent content and skills coverage. If, however, the statements are unclear, ambiguous or too flexible then there is a danger that students’ experiences, skills and knowledge will be vastly different. In each interview I asked teachers whether they felt the syllabus statements they use to design their work programs are clear and easy to understand, or whether they felt they require significant interpretation and have not been easy to follow. Teachers’ responses as reported below were significant because they highlighted the difference in interpretation that can exist due to the broadness of syllabus statements used as a basis for developing senior work programs.

In all three interviews with Mathematics teachers about issues surrounding syllabus clarity and the development of work programs, issues were raised regarding assessment and the move from a marks-based to criteria-based system (a system which no longer allocates a grade based on the numerical results of students’ exams – for an example of the new standards for Mathematics A see http://www.qsa.qld.edu.au/downloads/senior/snr_maths_a_08_adv_highlighted_stnd
A total of four teachers acknowledged the difficulty in matching students’ assessment results to the new criteria standards (particularly in Mathematics), which have been introduced throughout all subject syllabuses. Furthermore, these teachers explained that the criteria they have to use for individual assessment items is also quite different to the criteria for the Exit Statement at the end of Year 12, one of the teachers showing me an example of the two sets of standards for BCT. It should be noted that four of the eight teachers acknowledged that they were District or State Panel members, although there may have been more. (Panel members are teachers within a district who moderate senior students’ work during the moderation and verification processes in a particular subject. They also assist schools with writing work programs, and review and recommend work programs for approval.) The overall view of these four teachers was that it was due mainly to being a Panel member that they had found the syllabus documents ‘okay’ to work through. These teachers explained that the training they received from the QSA to be a Panel member had definitely helped them understand the syllabus requirements. One teacher said,

> It [the syllabus] seems very open-ended, although generally, when you go to Panel, the schools generally get it right, which is amazing sometimes…It definitely can be difficult to interpret although it seems to come out okay in the end which is amazing.

Another teacher noted, “Certainly with the Ancient and Modern History syllabus[es], you can virtually do anything…and I like that flexibility.” This teacher was one of two who did not feel the documents were difficult to understand, yet his comments indicated a very wide scope of interpretation was necessary to determine what to teach.

The teachers, therefore, held opposing opinions with regards to the flexibility of the syllabuses. Some liked the flexibility of syllabus statements as they enabled them to teach where they felt ‘comfortable’ teaching and employing topics of interested to them. Others felt that the documents needed to be more prescriptive so that everyone is clear on the QSA’s requirements of what must be taught. As one teacher said:
The new syllabus is too broad. I would like ‘This is what we need you to do,’ and then we don’t have too much interpretation and then when we take it to Panel, we don’t get marked down…[and] our kids don’t get their grades lowered.

This statement about taking students’ work ‘to Panel’ was in reference to the external moderation process where school assessment items and students’ results are compared for rigour, and results verified or adjusted. The difficulties this teacher had experienced in the past due to differences between school work programs is exactly the type of danger and concern I referred to earlier. Another teacher said, “Syllabus statements are very shallow and can be interpreted differently by different teachers.” The teacher continued to explain, “It would help to have more prescribed outcomes, but flexibility in modes of teaching.” Another teacher noted that s/he was very comfortable with interpreting the new Business Communication and Technology (BCT) syllabus because it is far more prescriptive than the previous one.

The main finding from the data in regard to the interpretability of the senior syllabuses was that teachers have experienced some difficulties in interpreting syllabuses they have worked from, although these difficulties appear to have been reduced through teachers’ participation on subject panels and the training provided by the QSA. Teachers also indicated that interpretability became easier as they have gained teaching experience. There is a significant problem in the senior schooling system if teachers do not feel confident that senior students are receiving a consistent education through the development of school work programs. It does appear from the teachers’ comments about the interpretability of the Curriculum that a wide scope of teaching choice exists due to the broad statements written into the various syllabuses. A teacher who indicated that the syllabus statements are very shallow and can be interpreted differently by different teachers went on to suggest that there needs to be further elaboration or more prescribed learning outcomes while maintaining flexibility in modes of teaching. It is as a result of the finding that syllabuses are open to significant interpretation, that this study recommends further elaboration of learning outcomes within syllabus documents in order to take the ‘guess work’ out of developing suitable work programs and for teachers to have a clearer sense of what students must know or be able to do as a result of undertaking a
particular subject. This recommendation reinforces Luke’s statement referred to previously, “we as a system have to actually stand up and designate some knowledges, some skills, some competencies as non-negotiable, as things that everybody will learn” (Hunter & Luke, 2000, p.37). Or as Conley recommends in his report on secondary school graduates’ preparedness for tertiary study by examining the content and quality of the QSA’s senior subjects (discussed in Chapter 3), a core set of studies within each syllabus is needed (2005).

Interestingly, despite the apparent broadness of the syllabus statements as reported by the teachers interviewed, only the teachers from the Mathematics departments indicated that they taught personal financial literacy topics within their work programs. Other subjects purporting to contain financial literacy according to the teachers interviewed were Economics and Accounting. However, only one of the Business teachers interviewed said s/he covered investing and financing of shares, buying houses, and the money market.

It was apparent from discussions with the three Business teachers (all Heads of Department) that the majority of financial literacy was being taught in a small business context and therefore had limited personal application. These same teachers noted that most personal financial literacy occurs in the lower grades, particularly Year 10. Since by this stage of the interview most teachers were discussing their desire to include financial literacy into the Curriculum I asked whether there were topics in the current syllabuses under their portfolio which could be limited or withdrawn to provide time to incorporate financial literacy or to deal with it in greater depth. Four of the teachers interviewed acknowledged that there were topics that could either be withdrawn or limited from the syllabuses they taught. For example, in Mathematics, suggestions from teachers included withdrawing or limiting the time or scope spend on topics such as: shape, Pythagoras, trigonometry, scale drawings, networks and queuing and some measuring. One of the Business teachers suggested removing the topic ‘financial documents’ as students would learn how to use these types of documents specific to their place of employment when they left school and entered the workforce. She also felt teaching students about ‘petty cash’ was not really necessary either.
Teachers’ views on syllabus development and approval.

Discussion about the clarity of syllabus documents led to a further discussion about the QSA and the process of syllabus development. Generally, teachers believed that those approving syllabuses were too far removed from the realities of what occurs in the classroom due to the types of statements and topics included in syllabus documents and how these might be taught in a classroom or be relevant for their students. For example one teacher said:

“We get very frustrated with the documents sent out to us…but what we have found out and what we firmly believe is that the powers that be from the QSA put these things out to us, and then we question [them], and then they really can't give us answers. And they're still discovering for themselves, so I think they're waiting for us to find hiccups in it so we can take the hiccups back to them and they'll try and work out the hiccups…I do feel sometimes that some of these people that write these syllabi...have been out of the classroom for so long...I think come on and get in and make some contact here with the kids, cause what you’re asking is not going to happen.”

Another two teachers also reinforced the feelings above.

“The reality is that we have no input regarding the syllabus or whether it meets industry standard, so we just have to wear what they decide.”

“The one problem I find in education, particularly with maths is that the people that who make the big decisions aren’t even teachers or maths teachers, they’re politicians...or haven’t taught for 20 years...things have changed since 20 years ago.”

