Young Women & Money

RESEARCH REPORT 2010

"The whole thing's confusing - I ask mum and dad first"

"Practical step by step information - what does your mobile phone really cost - how to work out interest on a credit card"

"A web-site would be good, but if you still don't understand then a person would be best"

Women's Information and Referral Exchange Inc.

Level 1 210 Lonsdale Street
Melbourne VIC 3000
Tel (03) 9921 0870
Fax (03) 9921 0888

Service Line
1300 134 130

wire@wire.org.au
www.wire.org.au

ABN 98 957 157 895 Reg. No. A122

wire

Helping women make the right connections

Women's Information and Referral Exchange Inc.

Acknowledgements

WIRE Women's Information gratefully acknowledges the people who have contributed to this report.

The 92 young women who participated in the focus groups for sharing their life experiences, emotions and advice.

The members of the Research Steering Committee

- Samiro Douglas, CEO, WIRE.
- Kate Goodrich, Participation and Development Officer, Youth Affairs Council of Victoria
- Clare Griffin, Manager, Community Programs YWCA
- Kathy Landvogt, Social Policy Research Unit, Good Shepherd Youth and Family Service
- Jennifer Quick, Curriculum Manager, Business Studies, Victorian Curriculum & Assessment Authority.

The research team at WIRE

- Romina Iebra Aizpurúa, Research Officer
- Nerida Lennon, Research Assistant.

Consumer Affairs Victoria for funding this project.

Report written by Samiro Douglas.
Writing collaboration and editing by Kate Hawkins.
Design by Fresh Brand Communication.

Glossary

ABA
Australian Bankers' Association

ASFA
Association of Superannuation Funds of Australia

ASIC
Australian Investment and Securities Commission

ATO
Australian Tax Office

CALD
Culturally and linguistically diverse

CAV
Consumer Affairs Victoria

Generation X
Generation born 1965–1980

Generation Y
Generation born 1980–1994

Generation Z
Generation born 1995–2009

HECS
Higher Education Contribution Scheme

HELP
Higher Education Loan Programs

IFSA
Investment and Financial Services Association Limited

OECD
Organization for Economic Co-operation and Development

TAFE
Technical and Further Education

VCAA
Victorian Curriculum Assessment Authority

WIRE
WIRE Women's Information
(Women's Information and Referral Exchange Inc.)

Phone Choice

Resource
Website

Outline
This site provides independent, unbiased advice about plans, rates, providers, scams and deals for mobile phones, landlines, voice-over-internet protocol (VoIP) and other telecommunications.

Contact
www.phonechoice.com.au

South Australian State Government – Office of Consumer and Business Affairs

Resource
Spendwell

Outline
This animated program for Year 6–9 students uses problem-solving activities suitable for cooperative group work and individual learning. Students explore the obligations, implications and consequences of making financial choices when buying, living away, mobile phone usage and online shopping.

Contact
http://www.spendwell.com.au/

Victorian Curriculum and Assessment Authority

Resource
Support Materials to Victorian Essential Learning Standards

Outline
This resource is designed to provide advice on teaching and learning theory, principles and strategies for teachers. The activities in the sample units provide examples of varied teaching and learning approaches and contexts that meet individual learning needs of students.

Contact
http://vels.vcaa.vic.edu.au/support/teaching.html#teaching

YWCA

Resource
Finance First

Outline
This program builds financial literacy of teachers and primary school students through a curriculum-based program complemented by diverse financial management skills' programs for parents. Finance First has been applied within the educational sector as the MakingCents program (including professional teacher development and curriculum resources for primary-aged children); MakingCents for Parents Program (an educational program that could be delivered independently or alongside MakingCents for students); and the MakingCents website (providing additional resources for parents and teachers).

Contact
www.makingcents.com.au

Contents

April 2010

Executive summary

This project sought to investigate how young women relate to money, to understand their levels of financial literacy and to uncover methods to improve these levels. Funded by Consumer Affairs Victoria, the study was conducted in response to the increasing trend for young women between the ages of 15 and 25 years to experience increased levels of debt.

From the early phases of the research, it became apparent that young women between 15 and 25 years did not make up a homogeneous group. Quite apart from any cultural considerations, there were age-based differences within the group that warranted some distinction in framing how data was gathered and analysed. Two age-group cohorts comprising teenagers (15–19 years old) and young women (20–25 years old) were identified as having unique characteristics and needs based on life stage. This Executive Summary and Report refer to these two cohorts separately throughout. However, the term 'young women' unqualified by an age range refers to all young women aged between 15 and 25 years.

The goals for this project fall under the two themes of understanding young women's relationships with money and communicating financial information. First, the project sought to understand how young women's relationships with money influence their attitudes to money and financial behaviour, particularly when managing credit and debt. This included a goal to identify societal and economic pressures that young women face.

Second, the research sought to investigate issues around communicating financial information to young women. This included a goal to analyse information and messages about credit currently targeted at young women. Having done that, the research aimed to identify women-friendly messages and information mediums tailored for the 15–19 and 20–25-year-old cohorts. The research then sought to identify options to fund and implement these communication strategies.

This project follows from previous research conducted by WIRE in 2007, which explored the financial literacy of women. The previous research showed that women had strong emotions about money, often felt overwhelmed by what they did not know and were embarrassed when asking for help. Significantly from this research, women expressed concern about their children's lack of financial knowledge and worried about their getting into debt, particularly with mobile phones. Since previous research did not specifically target young women, and because parents indicated their children had low levels of financial literacy, the current project was initiated to expand our understanding of women's financial literacy by investigating the financial literacy of young women.

This project into young women's financial literacy used an 'action research' process, where research questions were initially framed based on the goals of the project and a literature review.

The action research was conducted through focus groups involving 92 young women from metropolitan and regional Victoria, mainly from family income backgrounds of $80–180K. One group comprised Indigenous young women and some groups included young women from other diverse cultural backgrounds. The researchers collaborated with the research participants, challenging them to investigate their attitudes around the research questions then reflect on their own behaviours. In this way, action research created knowledge about financial behaviour while trying to change it.

