

## Media Release

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### **Healthy financial habits should be taught at school and at home**

United States personal finance expert Professor Lewis Mandell will be in New Zealand this week to talk about why it counts to teach healthy financial habits early and in schools.

Professor Mandell is an authority on the development and teaching of personal financial education to young people.

"Western society is becoming more financially complex, with a confusing array of choices and options. Yet the level of youth financial literacy today can only be described as dismal," said Professor Mandell.

"By failing to provide our children with a sound understanding of personal finance, we can expect many of them to make financial mistakes and errors as adults."

"It is encouraging to see that New Zealand is making progress in this area. I've been impressed with the quality of the Financial Literacy Programme offered to schools by the Enterprise New Zealand Trust. It focuses on attitudes and values as well as financial skills to engage young people and provide them with the skills they need prior to leaving school."

"I understand that the Financial Literacy Programme can also now be accredited to the new NCEA. So this should mean more young people get an opportunity to learn financial skills in a meaningful way."

In 1997, Professor Mandell conducted a pioneering financial literacy survey of final year school students. The results showed a lack of even a basic knowledge of personal finance.

"Methods parents commonly use to teach children personal finance are mostly ineffective. For example, students who often discussed money matters with parents scored no better than those families who sometimes or rarely did so."

In 2001, Enterprise New Zealand Trust conducted a comparable survey with New Zealand school students and found results were similar to the American study.

“Knowledge of personal finance is not something students can develop by memorising or rote learning. They need to have the opportunity to apply concepts and practices as part of a thoughtfully designed curriculum,” said Professor Mandell.

“Governments around the world are under pressure to add to the school curriculum, and I believe personal financial education should be one of their priorities.”

Professor Mandell is visiting New Zealand at the invitation of the Ministry of Education, the Enterprise New Zealand Trust and the Retirement Commission. He will be talking to a number of Government, education and financial industry representatives during his visit to Wellington.

## **Ends**

For further information about Professor Mandell’s speaking itinerary or for media interviews please contact

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