Apple (an internationally recognised critical education theorist) had similar recollections regarding his own teaching experience. He said, “The curriculum and those who planned it lived in an unreal world, a world fundamentally disconnected from my life with those children in that inner city classroom” (Apple 2006a, p.6-7).
Whether those teachers’ feelings raised above about the appropriateness of the syllabuses development processes are accurate, on the basis of their comments it demonstrates the belief by these teachers that those responsible for the development of the curriculum and the approval of syllabuses are too far removed from the realities of what occurs at a classroom level and indeed what students are interested in or need to know. The effects of the move since the 1980s to a ‘managerialist’ education system has been theorised and reported by Apple (2003, 2004, 2006b). Apple has, and continues to discuss at length the issues and consequences of neo-liberal education – that of the marketisation and privatization of education of schools, as well as the neo-conservative policies and new management which emphasise national testing and national standards for accountability measures and increased educational outcomes (Apple, 2006a). (The issue of testing was discussed in Chapter 2 in terms of government influence over education.) Apple’s concerns regarding high stakes testing and new managerialism are voiced by many others (see Bottery & Wright, (2000; Beckmann & Cooper, 2004; Lipman, 2004; McNeil, 2000).

The teachers’ statements above reflecting concern regarding the relevance of the syllabuses being developed is not a new concept but rather the conflict between curriculum theory and practice is an old and ongoing phenomenon. There is firstly the debate surrounding development of curriculum and who has been excluded from the process (Connelly & Xu, 2007; Schwab), and secondly the issue of what teachers choose to teach after receiving the curriculum and the personal knowledge they apply to their teaching (Herron, 1971; Schwab, 1969; Shkedi, 2009). The reality is that there is clearly a difference between theory of curriculum and practice of curriculum at the classroom level. Connelly and Xu, summarised Schwab’s beliefs and stated that “Schwab found [curriculum theory] mostly irrelevant to the world of actual practical curriculum and instruction”, and that “curriculum theory has been shown to have little impact on the working world” (Connelly & Xu, 2007, pp. 5 & 9). Bottery and Wright (2000), Beckmann and Cooper (2004) and McNeil (2000) take the argument of curriculum theory and practice a step further by noting the deprofessionalism of teachers and the education system as a result of new managerialism, a position that teachers in this research implicitly took.
Given the concern raised above by the teachers who were interviewed in the present study, regarding those involved in the development and approval of syllabus documents, their comments warrant careful consideration by the QSA, and in the future, the ACARA. If teachers are to feel comfortable and confident in using syllabus documents they must be able to identify connections between curriculum purpose and practice and importantly they need to be active participants in the development of such documents to ensure that statements are clear, relevant and achievable in the classroom, that is, teachers must be able to have a significant voice, and not be simply ‘managed’.

After the interviews with the teachers I decided to find out how senior syllabuses are currently developed and approved by the QSA. Although a flow chart is provided on the QSA’s website regarding the process of syllabus development, accreditation and approval of senior work programs, it was not so much the process but rather who is involved in the process that I sought to identify – were the teachers’ concerns regarding who is involved in the development and approval of subject syllabuses and curriculum development justified? Knowing who is involved in the process would perhaps assist in understanding why financial literacy had been largely omitted from Senior Curriculum. Earlier in the research I had phoned a QSA representative, explained my research and sought his assistance to discover who is involved in this process, amongst other questions I had. However, after several months of no response I followed up with several phone calls and left messages for my call to be returned – no answer. A Syllabus Advisory Committee member that I met suggested that a range of representatives from the various schooling sectors, as well as industry and tertiary representatives would be likely to be on the P-12 Curriculum Committee. It is the members of the P-12 Curriculum Committee who oversee all subject syllabuses; importantly, they recommend to the QSA governing body whether each syllabus developed should be approved or not. (Meanwhile, it is the Syllabus Advisory Committees who revise and often develop the syllabuses for this Committee to approve).

Thus, began my search to determine ‘who’ is on the P-12 Curriculum Committee. I did not realise how difficult this might be. There is simply no public record of who is on this Committee. I decided at this point to contact the QSA, again, to find out if
someone would advise me of who is on this Committee and how the Committee is selected. I was informed that due to the Privacy Act, this information was not available to me. When further questioned about the ‘types’ of people who are on this Committee, again the response was very vague. After substantial research and investigation I found a page from the QSA’s Annual Report for 2008/09 which listed the functions and membership of the Committee, although names were not provided, simply types of representatives:

- Chair – Authority member
- Two QSA members
- two tertiary educators
- three nominees of the education sectors (one each from QCEC, ISQ and EQ)
- one nominee of the employment and training sector
- one nominee of the Training and Employment Recognition Council
- one nominee of the Minister for Education with social justice expertise
- one nominee of EQ (rural/remote area)
- one nominee of EQ (special education)
- one nominee of parent groups
- one Indigenous education nominee
- three teacher nominees: early years, middle years and senior years of schooling.
- two teacher union nominees
- one QSA senior officer
- executive officer – QSA officer. (Queensland Studies Authority, 2009b, p. 57)

The above membership list may confirm teachers’ beliefs, about the lack of current, practising teachers involved in the process of developing and approving the syllabuses. Although some of the nominees may in fact be practising teachers, there could in reality be as little three teachers – and only one from each phase of learning. In other words, from a 22 member committee, there may be only one secondary school teacher; this is not sufficient if gaps between curriculum theory and practice are ever to be effectively addressed. In comparison, there are six QSA members,
which does not make a lot of sense if the function of the Committee is to provide advice and recommendations to the QSA in regard to curriculum matters (Queensland Studies Authority, 2009). The apparent exclusion of business or industry representation such as those outside of the field of education, in addition to limited teacher representation is concerning if we contrast this structure with the espoused views of the purpose of education.

On the basis of the comments of the teachers interviewed in the present research, the teachers believe that there are not enough current, practising teachers involved in high level decision making. This belief has been somewhat confirmed by the list of representatives on the P-12 Curriculum Committee, in that a minimum of three teachers are required, although it is possible that other nominees may be teachers. The composition of the Committee in addition to teachers’ concerns raises the questions: What interest groups should be on a committee of this nature? And, is the balance right? According to the perception of teachers in the present study, this requires further examination. Based on this research (limited as it might be) it would be appropriate and beneficial to have on this Committee industry experts who can help ensure syllabuses developed will prepare students for the world in which they will live and work, and a greater number of teachers who can decide whether syllabuses developed are clear, appropriate, and achievable at a classroom level. Currently, the approval of the subject syllabuses appears to be being driven largely by a group of ‘administrators’, reinforcing the bureaucratic paradigm of operation, which teachers in this research believed to exist.

A key question asked of the eight teachers interviewed was whether the syllabuses they were teaching were addressing, in their views, the real, daily financial literacy needs of students. Three teachers (all Mathematics teachers) agreed that the syllabuses they taught were addressing students’ needs for when they graduated, however all three qualified their answer by saying that the syllabuses are primarily addressing the students’ ‘academic’ needs and getting them ready for university. One of these same teachers, did however, acknowledge that the syllabus content does not really prepare students for the ‘real world’. Another teacher (a Business teacher) said that s/he did not believe the syllabuses address the financial literacy needs of students well at all, while two teachers avoided giving a direct answer about the
extent to which their subjects prepare students financially. One of these two teachers pointed out that we need to work out what life skills are necessary before we decide whether we are addressing these or not. (A further two teachers were not asked this question directly.) These responses were not surprising given the ongoing debate over schools failing students (as opposed to students failing school) (see Biesta, 2008; Fallis & Opotow, 2003; Smith III, 1999). The fundamental question we might ask is how successful is the Queensland schooling system in engaging and preparing students for the ‘real world’?