Gender and diversity lenses were applied to framing the questions posed to focus group participants, in order to understand specific needs and wants, attitudes and behaviours of the focus group participants.

The research findings showed that teenagers and young women were highly engaged with money, in particular where they got it from, what they spent it on and how easily it disappeared.

Teenage participants, who lived at home and were fully financially dependent on their parents, were mostly concerned about spending to satisfy their immediate lifestyle goals. In particular, they were engaged with mobile phones. The 20–25-year cohorts, while also engaged with lifestyle spending or consumer pressure, were starting to think about longer term issues like saving for a specific goal. In terms of gender, young women viewed themselves as more careful spenders than their male counterparts.

A significant finding of the research was that parents were a first point of contact for young women to learn about money and finances. Young women trusted information from their parents and asked them for help if they got into financial difficulty. It is within this research finding that the effect of gender is shown most strongly: young women asked their mothers for practical advice such as dealing with banks, while fathers gave strategic advice such as investing in shares.

Other channels were available for young women to learn about financial matters but they did not provide adequate information. Some participants had experienced programs on financial literacy at school but these did not address their needs. Teenagers in particular would never ask their friends for financial advice. Further, there was a universal mistrust of banks, which were seen as merely trying to market their products and not inform at all.

A further finding that characterises young women's relationships with money is that they feel societal pressure to spend money to keep up with consumerism. As they grow into their 20s, the pressure on young women to spend more money on brand items increases. Some young women are anxious not to get into debt with their spending, and so avoid credit cards or keep their credit card limits low. Marketing by banks compounds the problem by increasing young women's credit limits without first checking their capacity to pay off the higher limit.

Young women are developing resourcefulness by resisting bank marketing, avoiding credit cards in preference to debit cards and setting limits on their mobile phone accounts.

By contrast, they are not anxious about their HECS debts. Most young women do not know the level of their debt or how to pay it off, and most do not even recognise it as a debt.

In terms of communicating financial messages to young women, the research findings are very clear about the sources, content, format and timing of information that young women want. Significantly, they do not want gender-specific but life-stage-specific information, and only from trusted sources independent of banks.

Information sources include parents and credible sites on the internet.

The content should be single-topic information using real examples. Particularly for the teenage cohort, mobile phone accounts would form an appropriate topic for improving financial literacy.

Internet sites would use catchy graphics and text in plain English. Other communications mediums would include material provided at places young women congregate, such as secondary and tertiary education institutions and festivals hosted for young people. They also want independent advisors available at these places so they can ask questions face-to-face.

As timing is important, information should be appropriate to life stage and provided as the young women enter each life stage.

The research findings have led to 21 recommendations for Federal and State governments and the education and financial sectors.

Recommendations

The recommendations are drawn from data created in this study by an 'action research' process, and are supported and strengthened by findings from relevant literature.

These recommendations are presented in a flow starting with overarching responsibilities for the Federal Government progressively moving through to the Victorian State government and sector responsibilities.

The recommendations in this report cover the broad project aims to investigate how to improve the financial literacy of young women aged 15–25 years, identify the types and formats of women-friendly messages and information mediums that should be developed, and how to fund these strategies. The recommendations apply to two cohorts of young women. These are teenagers aged 15–19 years and young women aged 20–25 years.

AUSTRALIAN FEDERAL GOVERNMENT

RECOMMENDATION 1:

The Federal Government through the Australian Tax Office (ATO) review the information they provide on Higher Education Contribution Scheme (HECS) and Higher Education Loan Programs (HELP) against the findings of this research, and develop new plain language financial information which explains HECS/HELP and includes practical examples of different payment options and different financial outcomes for different choices.

RECOMMENDATION 2:

The Federal Government through ASIC continue to implement the Two-Phase Action Plan for credit reform and its Responsible Lending Guidelines.

RECOMMENDATION 3:

To ensure the effectiveness of legislation in relation to unsolicited credit card extensions, the relevant Federal Government body takes into account the findings from this report on young women.

RECOMMENDATION 4:

The Federal Government through ASIC action a review of contract and product disclosure information to ensure it is provided in plain English using communication mediums that are accessible to teenagers and young women.

RECOMMENDATION 5:

ASIC, as the key Federal Government authority responsible for financial education, evaluate their online and print information to ensure it assists parents to understand their role as financial educators in the family context and includes a range of simple, practical strategies for children that can easily be incorporated into a family routine.

RECOMMENDATION 6:

ASIC, as the key Federal Government authority responsible for financial education, continue to evaluate and refine their financial education strategies for young women by developing new online information incorporating the findings from this research such as providing practical step-by-step financial information, using terminology common for this cohort, and providing content that is relevant to financial responsibility at each life stage.

RECOMMENDATION 7:

ASIC, as the key Federal Government authority responsible for financial education, work with the education sector to ensure financial information is promoted, accessible, relevant and available online and at locations where young people gather such as universities, TAFEs and festivals.

RECOMMENDATION 8:

The Federal Government, through ASIC, explore the development of an approval rating system for financial information against determined criteria including gender, age and other factors in target groups, and ensure independence of the financial information.

VICTORIAN GOVERNMENT

RECOMMENDATION 9:

The Victorian Government through the Office of Women's Policy improves financial literacy for women in parental roles by continuing to fund the Financial Literacy Strategy for Women delivered through the Office of Women's Policy.

RECOMMENDATION 10:

The Victorian Government as part of the Financial Literacy Strategy for Women develops a module for incorporation into the existing 'Steps to securing your financial future' workshop manual around the financial education of children by parents, including simple practical strategies.

RECOMMENDATION 11:

The Victorian Government through Consumer Affairs Victoria (CAV) ensure current information for young women is accessible by reviewing and revising websites (Youth Central, Managing + Money pages and Youth Law) and printed materials against the findings of this report, and by developing and implementing promotional strategies to ensure they are well known.

RECOMMENDATION 12:

The Victorian Government and the Education Sector collaborate to ensure face-to-face information is available to teenagers and young women by introducing information booths and services at venues frequented by this cohort including universities, TAFEs and festivals for young people.

EDUCATION SECTOR

RECOMMENDATION 13:

Department of Education and Early Childhood Development (DEECD) investigate how they can work with schools, TAFEs and higher education institutions to provide easy access to independent information in young women's everyday environments.

RECOMMENDATION 14:

DEECD in consultation with Consumer Affairs Victoria (CAV) approach government agencies, Catholic and independent schools with a view to developing curriculum resources focused on developmental stages and ages as identified by the findings in this research, and in doing so take account of previous recommendations presented by CAV (2003) about consumer education in schools which represent a solid ground to promote young women's financial literacy levels.

RECOMMENDATION 15:

DEECD and Consumer Affairs Victoria (CAV) approach tertiary institutions to encourage the provision of financial literacy information during 'O' week, including plain language information about HECS-HELP loans.

FINANCIAL SECTOR

RECOMMENDATION 16:

Australian Bankers' Association (ABA) advocate with its members to increase their social responsibility to young people, and young women in particular, by immediately ceasing the practice of increasing credit limits without reassessments of current financial capacity.

RECOMMENDATION 17:

ABA advocate with its members to promote good practice in the finance industry and reduce financial vulnerability by reviewing current marketing strategies in particular those that offer increased credit limits to teenagers and young women based only on their repayment history.

RECOMMENDATION 18:

ABA advocate with its members to develop new practical information for young women incorporating the findings from this research and based on financial developmental stages or life events, with a focus on small steps toward financial independence.

RECOMMENDATION 19:

ABA work with ASIC to improve financial literacy for women and men in parental roles by developing new practical information incorporating the findings from this research.

RECOMMENDATION 20:

ABA advocate with its members to ensure that the information provided to Indigenous communities (such as through ANZ MoneyBusiness, MyMoola by First Nations Foundation and ANZ and Westpac's Financial First Steps) is culturally specific in design and content for young women in urban Indigenous communities.

RECOMMENDATION 21:

ABA advocate with its members to ensure teenagers and young women are targeted through any financial literacy projects developed for the Indigenous community.

Introduction

This project was undertaken to gain a greater understanding of the emerging trend that young women are experiencing increased levels of debt.

Concern around this trend was also identified in WIRE's (2007) research, where many of the women participating in that research expressed considerable concern about their children's lack of knowledge about financial matters. In particular, women were worried about their children's management of mobile phones and mobile phone bills.

This previous research also found that, coupled with a lack of knowledge and confidence about money, women had strong emotions about money and often felt overwhelmed by what they did not know and confused about where to go to find trusted information. The feelings of hopelessness, shame and inadequacy about their finances ran deep across all socioeconomic groups.

WIRE's previous research showed that there are still gaps in our knowledge about the financial literacy of many women, and how women's behaviour with money changes as they learn more about financial matters. It also revealed that gender must be considered when providing information or programs if we are going to improve women's financial literacy.

Because many life lessons, including financial management, are learned from childhood, research presented in this current report is a next step to investigating how and when women learn about financial matters between the ages of 15 and 25 years, and how they wanted to learn about these issues.

Similar to the previous research, it was again seen important to apply a gender lens to the current research to ensure we analysed the data specifically against societal and economic pressures experienced by young women. Otherwise, applying a homogenous approach would have risked missing critical data.

This current project used an 'action research' process and a gender and diversity lens to look at young women's knowledge about money, financial management and behaviour that increased their levels of debt and overall financial vulnerability. It is timely because there is limited literature that clearly recognises the differences due to gender, and there is little rigorous academic research exploring pressures on young Australian women and their relationship with money.

This report bases its research findings on the empowering voices and stories of 92 young women from metropolitan and regional Victoria.

Project background

PROJECT FUNDING

The project was funded by the Department of Justice – Consumer Affairs Victoria 'Credit – being in the red is the new black.'

PROJECT GOALS

The aims of the project were to explore why there is a trend for young women between 15 and 25 years to increase their levels of debt. In doing so, the project also sought to identify the societal and economic pressures on young women that influence their use of credit and levels of debt, explore how young women's relationships with money influence their attitudes and behaviour around credit and debt, and identify the best communication messages and mediums to influence healthier financial behaviour.

The project's outcomes were to develop recommendations around the following issues.

- Identify societal and economic pressures that young women face, and what is needed to improve their financial literacy.
- Analyse current information and messages about credit that target young women.
- Explore young women's relationships with money and how the relationship influences their attitudes and behaviour around credit and debt.
- Identify women-friendly messages and information mediums tailored for each of two cohorts (teenagers of 15–19 years and young women of 20–25 years) that might influence their attitudes and behaviour around credit and debt.
- Identify ways to fund the implementation of these communication strategies.

PROJECT MANAGEMENT

The research steering committee mentored and supervised the research progress. The research officer met with steering committee members every month to discuss progress. The Research Steering Committee members were

- Samiro Douglas
  CEO, WIRE
- Kate Goodrich
  Participation and Development Officer, Youth Affairs Council of Victoria
- Clare Griffin
  Manager, Community Programs YWCA
- Kathy Landvogt
  Social Policy Research Unit, Good Shepherd Youth and Family Service
- Jennifer Quick
  Curriculum Manager, Business Studies, Victorian Curriculum & Assessment Authority.

The research team members were

- Romina Iebra Aizpurúa
  Research Officer
- Nerida Lennon
  Research Assistant.

Research Approach

CONDUCTING ACTION RESEARCH

Action research is a powerful methodology that creates knowledge about a phenomenon while trying to change it. Originally developed by Lewin (1946), action research uses a practical approach where researchers view research participants' actions relative to socioeconomic backgrounds and histories. Action research is built on key concepts of participation, empowerment, production of knowledge and social transformation.