In summary, teachers’ responses to the series of question about the syllabuses they taught demonstrated their awareness of the difference between students’ academic requirements and the financial life skills they need for the real world when they graduate. Although syllabuses have been established to guide teachers in regard to what students should know and be able to do, their downfall according to the data from the teachers’ interviewed in this research, appears to be three fold. Firstly, some teachers believe the statements are too broad which has led to various interpretations of what is to be taught. Secondly, some teachers feel that those approving syllabuses are too far removed from daily practice in a school to make appropriate decisions. Thirdly, syllabuses are seen as cumbersome in that there is not adequate time in the year to cover topics or skills in sufficient depth – the concept of a crowded curriculum is certainly not new. For example, despite teachers acknowledging that their students need to be better equipped regarding financial knowledge, they felt unable to include this type of teaching due to time restrictions – they simply do not have enough time to cover additional material no matter how valid the need may be. Getting students through the academic requirements so they can participate in further education options when they leave school is teachers’ paramount concern.

Coverage of financial literacy in current syllabuses.
As discussed earlier in the chapter, very little financial literacy was said, by the teachers interviewed, to be occurring other than in the senior Mathematics subjects, so I was particularly interested to know what financial literacy content the Mathematics teachers had included within their senior work programs. As noted earlier in the chapter, it was important to verify the recollections of the graduates by cross checking the information provided with other sources – in this case their
teachers. According to the graduate interview data, the Mathematics subject containing the most financial literacy was Pre-vocational Mathematics, an Authority-registered subject. The next most frequent occurrence was in Mathematics A. Very little financial literacy was said to occur in Mathematics B. These findings were consistent with what the Mathematics teachers’ reported. The following table provides a list of personal financial topics which the Mathematics teachers recalled being taught in each of the senior Mathematics subjects.
Table 6  
Financial topics Mathematics teachers recall being taught in senior Mathematics subjects

<table>
<thead>
<tr>
<th>Pre-vocational</th>
<th>Mathematics A</th>
<th>Mathematics B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budgeting</td>
<td>Budgeting</td>
<td>Present value / net value</td>
</tr>
<tr>
<td>Percentage - mark up</td>
<td>Percentage - mark up</td>
<td>Exponential &amp; compound interest</td>
</tr>
<tr>
<td>Percentage - mark down</td>
<td>Percentage - mark down</td>
<td>Predicting outcomes for superannuation</td>
</tr>
<tr>
<td>Buying a car &amp; the cost of insurance and registration</td>
<td>Simple &amp; compound interest</td>
<td>One teacher said they try to share their experiences about investing &amp; reading financial magazines.</td>
</tr>
<tr>
<td>Using the computer to locate information</td>
<td>Future &amp; present value</td>
<td></td>
</tr>
<tr>
<td>Profit &amp; loss</td>
<td>Profit &amp; loss</td>
<td></td>
</tr>
<tr>
<td>Wages</td>
<td>Wages</td>
<td></td>
</tr>
<tr>
<td>Budgeting for an overseas holiday</td>
<td>Earning &amp; spending money</td>
<td></td>
</tr>
<tr>
<td>Buying a property - Loans</td>
<td>Credit cards</td>
<td></td>
</tr>
<tr>
<td>Renovating a property</td>
<td>Taxation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Annuities</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Superannuation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Inflation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Foreign exchange</td>
<td></td>
</tr>
</tbody>
</table>

The topics listed above generally correspond to the list of topics provided by the graduates earlier in this chapter, although Mathematics A appears to have the greater financial content in this example. Perhaps this increased representation can be attributed to teachers’ recollection of what is taught in Pre-vocational Mathematics, given that two of the three Mathematics teachers were Heads of Department and would not be likely to teach this Authority-registered subject. In fact, one of the three teachers said s/he had only ever taught Pre-vocational once and many years ago. Alternatively, perhaps graduates’ recollection of their learning of financial topics in Mathematics A was limited, possibly due to the fact they were not able to apply that
learning at the time. Locke provides a quote from Dewey (1939) which is worth reflecting on.

Almost everyone has had occasion to look back upon his school days and wonder what has become of the knowledge he was supposed to have amassed during his years of schooling...but it was so segregated when it was acquired and hence is so disconnected from the rest of experience that it is not available under the actual conditions of life. (Dewey cited in Locke, 2008, p. 70)

Therefore, the combined responses from the teachers and graduates indicate that at least from their perceptive there were a similar number of financial topics covered in both Mathematics A and Pre-vocational Mathematics. This similarity in the ‘number’ of financial topics included in Mathematics A and Pre-vocational Mathematics is also reflected in the respective syllabus documents.

When the three Mathematics teachers were asked why Mathematics B students did not receive similar opportunity to learn about basic financial literacy matters, each teacher indicated that the students in Mathematics B would find the work too easy. They justified their belief by explaining the need for the subject to be rigorous in nature due to its path into tertiary fields such as engineering. These teachers generally felt that Mathematics B students would have learnt and grasped most financial literacy concepts in their earlier year levels and already be using formulas and algebra to work out basic concepts that would be taught to Mathematics A and Pre-vocational students during senior schooling. They also believed that these more mathematically capable students would be better able to handle their own financial matters on leaving school.

As I had not expected to encounter the belief by teachers that Mathematics B students do not require basic financial education, I decided to analyse the graduate interviews to determine whether studying Mathematics A, B or Pre-vocational Mathematics had made a difference to graduates’ financial experiences since graduating. The data about graduates’ financial preparedness in relation to the senior Mathematics subject they chose to study were of course discussed at length in the
graduate section of this chapter; however, I will repeat what one teacher asked me: “If they don’t learn it [financial literacy] here [at school], where will they learn it?”

As was revealed in the graduate interview data, Mathematics B graduates are certainly not faring better than those students who studied Mathematics A or Pre-vocational Mathematics when it comes to handling financial matters since graduating. The data actually showed that regardless of the subjects studied, all students reported that they needed basic financial literacy education. Evidence from this study indicated that students’ academic ability and the subjects they studied did not guarantee financial competence as was suggested by the Mathematics teachers interviewed. Although this research indicated that graduates left school with limited financial skills, the little graduates were taught in Mathematics A and Pre-vocational Mathematics appeared to have some benefits in helping them financially.

Financial literacy programs.

Once teachers began to engage in a discussion on financial literacy, their thoughts and feelings about the need for students to have the opportunity to learn to be financially literate was expressed. As stated earlier, there were no specific financial literacy programs running at any of the schools, although at one school, students in Year 10 had a compulsory subject (which I will not mention the name of to protect the school’s identity), where elements of financial literacy are embedded. Almost all of the teachers (n=6) said that they have wanted to run a specific financial literacy type of program for many years, however they were always competing with other staff interests and timetabling restrictions. Quite a few of the teachers suggested that the Pastoral Care period would be an ideal time to provide this type of dedicated instruction, however, their concern about running a financial literacy program related to the staff members who would conduct these lessons. This teacher explained that while financial literacy education is needed, not every teacher is interested or indeed expert when it comes to financial literacy, a fact discussed in Chapter 4 when examining international perspectives on teachers’ attitudes and skills.

Nonetheless, even though the teachers had voiced the difficulties in implementing financial literacy into their lessons, all but one teacher interviewed supported a stand alone, non assessed financial literacy being taught to all Year 11 and 12 students for one or two periods a week. The teacher who did not support the idea felt that the
Curriculum was already too crowded and could not see how financial literacy could be included. The teacher also doubted students’ ability to take the subject seriously if it was not assessed. This teacher suggested that it could possibly be part of a life skills course rather than taught as a separate course. This idea was also suggested by another teacher. Two additional teachers felt that as long as the financial literacy subject was overseen by one department, that integration into a few subject areas could also become possible.

When asked which department should take responsibility or ownership of a proposed financial literacy subject, teachers believed responsibility should be with either the Business department or Mathematics department. One Business teacher suggested that if the subject was overseen by the Business department then “it [financial literacy] would be seen too much as a business context… [whereas] Maths is about the individual”. On the other hand, one of the Mathematics teachers stated that “Business [teachers]…might be a bit more aware of the different agencies and so forth that are out there” in reference to their overall knowledge and connections with experts in the field of finance. Four of the teachers nominated the Business department, two nominated the Mathematics department and two could not decide between the two departments, nominating both. The recognition of both the Business and Mathematics departments as suitable providers of financial literacy education was consistent with findings from the graduate interviews and feedback from participants at the Financial Literacy Seminar regarding the same question.

During the interviews I showed a copy of the Consumer and Financial Literacy Professional Learning Program – Teacher Guide to each teacher and asked whether they had seen it, and if they had been to either of the district or state-wide conferences where the Program had been introduced to teachers in 2008. This was the document prepared by the Consumer and Financial Literacy Taskforce and was introduced as the Consumer and Financial Literacy Professional Learning Program which would be implemented across all schools nation-wide in 2009. Having attended the state-wide and district conferences and noting the lack of participants I doubted whether these teachers would have attended. As I expected, only one teacher had attended the Consumer and Financial Literacy conferences and had audited the other staff at his/her school to determine which financial literacy concepts are being
taught across year levels. None of the other seven teachers had been to either of the conferences and four said they had not heard of the Consumer and Financial Literacy Professional Learning Program.

It is noteworthy to remember that seven of the eight teachers interviewed were Heads of Departments and at least half were Panel members at the time whose responsibilities include assisting schools to write suitable work programs which adhere to the QSA’s syllabuses, as well as reviewing and recommending school work programs to the State Review Panel, so their lack of awareness about the Consumer and Financial Literacy Professional Learning Program should be taken seriously. The finding that the majority of teachers were unaware of the Program certainly demonstrates a lack of priority from the QSA regarding the implementation of this financial program within Queensland schools. However, the reality is that financial literacy is not a priority in the state of Queensland. It should be recalled that my application to conduct this research in Queensland State Schools in the first instance was denied by Education Queensland because financial literacy was not seen as a ‘priority issue’ in the state. The fact that financial literacy is not being taken seriously in Queensland schools is particularly alarming given the current government attention to financial literacy education nationally and internationally as was shown in Chapter 4.

To summarise the section on the teachers’ interview data, the purpose of the interview questions for the teachers was to document how a sample group of teachers have translated any syllabus statement content about financial literacy, and how they have implemented it in their teaching practice, thus identifying the degree to which financial literacy is built within work programs. To summarise the data from the teacher interviews, four main issues should be noted.

Firstly, teachers in this research had a common view of the purpose of education; their overarching belief was that education prepares students holistically for life beyond school and prepares graduates for the workforce. Teachers’ views however, were limited to graduates’ immediate futures rather than the inclusion graduates’ long term prosperity or even national prosperity.
Secondly, it is clear from the teachers’ data that there is much debate over how prescriptive syllabus documents should be. Syllabuses, in their current form, according to the interview data, are open to interpretation. This is of concern in the senior phase of school. Teachers recognised that syllabus content may be addressing students’ academic needs but they reported that syllabuses leave no room or time for them to teach basic life skills, which they know their students need.

Thirdly, teachers indicated that the coverage of financial literacy knowledge and skills was predominately within the Mathematics syllabuses; however, the extent of financial topics dealt with was dependent on the type of Mathematics subject chosen to study. The Mathematics teachers confirmed that as the subject difficulty level increased, less financial literacy concepts were covered or the topics were taught in a more complex fashion. Although, the Mathematics teachers discussed that they felt Mathematics B students did not need to study basic financial literacy skills, the current research indicated that according to these Mathematics B graduates they did not possess the financial literacy skills they feel they have needed since graduating.

The final matter, related to the lack of specific financial literacy programs in operation at the schools for senior students. Despite good intentions and ideas, no school participating in the research had implemented a stand alone financial literacy program for their students. Reasons for this included a lack of Curriculum time, competing staff interests and appropriate available staff. Additionally, only one teacher had used the Consumer and Financial Literacy Professional Learning Program – Teaching Guide.

**Summary of Findings**

This chapter reported on the findings from the interviews with graduates and teachers. The data generated from the interviews answered the questions this research sought to address by demonstrating that:

1. Very few financial life skills are currently specified in the Years 11 and 12 QSA Curriculum Framework.
2. Most senior work programs do not contain personal financial literacy skills (except in Accounting, Economic and the Mathematics subjects), and due to broad syllabus statements, work program content is flexible and therefore determined by the teacher/s who develops the program/s resulting in significant interpretation by teachers and therefore significant difference in learning experiences for students in the senior phase of learning.

3. Most high school graduates believed that they were not adequately prepared through the Senior Curriculum, for life beyond school in relation to personal financial skills.

4. The graduates interviewed identified several financial life skills they considered necessary for living in contemporary society.

Given that one of the key objectives of interviewing the teachers was to ‘document how a sample group of teachers have translated syllabus statement content about financial literacy into practice, and how they have implemented it in their teaching; thus identifying the degree to which financial literacy is built within work programs’, it was noteworthy that despite teachers’ reports that the syllabuses are largely open to interpretation, very little was being done in the way of integrating financial literacy content into subject work programs. Perhaps this is due to the lack of financial knowledge or interest by the sample group of teachers, or perhaps it is due to the expectations of those who review and approve senior work programs and their interpretation of the syllabuses.

As a result of the findings about the limited focus and inclusion of financial literacy education, the following chapter provides a list of recommendations to be considered by current and future curriculum designers and concludes the study.
CHAPTER 8

Recommendations

The aim of this research project was to determine the extent to which high school graduates are being adequately prepared through the Queensland Senior Curriculum for life beyond school in relation to their personal financial skills. Specifically, the research sought to determine whether what graduates were taught during their senior schooling provided them with financial life skills required for living in contemporary society in the immediate post school years, and especially in early independent living. Therefore, the research aimed to identify what financial life skills are currently specified in the Years 11 and 12 Queensland Studies Authority’s Curriculum Framework by examining the curriculum and documenting how a sample group of teachers have translated syllabus statement content about financial literacy into practice, and how they have implemented it in their teaching. In addition, it was considered imperative to identify the perceptions of a sample group of recent secondary school graduates regarding their own financial literacy, to establish the extent to which that they believe they were prepared through their senior schooling for life beyond school in terms of their ability to manage their finances. The research asks graduates if they have adequate financial literacy skills and knowledge to function successfully and make wise decisions and choices since leaving school? The final question was: what financial life skills are considered necessary for contemporary society, and how are these needs being addressed by governments and organisations?