Action research is an integrated and collaborative process of knowing and doing. During the research, the researcher's professional practice evolves. Such evolution is brought about by collaboration with many stakeholders and by empowering communities to participate (Greenwood & Levin, 1998; Ozanne & Saatcioglu, 2008). In this way, the basic goal of action research is to increase participants' understanding and encourage changes in behaviour through the participation in the research.

We applied action research in this project to investigate young women's knowledge about money and financial management, and to investigate behaviour that increased their debt and overall financial vulnerability. The process started with research planning then moved on to engaging young women in group discussions, observing and understanding participants' narratives and interactions, then finished by evaluating main findings.

It was most important that the participants actively re-thought the issues while researchers created an intervention plan. In this case, financial communication strategies were created that would engage younger women in thinking about contracts, credit and debt. At every focus group, participants were asked to reflect on the main findings from the discussions, and researchers reconsidered whether the problems originally identified had been fully addressed and whether the group had generated new issues.

APPLYING A GENDER LENS

"The term gender refers to the complex and subtle ways which permeate and fashion the lives of girls, boys, men and women. From birth we learn how to dress, walk, talk, relate to others, take on roles and responsibilities and use personal power."

– Mary Crooks 2009

A research framework that assumes homogeneity within gender groups would have created a poor understanding of the socio-cultural and emotional interactions between young women and money.

By applying a gender lens to this research we were more able to improve our understanding of young women's relationships with money and better understand the societal pressures young women face in relation to money.

A gender lens also provided an effective framework for policy development and enabled researchers to better understand the structural implications then develop appropriate strategies for action for young women.

LITERATURE REVIEW OUTLINE

As a first step in the action research process, a literature review was conducted to

- Uncover the characteristics of young women's relationships with money
- Pinpoint relevant issues to be used as a basis for the second stage of action research, which is to formulate focus groups questions.

The literature indicated that all women stood to be less well-off financially throughout their working lives. This was particularly because of their roles as carers of children and other family members. These roles limited their participation in paid work and superannuation. Also, partly because of their roles, women and men relate to financial matters and money differently. As it is important that women learn how to improve their financial literacy, questions about credit and debt were posed to the focus groups.

Significantly for this research, girls and young women were found to be less confident than boys in their knowledge, even though data show that girls and young women perform better academically. An implication for this research is the possibility that girls and young women might need messages about financial education tailored specifically for them. Focus group questions were based on the format and content of financial education for young women, and differences between young women's and young men's relationships with money.

Traditionally, young Australians build relationships with money through trial and error—like older women, young women often don't know where to turn for information and help. Focus group questions were designed specifically to explore this aspect of young women's relationships with money.

The literature indicates that parents could play a very important role in improving the financial literacy of young women, for example by helping with homework that arose from financial literacy education at school. During this research, many focus group questions investigated the roles of parents.

The teenagers and young women of this research are all part of Generation Y, which is defined as people born between approximately 1980 and 2000 and therefore with ages ranging 10–30 years. Key characteristics of this group are that they do not have major financial commitments, are technology-proficient and entertainment-driven and strongly participate in online shopping. As these characteristics inform the current research, they are outlined in further detail in Appendix A.

FOCUS GROUPS

Young women between the ages of 15 and 25 years were recruited as participants in the focus groups. These women were in late secondary or early tertiary education or had left school, and were from families with average family incomes of $80–180K. We included metropolitan and regional women, women from culturally and linguistically diverse (CALD) backgrounds and Indigenous women.

RECRUITMENT STRATEGIES

- Participants for the focus groups were recruited by email, flyers and radio interviews and with assistance from the following organisations and informal social networks
- Radio and community newspapers
- Netball, hockey and Girl Guides groups
- University and TAFE newsletters and public noticeboards
- Secondary schools in inner and outer metropolitan Melbourne, Ballarat, Bendigo and Geelong
- Youth community services in Melbourne, Geelong and Ballarat, as well as northern Victoria (although there was no take-up from this area)
- Aboriginal Family Violence and Prevention Legal Service
- Online publications and groups including That's Melbourne, Youth Gas, 'Facebook', 'My Space' and the WIRE website
- Retail outlets including coffee shops.

FOCUS GROUP PROCESS

As described in the section on 'Characteristics of study participants' below, separate groups were conducted for teenagers (15–19 years old) and young women (20–25 years). We found during action research that teenagers and young women discussed financial issues differently, mainly because they think about money, credit and debt from very different life perspectives and needs.

Ten focus groups were conducted with 36 teenagers (15–19 years) and 56 young women (20–25 years) in Melbourne, Geelong and Ballarat between June and September 2009 (Appendix B). Each focus group met for 90 minutes at venues including WIRE's offices in the Melbourne CBD, community centres and netball and Girl Guide venues. The research findings and the accuracy of the policy recommendations and communication strategies were tested at the final focus group (Appendix B).

The research officer and research assistant started each focus group with an ice-breaker, then facilitated participants through a qualitative inquiry process. Focus group questions were intended to direct the participants' attention to their problems, concerns or needs about issues including credit, debt and contracts. Although focus group questions were built around key issues, the schedule remained flexible so that participants' interests and needs could be addressed.

Key questions were developed during the research planning phase and were posed to participants. Although the form of these questions changed as the action research progressed, their essence remained the same. They included

- Where do you get your money from and how do you spend it?
- Do you have a credit card? What do you use it for? If you had a credit card, how would you use it?
- Do you know anyone your age who has been in trouble with money or mobile contracts before?
- Have you ever been in debt?
- What do you spend your money on that you wish you didn't?
- How do you spend your money differently from your brother, male friend or boyfriend?
- Who do you talk to first to find out more about money or fix problems with money?
- If someone wanted to get you interested in thinking about money, what would they need to say?
- How would you like to get that information?
- What would you like to learn more about?