In order to answer these questions, a review of current literature regarding financial literacy and the Senior Curriculum was undertaken, followed by interviews with graduates and teachers about their experiences with financial literacy within the Senior Curriculum. In addition, a Financial Literacy Seminar for Year 12 students was conducted to gain feedback regarding the usefulness of financial literacy education for senior students. Data from these sources provided a sound base against which to explore relevant Education Queensland policy documents and the Senior Curriculum. The data also enabled comparison to be made between Australia and the
situation in the UK and USA (see Chapter 4) regarding the inclusion of financial literacy education.

Findings from the study showed that the sample of Queensland high school graduates interviewed did not develop adequate financial literacy skills and knowledge while at school to be able to operate in a financially literate manner. As has been said in Chapter 5, although the outcomes of the present study may not be generalisable across all of Queensland due to the small sample of graduates and teachers interviewed, findings about the paucity of students’ in-school-developed financial literacy are consistent with results from other published studies and literature. Therefore, the results of this study should be considered to have some face validity and applicability to the wider population of graduating Year 12 students.

As indicated in Chapter 7, the key findings from the research were that:

1. Very few financial life skills are currently specified in Queensland’s Senior Curriculum Framework. Additionally, most senior work programs do not contain personal financial literacy skills, the main exceptions being in Accounting, Economics and the Mathematics subjects: Mathematics A, B and Pre-vocational Mathematics, and due to broad syllabus statements, work program content is flexible and therefore determined by the teacher/s who develops the program/s.

2. Most of the 24 high school graduates interviewed believed that they were not adequately prepared through the Senior Curriculum, for life beyond school in relation to personal financial skills (n=16). Their belief in this regard was confirmed when examining the graduates’ financial habits, experiences and knowledge. Both the graduates who were interviewed and the Year 12 participants at the Financial Literacy Seminar were consistent in identifying several financial life skills and knowledges (for example, budgeting / managing money, saving money, loans, expenses) they considered necessary for living in contemporary society and, in the case of the recent high school graduates, which they believed were not being addressed effectively in the Senior Curriculum.
3. The eight teachers interviewed for this research acknowledged that their students needed to be better equipped regarding financial education, however they pointed to restrictions in their ability to provide adequate financial literacy education because of syllabus requirements and limitations. Almost all said they wanted to teach financial literacy, but they simply did not have the time available. An additional concern raised by teachers interviewed was the lack staff with the skills to teach financial literacy.

Given the teachers’ views about their difficulty or inability to incorporate financial literacy into their lessons, even though these teachers recognised the need which exists to teach students this basic life skill, it was not surprising to hear that most graduates felt they were not adequately prepared to handle financial matters when they graduated from secondary school. Clearly, there is very little financial literacy covered during the senior years of high school, a time when young people begin to be quite active consumers and take on greater financial responsibilities. Although the information presented at the Financial Literacy Seminar was received favourably by Year 12 student participants, their feedback forms which rated the usefulness of the topics presented, clearly demonstrated this (as described in Chapter 6), a one day event is not sufficient for young people to become financially literate.

Finally, in terms of who influences the Curriculum, it was established that there are a number of stakeholders besides teachers and the Queensland Studies Authority who influence the construction of curricula. These include the Government, national and multi-national corporations, tertiary institutions, as well as the need of human capital development (see Chapter 2). However, it was important to note the restricted opportunities available to teachers and industry representatives (such as those from engineering, finance or health fields) in regard to their representation on high level syllabus advisory committees, such as the P-12 Curriculum Committee (see Chapter 7), and the over-representation of bureaucratic members, including those employed by the Queensland Studies Authority. The membership of such boards should be considered to ensure the best possible Curriculum is developed – one that keeps pace with changes to the various industries high school graduates will enter and therefore the types of knowledge and skills they are likely to require. The Melbourne Declaration on Educational Goals for Young Australians (MCEETYA, 2008)
acknowledges this reality of significant change and stated, “Globalisation and technological change are placing greater demands on education and skill development in Australia and the nature of jobs available to young Australians is changing faster than ever” (p. 4).

Financial literacy is only one skill, which, in this research was considered highly necessary by graduates, teachers and senior students alike. It was argued at the beginning of this report that despite society having changed significantly over the past thirty years that little has changed in terms of priorities in the Curriculum to reflect these new and continually emerging needs. It was stated by former Queensland Minister for Education, Rob Welford (2008) in Chapter 1 that young people require far greater education in consumer and financial literacy. Reports prepared by Conley (2005), Gilbert and Macleod (2006), and Freebody (2007), discussed in Chapter 3, went on to support the need for the Curriculum to better reflect the new society and demands which exist in workplaces today and particularly employability skills (which included the ability to budget and maintain finances) which was noted as lacking in the Senior Curriculum.

Luke in his interview with Hunter, (2000) likewise confirmed the need for greater attention to be given to what students need to be taught as ‘non-negotiables’ in the education system. Hawkes (2008) took this one step further by outlining in his article what some of these non-negotiables should be. These and other literature (such as, Conley, 2005; Freebody, 2006 and Gilbert & Macleod, 2006) confirm the results of the data collected from the interviews with graduates and teachers regarding the need for more relevant syllabuses with greater focus and inclusion of life skills, particularly financial literacy. They also reinforce reports being published by media outlets and other organisations regarding the lack of financial astuteness of young adults and the financial troubles they are continually encountering (Australian Associated Press, 2007; Calligeros, 2008; Christian, 2008d; Familiari, 2009) as was discussed in Chapters 1 and 7. The current research, literature and reports are all calling education departments to look more carefully at the preparation, skills and knowledge they are providing school students to ensure curriculums are relevant and effective in preparing graduates for their futures.
Recommendations

A number of recommendations grow out of the findings of this study. These recommendations mainly relate to the inclusion of financial literacy in the Queensland Senior Curriculum, but also address the way in which financial providers supply and promote their products to consumers. (This has been discussed given that, as discussed in Chapter 1, there are some common causes of financial trouble for young consumers, such as those caused through the use of mobile phones, credit cards and personal loans.) The recommendations have been made to assist policy makers in their future decisions regarding the need for financial literacy education, and include suggested content and location of a financial literacy component in the Curriculum. The recommendations have been made so that high school graduates are better prepared to handle the transitioning between the comparatively sheltered life of the family home and financial dependence, to greater financial independence associated with living independently of their parents.

**Recommendation 1.**
That the QSA develops and implements a specific, stand alone financial literacy subject with agreed content in the Senior Curriculum Framework to ensure that all Year 11 and 12 students, regardless of their subject combination, participate in financial literacy education. Although financial education is sometimes included during the P-10 phase in subjects such as Business and in some specific school programs, I have argued in this thesis that the senior secondary phase is the most important time for financial education to take place as it is a time when students are at their most active financially, with many casually employed and gearing up to make significant decisions regarding their post secondary schooling futures.

A recent commentary on Australians’ financial literacy in the Australian Financial Review (13-14 March, 2010) was consistent with this recommendation and stated:

Financial literacy should be incorporated into the school curriculum, given the potential impact it has on people’s lives. If it stays a small part of other lessons, it will be up to individual teachers to make it a success and that is not good enough for an issue such as this. (p. 62)
Many significant benefits can be achieved for individual young people, and for the nation as a whole through increased prosperity and decreased levels of consumer debt. Financial habits begin early in life and usually continue until individuals make a purposed decision to do something ‘with’ their money. The education that people undertake at school has the ability to make a difference to the financial activity and habits of young people. If financial literacy education is strengthened by the QSA and raised as a learning priority, the benefits to individuals and for the nation as a whole will be significant as highlighted in Chapter 2. This is reinforced in the following statement made by the Commonwealth Bank of Australia, the concept of which is discussed further by Faux.

A recent study by the Commonwealth Bank Improving Financial Literacy in Australia: Benefits for the Individual and the Nation found that modestly increasing levels of financial literacy amongst the lowest 10 per cent of the population over ten years has the potential to boost Australia’s economy by $6 billion per annum and result in the creation of more than 16,000 new jobs. (cited in Faux, 2005, p. 2)

The QSA’s own Background Paper: Developing, maintaining and revising senior syllabuses: criteria for decision making, released in 2009, indicated that new syllabuses should “reflect the changing needs and priorities within society and the economy” (2009a, p. 5). Given the current state of affairs in many parts of the world as a result of the global financial crisis, and particularly the efforts being made in nations such as the UK and USA to address the lack of financial astuteness of their citizens and the financial education of their students (see Chapter 4), financial literacy skills should be a key component in Queensland and indeed Australian education – finance is an area of life that affects everyone and should no longer be ignored as it has largely been in the past.

**Recommendation 2.**

In line with the first recommendation that all Year 11 and 12 students should participate in financial literacy education, the second recommendation is that a stand alone financial literacy subject, which is non-assessed, be developed and
implemented for Year 11 and 12 students. A ‘stand alone’ subject will mean that financial literacy will be taught as a subject in its own right rather than being integrated across the Curriculum or ‘squeezed’ unreliably within existing subject areas.

It can be argued that financial literacy should be integrated (or strengthened) into current syllabuses such as Mathematics in order to provide a holistic learning experience for students (rather than simply teaching dry formulas and completing text book problems). Integrating or embedding graduate attributes or generic skills into existing curricular is espoused by many (for example, see Bath et al. 2004 and Locke, 2008). However, this will be difficult in practice due to the competitive nature of senior secondary schooling and the need for ‘academic rigour’ in such subjects. Under such an arrangement financial literacy will be inadequately covered and dominated by other academic topics, as is the case reported by teachers in this research. Therefore, a specific subject dealing with a range of financial topics is necessary. In terms of how to achieve this given the already ‘crowded curriculum’, some of the teachers interviewed suggested that time does exist if periods such as ‘Pastoral Care’ can be utilised. At one school1 on the Gold Coast, the Business staff have implemented a financial literacy program for all Year 9 and 10 students through the use of two 40min periods per week structured into the existing timetable.

It is arguable that the true test of a student’s knowledge does not occur when they are at school, but rather is through how well they cope with the real experiences of life as a graduate. It is for this reason that I suggest that the proposed financial literacy subject be non-assessed, in that the results of any tasks undertaken by students would not contribute to their Year 12 results. It would enable students and teachers to engage deeply and collaboratively in financial issues without the pressures of having to teach to or learn for a test. In regard to whether students would still take the subject matter seriously, Kirk & Opotow’s findings (2003) in their research on why students skip class lesson in high school, revealed that boredom was one reason provided by students in their sample for skipping class. The attitudes of many of the

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1 This school was not one of the three schools that participated in the present research.
students surveyed in their research demonstrate the need for schools to provide more relevant learning experiences for students.

If this recommendation for a specific financial literacy subject is taken up by education authorities, I also suggest that a study exploring the financial experiences and status of young people be commenced – this is how we will be able to determine if what is taught at school is effectively transferred by graduates in the real world. The study would provide insights into the processes by which school leavers learn to manage their financial affairs, the types of specific information they require and the types of financial troubles they encounter. It would require debt and insolvency agencies and financial institutions to provide ongoing statistics regarding young people’s (aged 18 – 20) financial position in terms debt referred, bankruptcy, credit card debt, personal loans, home loans and savings. By conducting this study over a 10 year period, changes to the incurrence and extent of debt from this group could be tracked. Information from this work could be used to both inform the development of the financial literacy component of the curriculum and evaluate its effectiveness. The suggested time for a subject on financial literacy is a minimum of one 45 minute lesson per week throughout the senior schooling years to enable adequate coverage of the range of financial topics of interest and importance to young people.

**Recommendation 3.**

This study shows that the graduates, teachers and the Year 12 students who participated in the Financial Literacy Seminar all believed that staff from the Business department, followed by the Mathematics department would be most suitable to teach students financial education. Therefore, the proposed financial literacy subject should be placed under the portfolio of the ‘Business’ department (or relevant department that teaches business subjects depending on the school). However, both Business and Mathematics teachers should be utilised to teach this subject. In addition, teachers with relevant skills could also be acquired from other departments. The inclusion of financial literacy as a subject would of course require the addition of financial training in secondary teacher education programs given many teachers’ apparent lack of skill and/or confidence in providing financial education to their students, as evidenced from the findings of this study and overseas, as discussed in Chapter 4. In regard to practicing teachers, those who teach
Business and Mathematics could participate in a series of online and face-to-face professional development sessions which would contribute toward their ongoing professional development requirements and prepare them to teach this new subject area. A 12 month phase-in period of these arrangements would be required.

It is additionally recommended that the developers of the proposed financial literacy subject utilise the suggestions made by the graduates and Year 12 students who participated in this research, in selecting the financial topics for inclusion in this subject (see Chapter 7). These included budgeting, loans, credit cards, and debt, among others. As was discussed in the Chapter 6, these topics were presented at the Financial Literacy Seminar and were shown to be considered on a scale of ‘Helpful’ – ‘Very Helpful’ for most senior students. However, if there are questions regarding these suggestions, the Australian Government in a study in 2007 (through the Financial Literacy Foundation) outlines the importance 533 young people (aged between 12-17) placed on the following financial topics.
Table 7 Financial topics young people recognise as important to learn

<table>
<thead>
<tr>
<th>Topic</th>
<th>Important learning (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Saving</td>
<td>90.4</td>
</tr>
<tr>
<td>Getting information about money</td>
<td>82.6</td>
</tr>
<tr>
<td>Understanding rights &amp; responsibilities</td>
<td>91.3</td>
</tr>
<tr>
<td>Recognising a scam</td>
<td>87.6</td>
</tr>
<tr>
<td>Investing</td>
<td>80.7</td>
</tr>
<tr>
<td>Ensuring enough money for retirement</td>
<td>70.4</td>
</tr>
<tr>
<td>Planning for the financial future</td>
<td>84.9</td>
</tr>
<tr>
<td>Budgeting</td>
<td>84.1</td>
</tr>
<tr>
<td>Dealing with financial service providers</td>
<td>84.1</td>
</tr>
<tr>
<td>Managing debt</td>
<td>82.5</td>
</tr>
<tr>
<td>Dealing with credit cards</td>
<td>73.2</td>
</tr>
<tr>
<td>Understanding financial language</td>
<td>81.6</td>
</tr>
<tr>
<td>Choosing appropriate insurance</td>
<td>79.6</td>
</tr>
</tbody>
</table>

(Financial Literacy Foundation, 2007, p. 60)