Characteristics of study participants

Group discussions were audio recorded and the transcripts analysed. Participants were informed that confidentiality would be absolutely preserved, as no names would be used in either transcripts or reports. Participants under 18 years were asked to provide a consent form signed by their parents or relevant authority. Participants were offered light refreshments on the day of the focus group and given movie tickets or shopping vouchers.

It became apparent that while participants were all in the target group of 15–25 years of age from regional and metropolitan Victoria, there were differences within the group that warranted some distinction in the data gathering and analysis. As a result

- Focus group participants were separated into two age-group cohorts to respect the different interests of each cohort, and to ensure dynamic discussion in the focus groups. These groups were teenagers 15–19 years old and young women 20–25 years old.
- A focus group was held with Indigenous teenagers and young women together.

Selected characteristics that distinguished these cohorts have been extracted from findings from the early stages of the study. These characteristics are outlined below to shape the context of how the focus groups were structured.

Although some focus group participants were from homes with lower family incomes, most research participants had a family income background of $80K and above. Therefore, data collection and analysis did not differentiate on family income.

AGE COHORTS

TEENAGERS (15–19 YEARS)

Teenagers of 15 to 19 years mainly lived in the family home and were either fully or partially financially dependent on their family. If these study participants had part-time or casual work, the money they earned mostly went to immediate spending such as entertainment and clothes, with the main financial support still provided by the family.

Teenage participants were interested in the subject of money, but mostly on a narrow range of topics involving spending on lifestyle. While they were less easily engaged in a direct conversation about money, savings, credit and debt, they were highly interested in talking about mobile phones and sharing tips about phones and plans. They recommended what clothes or video games to buy. However, they rarely discussed bank accounts or saving other than for an immediate goal. When talking about money, they were very focused on how they got it, what they spent it on and how easily it disappeared. They had limited personal experience of personal debt – either their own or their friends' debt.

Most of what teenagers knew about financial matters was learned from their parents. Therefore, the way teenagers related to financial issues seemed to reflect what they experienced at home. Often, participants found that financial education at school was very limited, not helpful and disconnected from their realities. A small number of teenagers had participated in school-based financial education programs. These teenagers acknowledged the benefits of these initiatives and regretted financial education was not more systematic.

As teenage participants were just emerging into the world of financial responsibility, they lacked personal connection with money and did not strategically manage their own money. Given their backgrounds, age and life experience, this is perhaps not surprising.

YOUNG WOMEN (20–25 YEARS)

Young women in their early twenties, by contrast, were highly interested in discussing money, credit and debt. Most young women became concerned with money when they started their first job, paid their own bills, signed contracts and had their own credit card.

Similar to teenagers, most of the young women cohort still lived at home and were partially or fully financially dependent on their families. Money earned from part-time or casual work mostly went to immediate spending or saving for travel or a car.

Relative to their life stage they had more direct experience of themselves or their friends getting into trouble with money, particularly with mobile phone plans and credit cards. They were also more concerned about money and more anxious than the teenage cohort about how quickly it disappeared.

Many of the study participants had a HECS debt, which they knew very little about. They tried not to think about it, found it very confusing and mysterious, and didn't quite see it as a debt.

Consistent with the teenage cohort, young women are acutely aware of how easily money disappears. They were, however, developing resourcefulness and strategies to try to take more control over their money, in particular their spending. For example, participants spoke of their decision not to get a credit card because they didn't trust their ability to resist consumer pressure with easy access to money. Young women participants also preferred prepaid mobile phone plans.

These young women were much more interested than teenagers in learning about money but wanted the knowledge in bite-sized pieces that were practical and related to their life stage. They wanted step by step information on starting a first bank account, managing mobile phone contracts and HECS, or completing a first tax return. They wanted this information to be independent from the promotion of financial products, particularly by the banks. They wanted it on the internet using appealing graphics, and particularly they wanted face-to-face information available at venues they attended, like universities and TAFEs, or festivals and events.

Like teenagers, young women also turned first to their family for information about money. They were also aware of costs arising from escalating lifestyle expenses, which in many cases involved overseas travel, increased pressure on appearance, and in the small number of cases where they had left home, financial independence.

All the young women in this study believed they needed to improve their financial skills and knowledge.

DIFFERENT CULTURAL BACKGROUNDS

INDIGENOUS WOMEN

The small focus group of Indigenous participants, drawn across the teenage and young women cohorts, raised unique issues related to their family and cultural realities. These included a stronger focus on immediate entertainment spending. The women expressed a different relationship with their family around money than non-Indigenous women, such as more shared dependency on money, parents and other relatives requesting money, the social acceptance of a greater responsibility to give money if you have it, and greater experience with debt.

Interestingly, the women still identified their mothers as the person they sought support from when they needed information about banking products. When they wanted further information about money matters, they wanted communications as electronic flyers with catchy graphics, in plain English.

Further research will be needed to accurately represent and explore the experiences of this group.

IMMIGRANT WOMEN

Women from culturally and linguistically diverse (CALD) backgrounds also related to money differently from most participants. Some young women in this cohort had to take roles as interpreters for their mothers or fathers when they were younger, and therefore had done some early thinking about the family finances. Some of these participants felt they were not able to turn to their parents for advice in the same way as other participants could.

One participant who had migrated to Australia connected her levels of confidence and financial knowledge to efficient financial education programs at school in her home country.

THE 'KANGAROO GENERATION'

Most participants were still living at home and were either partially or fully financially dependent on their families. This living arrangement reflects changes in many Western contemporary family values, where expectations and responsibilities attached to young people have changed, delaying the transition from dependent to independent life. Often, young people may leave home for a time and periodically return, as a joey might.

Staying at home for longer directly affected the way the participants interacted with the financial world, how they managed their money and how they gained financial understanding and independence. It did not, however, interfere with how keenly they were engaged with money and the influences of marketing and consumer pressure.