Recommendation 4.
That changes are made to the way providers of financial products and services advertise and sell their products and services to ensure clear and concise information about the contract and fees, including disclosure about penalties, exit fees, etcetera is provided to consumers (a page of size 6 font of the ‘terms and conditions’ does not equate to clear and concise information). Proper disclosure is highlighted here due to the apparent unawareness of young people of the consequences of debt; such as the consequences of failing to pay an invoice. These consequences must be spelt out to young people. Firstly to assist in slowing the growing number of young people’s debts being referred for collection by debt agencies, and more importantly, to prevent the longer-term consequences of bad credit ratings that follow young people for years after they have made mistakes because they lacked understanding of the consequences. The lack of knowledge regarding the effect a missed bill payment can have by young people reported by Christian (2008d) was likewise confirmed by the present research.
As was discussed in Chapter 1, debt agencies and media outlets repeatedly report that young consumers are regularly found in financial trouble not only by their lack of financial astuteness, but also by industries who prey on these young adults through what are arguably unethical and immoral business practices. An example of such practices is the inability for mobile phone users to know their phone credit balance (unless going online). Surely with all the functions which currently exist on mobile phones, a running balance should be mandated to ensure that consumers are aware of their usage. Two of the graduates interviewed specifically discussed this issue of not being able to keep track of how much they had used their phone and therefore receiving bills that were far more than the plan they had signed up for. No doubt, if I had questioned graduates specifically about this issue of mobile phones, rather than generally questioning them about their financial experiences since leaving school, there would have likely been a greater number of stories to report, as it is certainly an issue I hear about from my own friends on a regular basis.

Given that this research has been conducted to ensure that graduates are better prepared financially, it is appropriate to note the part that many (if not most) financial and telecommunication industries play in the financial troubles that so many young adults are finding themselves in (see Chapter 1). For example, the term ‘bill shock’ has been used to describe those receiving mobile phone invoices for exorbitant amounts. Channel 7’s Today Tonight reported about the excessively high bills mobile phone customers were receiving having upgraded their Blackberry phones to iPhones or simply downloading various media data on premium phone rates, with one customer billed in excess of $26,000 (Main, 2010). The reporter of this story also stated that the Telecommunications Ombudsman had received more than 42,000 complaints about telecommunication practices last year alone. It is not surprising that 79% of Year 12 students in attendance at the Financial Literacy Seminar agreed that the presentation on ‘Mobile Phones, Contract and Scams’ was ‘Helpful’ – ‘Very Helpful’.

Given the extensive literature regarding the financial troubles of young people in addition to the research finding presented in this report, it is time that banks, financial institutions, telecommunication, and credit providers are held accountable
for the poor and unethical business practices that are resulting in the stress, burden, and debt of many young people. Regulatory authorities must act to ensure better protection of young consumers against such business practices. The same commentary on the financial literacy of Australians’ from the Australian Financial Review referred to earlier in the chapter, also discussed the issue of proper disclosure of investment products and stated:

Most Australians have neither the inclination nor skill to analyse investments. This is more than understandable as the product disclosure statement and other information proffered by the industry are denser than a tropical rainforest. (2010, p. 62)

As has been discussed throughout this report, many young people in Australia (let alone Queensland) are indeed having significant difficulties when it comes to managing their finances, expenditure and debt. This has been demonstrated not only through this research undertaken with a sample of 24 graduates, but has been shown through numerous reports published by media outlets, government, and industry experts (as has been discussed throughout this thesis). Providing financial education to high school students, particularly those in Year 11 and 12, will assist in preparing future graduates for taking on greater financial responsibilities and future independent living. Young people are very aware of their need for financial education, this was highlighted by graduates interviewed and by the Year 12 students who participated in the Financial Literacy Seminar. Unfortunately, what has been determined in this study is that very few financial life skills are currently specified in Queensland’s Senior Curriculum Framework and therefore it was not surprising that most of the 24 high school graduates interviewed believed that they were not adequately prepared through the Senior Curriculum, for life beyond school in relation to personal financial skills (n=16) (see Chapter 7).

The results of this study is limited due to the size of the sample of graduates and teachers; however, this research is correlated and is supported by reports from the media, government, other research, educational experts and others. The results of this study are not isolated but may have relevance to many if not most young graduating adults in Queensland, if not Australia.
Conclusion

This research set out to determine how well graduates of Queensland schools under the Queensland Senior Curriculum are prepared to manage their personal finance beyond school. The study showed that the majority of the 24 Queensland high school graduates interviewed in this study believe that they are not adequately prepared in school to operate in a financially literate manner as they embarked on a more independent life in contemporary society.

This research finds that: (1) very few financial life skills are currently specified in Queensland’s Senior Curriculum Framework or in schools’ senior work programs; (2) that there is general dissatisfaction among graduates involved in the research in how well they were prepared to manage their finances while at school; and, (3) that while teachers interviewed were keenly aware of the need for students to receive financial literacy education at school, they also reported that neither the Curriculum nor schools were adequately dealing with the subject.

The findings from this study provide some direction for education and government authorities to improve the education provided to senior high school students in the area of financial literacy. The accounts of the graduates interviewed in the research clearly demonstrated their enthusiasm to see the Curriculum better serve them in providing financial literacy life skills. Ground-Water Smith has stated, “Effective participation by young people in advising their teachers of the ways in which their professional practices facilitate or impede learning cannot be taken lightly” (2009, p. 1). Although this was said in reference to classroom teaching practices, the same can be said of the Curriculum. Education authorities have advice from the data and findings presented in this research to amend the Curriculum so that it effectively includes financial literacy as an imperative life skill for future graduates.

As a result of this study, this chapter has made four main recommendations: (1) that the QSA mandates financial literacy as a Key Learning Area within in the Senior Curriculum Framework; (2) that a stand alone, non-assessed, financial literacy subject be developed for all Year 11 and 12 students; (3) that Business and
Mathematics teachers be trained to staff the proposed financial literacy subject; and (4) that changes are made to the way providers of financial products and services advertise and sell their products and services to ensure clear and concise disclosure to consumers.

The recommendations highlight the need to increase the financial literacy of Queensland high school graduates, with a view to increasing the financial literacy of young people as they leave home and take on greater levels of financial independence and begin contributing to our society. Establishing financial literacy as a senior secondary school subject is likely to have a number of positive outcomes for individuals and for our society as whole. These include equipping young adults with financial skills to make good decisions as they take on greater financial responsibility and independence, and a greater understanding by young people of the importance of saving, budgeting and planning ahead for their future financial wellbeing. It can be argued that better financial choices would likely translate to lower consumer debt, particularly in the young adult bracket (18-26 years), and as evidenced through the Commonwealth Bank’s study of financial education (Faux, 2005), greater financial literacy would lead to greater economic prosperity all round.

Of course, as with any new priority in learning, there will undoubtedly be challenges to be addressed and some of these were highlighted in Chapter 4 and include mandating financial literacy into the Curriculum, ‘finding’ curriculum time, appropriate staffing, financial training for pre-service teachers as well as practicing teachers, and external support from industry experts. However, with a specified financial literacy syllabus, and proper support for teachers to implement the subject, there is little reason why this subject should not prove to be a success for teachers and students alike. Teachers generally respect the requirements of the Curriculum and will therefore teach what is mandated in syllabus documents. The real challenge is ensuring the ‘right’ staff are adequately trained and equipped to teach financial literacy, this is one reason online tutorials in addition to face-to-face professional development would be recommended.