Although both parents where the first points of contact for financial information, using a gender lens enabled the research to identify that young women went to their mothers for practical advice and assistance. By contrast, fathers were more likely to give strategic advice to their daughters, such as how to invest in shares or complete their own tax return.

When participants spoke about their mother and father jointly, it was usually in the context of parents continuing to take financial responsibility for their daughter even as she becomes a young adult. This is significant because this well-meaning but overprotective behaviour leaves young women unprepared for financial independence. With decreases in the federal government youth allowances, and increases in costs of tertiary education, rent and living expenses, their daughters remain financially dependent on them for longer. It would be worth exploring the impact these changes have had on prolonging young people's financial responsibility on their parents and the increase in the age when young people reach financial independence.

The goals of this project centred on the rising level of debt among young women between 15 and 25 years of age, their attitudes and behaviour in relation to credit and debt and the factors that influence their attitudes. The project brief recognises that the nature of young women's relationship with money is key. This relationship and the implications for young women's financial literacy are explored according to the themes of

- Relationships to money
- Societal and economic pressures that influence young women's relationships with credit and debt
- How young women want information about financial matters, including appropriate information mediums.

RELATIONSHIPS TO MONEY

Teenagers and young women were highly engaged with the issue of money, in particular where they got it from, what they spent it on and how easily it disappeared.

WHERE IT COMES FROM AND WHERE IT GOES

Money is mostly for lifestyle and now

Teenagers' and young women's focus on money was about how it could be used to satisfy immediate desires and support their lifestyles.

For teenage participants, the top topic of conversation was mobile phones, including what plan they were on, who paid for it or how they managed the bills, and their experience of their own or their friends' phone debts. Interestingly, they did not identify that mobile phones and money management were related. This was probably because teenagers were most likely to be on their parents' plans or have a prepaid phone that parents paid for.

> *'I still live at home and my parents provide for everything: food, accommodation, petrol. I'm really spoiled like that. So I can save like…85%, 90% of what I earn, and the rest is fun money.'*

> *'I just had $300 in phone bills and I just accumulated them. Thank God that at the end my mum paid them off. If it was me paying, I would have been in serious trouble!'*

These findings directly link into WIRE's earlier research (unpublished data, 2007) and current work conducting women's financial literacy workshops, where women express considerable concern about their teenagers' use of mobile phones and the debts they incur.

For 20–25-year-old participants, money was still very much a lifestyle enabler with their focus on immediate needs including clothes, food, entertainment and public transport. While the spending focus was slightly different across the two age cohorts, young women (20–25 years), directed considerable energy to strategies to try to control their spending and manage their money for longer term lifestyle goals such as travel.

> *'I actually have a very tight budget for myself, because I'm saving to go for holidays in the next couple of years, so I manage to save 75 to 80% of my salary every fortnight and I send it straight to my savings account. I live with my parents at the moment; we agreed that I would stay with them for six months so I can save that amount of money. But I don't normally spend more than $100 a week on myself, and that unfortunately mainly goes into the Melbourne bar system!'*

> *'If I asked my parents for money, it would usually be for lunch or coffees with my friends, or anything [sic] like that. The money I have saved in the bank is for my next trip to Italy, so I would probably take most of that with me and spend it over there.'*

> 'I don't spend my money because I'm going away in November to Costa Rica, but if I need anything I would ask my parents.'

Money disappears so easily

Not only did teenagers and young women focus on what money could buy but also on how easily it disappears and how hard it was to control.

> 'I also realise that if I have cash on me, once it goes into change, then I spend it all.'

> 'You often think, "Oh…I've got something tomorrow as well, so I'll get more out now", so you end up getting more money out, but on the next day the money is all gone.'

> 'It also happens to me when I go the ATM; I pick up more than what I need. If I only need $20, pick up $50.'

LEARNING ABOUT MONEY

Parents as a first point of contact

All participants identified their parents—mother, father or both—as their first point of trusted contact for information and advice about money.

> 'I think I learned from my family. I think it has to do a lot with your upbringing, the way you were raised and how you were taught as a child that will affect the way you manage your money and your future.'

> 'I think the way I relate to money is because of my parents, but maybe not so much because they talked to me about it – like sitting down and explaining things to me like credit cards and other things – it's more like if I don't understand anything I would go, "Mum, what does it mean?" So I kind of feel there's still a big gap that I don't know about money.'

Financial education in schools

A very small number of participants spoke about programs they had done at school and some participants thought more programs around managing money and learning about shares should happen at school. While there was some support for financial literacy to be taught at school, comments still focused on practical learning.

> 'I had some stuff at primary or secondary school, but I don't think that helped me in any way today.'

> 'We did shares and stuff like that at school; we had to write a book and buy shares, and that's how I learned about it.'

> 'There was a competition at school we needed to buy shares, but I had no idea what I was looking at…so it wasn't very helpful.'

> 'Yes, there was nothing at school teaching us about this. That's something that should change, because at a young age a girl can get a credit card but they don't know how interest works or how many days it's interest free, they just think, "Oh, free money will do, I will pay it back later". They don't really know how to pick a credit card or what suits them best.'

While the national framework for consumer and financial literacy was introduced in 2006, this cohort of young women has missed this important financial education.

Learning with practical examples

While all the participants were very engaged with money, they did not necessarily think strategically about the management of their money. This is probably why the participants repeatedly indicated that they wanted to learn with practical examples about everyday tasks presented in a step by step manner.

> 'My new job is in the healthcare industry, and I was filling out the forms to sign up for a new super fund. There were all these choices on how to choose your investments…well I know investing and property…but I don't know which one is the safest one or which one has the highest return.'

> '…like a basic [idea] of everything; for example, how does your credit card affect you? How does your HECS debt affect you? How does your super, if you are over 20, affect you?'

> 'It's about giving ourselves control, for example, doing our tax return, I would like to learn by a step by step process, because that gives me control and I don't depend on people doing things for me and you can go to the counter and you can actually talk to me and not like I have no idea.'

Only a few interested in investments

Some participants made brief comments about shares and investments but these financial matters did not appear to be front-of-mind for the vast majority of participants. Those who did raise it tended to be in the older cohort or else were encouraged by their fathers to think about shares. These findings suggest that this cohort of young women had not yet reached the life stage of thinking about investment, but where still focused on lifestyle and covering everyday expenses.

> 'Yes…I think people think it's very intimidating because they might think that only the rich and old men know what they are doing…If I asked my friends if they considered that—investing—they would be like, "Are you serious?" because they would never consider it.'

> 'I would like to know more about shares and investments.'

GENDER AND MONEY

The issue of gender appeared in two ways in this research. First, mothers and fathers play different roles in providing financial support, education and assistance, as described earlier in the discussion of characteristics of the study participants. Second, gender issues were shown by the different spending patterns between females and males.

Mum is there with practical advice and Dad with strategies

Given that parents were the first point of trusted contact, the research analysed the ideas the participants put forward for learning in the family. Applying the gender lens showed that mothers were more likely to provide practical support such as assistance with bank accounts, going to the bank with their daughters or explaining letters that came from the bank.

> *'If I have any questions my mum would come and help and she will ask the questions to the bank.'*

> *'If I don't understand anything with a bank letter I would go to my mum, "What does this mean?"'*

Fathers, however, provided strategic advice and direction such as managing shares for their daughters or doing their tax returns.

> *'Well…my dad has been doing mine [tax return] since I got my first job in high school, like he sends it to the accountant, but recently I went, "Dad, do you wanna explain things to me?"'*

Interestingly, when participants mentioned both parents it was more often than not when parents took full responsibility for their daughter's finances. This had the effect of delaying young women's financial independence.

> *'My mum was like, "I want you to focus on your last two years of high school, I don't want you to think about bills or anything at all". But once I finished that and had to go to the real world, pay phone and internet bills and all that, you are lost. My parents wanted to be protective, but it was negative afterwards.'*

> *'Yes, for example with a tax return, Mum and Dad have done it for me every year, I wanted to do it for myself, but they were like, "No, just give us your information and we will take care of it". I wonder what will happen later, when I want to do it myself. How am I going to do it? Sometimes they are too full-on, too protective, and want to take over everything. I know they are trying to help and I'm glad, but it doesn't really help in the long term.'*

> *'My parents took care of everything, I never had a bank account until I moved out of home, until then I didn't know about money. That transition was very difficult for me.'*

More careful spenders than their male peers

Young women overwhelmingly identified differences in their spending from that of their brothers, boyfriends or male friends. They saw themselves as more thoughtful and cautious in their spending than their male counterparts.

> *'I don't think that girls spend more; I think we just spend on different things. Different social circles and different social worlds make you spend your money in different ways. I think that guys tend to spend all their money on video games or cars, and girls more on clothing.*

> *'I don't think we spend more money than guys. Our male friends are broke all the time, especially our age; they drink more, they go out more, they gamble more than women do.'*

Consistent with WIRE's earlier research and other research (ANZ, 2005; 2008) these young women were also more risk-averse in the management of their money. Young women stressed that they are more careful buyers, are less impulsive and generally spend their money on more necessary things than males. This is what they had to say when asked about spending habits:

> *'I don't think we spend more than guys, but we do spend it differently. I think that males make less smart purchases and we are less impulsive. For example, when we received the $900 from the government, I thought, "OK, I can sit on this $900 for a while until I decide what to do". And a guy would go, "Oh, cool, I can fix my guitar", or they would spend it on alcohol. I think there are major differences, because we could tell you how much everything costs to make a meal, while a guy doesn't even care.'*

> *'I think guys don't think much about the future. When we go shopping my boyfriend would spend three times more on clothing than I do. If they like it, they just get it. They don't shop around like us.'*

UNCOMFORTABLE FEELINGS ABOUT MONEY

Participants' relationship with money was characterised by some distinct and strong feelings. These feelings were important as they directly affected whether young women would seek information and help, or whom they would ask.

When seeking advice and assistance about what to do and where to go, participants had a similar response to women in WIRE's early research (WIRE, 2007, p. 22). The women felt overwhelmed, confused and embarrassed about what they didn't know. These feelings decreased their confidence. Some participants were concerned about whether they would even receive a respectful response because they would be seen as young and dumb.

> *'It's a bit daunting; I don't know how to choose. I still use my savings account and I know it's wrong but I don't know what to do.'*

> *'I still feel that even taking all the forms and stuff I still feel that I don't know. It's pretty intimidating starting a new type of bank account.'*

Mistrust of banks

Again consistent with our earlier research (WIRE, 2007, p. 31), there was considerable mistrust of banks. Many participants resisted marketing by banks.

> *'I don't feel very comfortable with banks because it's like when you walk into a clothing store; they are always trying to sell you something, so that's why I avoid banks a bit.'*

> *'I think that banks are a little bit intimidating because they not always looking at your best interest; they want to sell you a product.'*

> *'I don't go to the bank very often, but when I do I'm often being told that my account has been upgraded, so I have to go and fill out papers…I think that every time I went in I got the next version and next version of my bank accounts.'*

IMPLICATIONS FOR FINANCIAL LITERACY

One of the strongest themes that arose was that young women of 15–25 years of age learned most from experience—their own, their friends' and their family's. This finding has implications for strategies that should be put in place to improve financial literacy in young women, including strategies for

- Building early money management skills – this is greatly influenced by what young women learn at home and later supported by school
- Building skills in how to manage money – for example, when they are not geographically close to parents who can help them
- Supporting their learning – with practical examples using products they understand, like mobile phone contracts rather than shares, other investments and bank products. The strong, often negative, feelings about money need to be taken into account in these learning strategies.