As countries around the world strive to increase the financial literacy of their citizens, I believe that we in Australia, have the ability to see a marked effect in a
reasonably short period if financial literacy is incorporated and mandated in secondary school senior curricula. As both teachers and graduates said, young people need to be financially literate in this day and age. With the impending Australian National Curriculum, now is the time for curriculum designers to act in order to provide future graduates with the financial skills they require to live successfully in our contemporary society.
At the time of editing this thesis, the Australian Curriculum, Assessment and Reporting Authority (ACARA) released its first draft of four senior Mathematics syllabuses which will be available for senior students to study in the near future. A review of these four syllabuses showed immediate similarities to the current range of Mathematic options for Queensland Students in regard to the inclusion of financial literacy. That is, as the difficulty level increases, the inclusion of financial literacy education decreases. Given that the Essential Mathematics course is similar to Queensland’s Pre-vocational Mathematics, I wrote to ACARA to determine whether the subject would contribute to students’ exit results (OP / TER) or if had been designed for students following a non-university pathway. The following response was received by email and as can be seen, the answer to this question was somewhat avoided, however, it can be assumed that ‘stand alone’ means different to the other three courses.

The full extent of the differences and similarities between the draft Australian Curriculum and each state and territory curriculum will be mapped by ACARA to assist states and territories through the implementation process.

The draft senior secondary mathematics curriculum consists of four courses. The courses are differentiated, with each course focussed on a pathway that will meet the needs of a particular group of senior secondary students in their further learning or tertiary studies. The following description will provide interim guidance on how they should be studied:

1. Essential Mathematics (Course A) has been designed as a stand-alone subject…
2. General Mathematics (Course B) is designed for students who wish to undertake further studies in areas such as agricultural, health and social sciences, business and education where mathematical knowledge facilitates problem solving and decision making…
3. Mathematical Methods (Course C) is designed for students with an interest in mathematics and whose future pathways may involve mathematics at university.
4. Specialist Mathematics (Course D) is designed to be taken in conjunction with Mathematical methods. (ACARA email correspondence, 26 May, 2010)

My interest in the positioning of the Essential Mathematics syllabus is due to the significant focus of financial literacy within the syllabus. It is regrettable that many students will not be able to benefit from the financial literacy education offered in this subject due to it’s likelihood of being, what in Queensland is termed, ‘Authority-registered’, not contributing to students’ OP (overall position). Additionally, there is less financial literacy content in the General Mathematics syllabus than currently is specified in the Mathematics A syllabus. It is therefore quite concerning to see that ACARA has also largely ignored the need for Australian students to be financial literate in the future.
Appendix A
Sample Interview Questions for Graduates

The purpose of this interview is to identify the perceptions of a sample group of school graduates and the extent that they believe they are prepared for ‘life after school’ in terms of their ability to manage their finances; that is: do graduates feel they have adequate financial literacy skills and knowledge to function successfully and make wise choices when they leave school?

After spending at least 12 years in the education system, what do you feel the purpose of education is?

Going back to your high school lessons, what aspects of personal finance do you remember being taught, and in what subject areas?

How have you used what you were taught in your life since graduating?

Since graduating from high school can you share an experience you have had regarding managing your own finances?

Do you have a savings plan?

Do you budget or know how to budget?

Have you encountered any problems with managing your finances or any debt that you’ve incurred?

Do you know where to access help if you need it?

Are there areas of finance that you think school should have taught you about? What are they?

What are your thoughts about purchasing a house?

What are your thoughts about personal loans?

Can you provide an example of what might occur if you were to default on paying a bill?

Do you feel that your family background has greatly contributed to your knowledge of managing personal finances? Can you explain why you think this way?

So do you feel that the curriculum you learnt at school has helped you since graduating? That is, can you see a correlation between what you were taught and the financial skills you have needed to live in society?

2 The interview questions listed above are only a sample list of questions that will act as a guide to the semi-structured interview to occur with each graduate. Other questions will be asked as appropriate to each individual interview.
Sample Interview Questions for Teachers³

This interview is designed to sample how teachers are translating the syllabuses statements and outworking these in their teaching practice, thus identifying how work programs are designed, implemented and assessed through senior syllabuses and the problems that have been associated with these methods.

The following questions are in relation to the Years 11 and 12 syllabuses. The questions begin discussing education generally and then move onto how work programs are developed, further, how financial literacy skills are implemented and finally, your professional recommendations on what is and isn’t working or what is missing from the syllabus.

Each person’s view of the purpose of education tends to be different. As a teacher, what do you feel the purpose of education is?

When you walk into your classroom or when you are preparing lessons, what do you feel your purpose is for that class? In other words, what is the purpose of your role as the teacher?

Can you describe how each term’s work programs are developed – that is who is involved and how is each program created in relation to the Syllabus?

Is release time provided for this and if so how much time?

How is this time used if provided?

Have there been problems with this method of developing Syllabus?

How is assessment decided and moderated?

Does each teacher follow the same plan and if so, how specific is it?

Are work programs re-used each year?

When are work programs evaluated – at the end of the program or before it is re-used the following year?

What are the general feelings in your department about the Syllabus?

How do you feel it addresses the real, daily needs of students?

This research project is specifically researching the preparedness of students in handling financial matters – how does your subject assist students?

Has your school implemented any specific programs to address this area?

³ The interview questions listed above are only a sample list of questions that will act as a guide to the semi-structured interview to occur with each teacher. Other questions will be asked as appropriate to each individual interview.
Is your department planning to implement any of the recommendations from the Consumer and Financial Literacy Teacher’s Handbook?

Do you believe the syllabus is clear in setting out the objectives it desires of teachers or do you and your colleagues find it difficult to interpret at times? Please explain.

How could the Syllabus assist students and graduates longer-term?

How do you feel about the overall Syllabus?

What areas of need are not addressed in the Syllabus?

What topics do you feel could be withdrawn from the Syllabus?
Appendix B
Seminar Feedback Form

Please rate each of the sessions:
You are welcome to provide a comment also if you wish.

<table>
<thead>
<tr>
<th></th>
<th>Not very helpful</th>
<th>Somewhat helpful</th>
<th>Helpful</th>
<th>Quite Helpful</th>
<th>Very Helpful</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Loans</td>
<td></td>
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<tr>
<td>Basic Budgeting</td>
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<tr>
<td>The Consequences of Debt</td>
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<td>Credit Cards</td>
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<td></td>
<td></td>
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<tr>
<td>Mobile Phones, Contracts &amp;</td>
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<td></td>
<td></td>
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<tr>
<td>Scams</td>
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<td></td>
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<tr>
<td>Workshop</td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

**Comment** (optional):

__________________________________________________________________________
__________________________________________________________________________

Would you like Financial Literacy to be a subject taught at high school? **Yes / No**

If you answered ‘Yes’ above, which department at your school should be responsible for teaching it? __________________________

What aspects of the seminar did you find most helpful and why?

__________________________________________________________________________
__________________________________________________________________________
What aspects of the seminar were not helpful and why?

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

General comments you would like to make: (Your thoughts are appreciated😊)

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

Are there other financial topics that you would have liked to have learnt about?

________________________________________________________________________
References


Christian, C. (2008d). Debt levels set to rise as families turn to credit [media release]: Dun & Bradstreet. Retrieved from