Building early and practical money management skills at home

Given that the family and parents are young women's first point of trusted information and advice, the findings suggest that more effort should be made to develop simple strategies to assist learning about money in the home.

Therefore, new information should be developed informing parents about the small steps they can take to assist their children to learn how to manage money, in particular pointing out that financial literacy begins at home.

Evidence from the data indicates that strategies such as these are important for early money management skills

- Implementing simple pocket money management as an important first step
- Encouraging children to save for a toy or other item they want
- Talking about money and sharing how the mother and father manage the family money.

> *'One thing that I've noticed is that I learned from my family to compare prices, look for products before buying the first thing that comes my way, how can I get my dollar to go as far as possible.'*

> *'I think I learned everything from my family. I think it has to do a lot with the upbringing, the way you were raised and how you were taught about money as a child; that would affect how you manage your money.'*

SOCIETAL AND ECONOMIC PRESSURES

It was certainly clear that the pressure of consumerism strongly influenced the attitudes and behaviours of both teenagers and young women when they used credit and encountered debt.

FEELING THE PRESSURE

Societal pressure had a huge effect on the ability of the participants to monitor and control their spending and to understand strategies to do that.

> *'I probably shouldn't have spent so much last time we went shopping, with jewellery.'*

> *'I have many friends who work and they spend their money in one week or two, and then when you want to go out with them they are like, "Oh…I can't go", because they went shopping and spent it on dresses and shoes…they are all old enough to manage their money but somehow they never learn it.'*

Teenagers particularly overspent on mobile phones, DVDs and games. Young women had difficulty managing credit cards and how much they spent on lifestyle items such as clothes, food, coffee, transport and entertainment. Travel also featured as a key issue for this group and was strongly linked with saving for travel (usually overseas) or a car.

In addition, the cost of rent and public transport featured in the discussion for the few participants who lived independently of the family home.

Perhaps one of the strongest societal influences in this research was the number of participants who were still living at home and partially or fully financially supported by parents, resulting in delayed financial independence.

Spending more as peer pressure mounts

Young women also acknowledged that they spend more as they grow older, increasingly feeling more pressure from society to dress in a certain way, buy specific brands or imitate the looks and lifestyles of celebrities.

> *'I think that you get to feel that pressure more when you go to uni, because before that you have the school uniform and you don't worry about that. But then, at uni, everyone is like checking what you are wearing and stuff like that.'*

> *'In terms of accessories and clothing, I think that girls pay more, but also you get to see all the time Lindsay Lohan or Paris Hilton wearing designer jeans and you want something similar.'*

> *'I think when women buy an item of clothing it's more about the brand than anything else. You buy a brand that represents an image of the personality that you want to be associated with. When I buy [brand X] I do it because it represents a woman who is professional but casual at the same time, but also confident. And you want to be like that!'*

Gender has an impact

Young women more than teenagers identified different pressures on their spending because of their gender, particularly on clothes and accessories.

> *'Well, female clothing is different; you have so many different things, skirts, dresses, pants, while guys wear mostly pants.'*

> *'I think that girls spend more often than men. I think that men get a big purchase once in a while and spend all their money there. Ladies just go and see something nice…and they get it, even if it's very small. You go in the store, and come out with couple of bags.'*

EXPERIENCES WITH DEBT AND CREDIT

HECS—good debt or bad debt?

The most common debt for most participants was a HECS debt. Participants showed a very limited understanding of how HECS works and is paid off, or how to take advantage of payment options.

A common response to HECS was to think that it was something they would deal with in the future. In some cases, their approach was to ignore it and hope it would go away. Alarmingly, most young women with a HECS debt did not even consider it a debt, or at least not a 'bad' debt.

> *'Well, I don't actually know much about HECS debt. What I've heard from other people is that when you start earning more than a certain amount of money, it will just automatically be taken out of your pay, so I'm hoping that everything will be all right in the future once I start earning money. I actually have no idea about how much money I owe once I finish my studies. I'm trying not to even think about it.'*

> *'When I signed up for uni and I filled all those HECS forms…now I also wonder where they all go, because I don't really know what happens next, I'm really expecting that it will all work out but I don't really have an idea of where to go, or even if I wanted to pay it all off, I don't even know what to do.'*

These results are similar to WIRE's earlier research findings (WIRE, 2007, p. 36) that when something felt financially overwhelming it was not uncommon for women to 'just ignore it.'

Many young women not aware of the size of their debt and found the application process and the information mysterious, as if in another language.

> *'They should talk about it at uni, not just write you letters.'*

Given that young women have indicated that they would like practical information related to events that were relevant to them, HECS could be used as another good learning opportunity. This might include plain English information on payment options and practical strategies to understanding and managing this significant debt rather than remaining ignorant and overwhelmed by it.

Experience of debt

The next most common experiences of debt were credit card and mobile phone debts—either their own or a friend's. However, the data also showed significant learning from experience, as well as examples of their developing resourcefulness for controlling their spending to avoid getting into debt.

> *'I know that my weakness is shopping and I know that if I had easy money (credit card) I would get into massive debt.'*

Participants were very vocal about credit and debt, many not really understanding the credit card product they had.

Experience of credit cards

Understanding credit cards and contracts was again a significant topic of interest, which was again linked to many examples of anxiety about not being able to control this product. Participants were also very concerned about easy access to credit from banks and in particular the blanket marketing that offered increased credit limits without any assessment of age and earning capacity. This easy access to credit was also linked to considerable anxiety.

> *'The difference between a debit card and a credit card…I still haven't got it.' (laughs)*

> *'…later on [the bank] sent me a letter saying that they increased my limit to $10 000 and I freaked out, because with $10 000 I really don't trust myself…if it comes to more than four digits, I just go crazy! So they said that if in three months I don't activate it, it wouldn't be processed. So I didn't do anything, I'm OK the way I am.'*

There were several reasons why young women maintained a credit card, such as developing a good credit record, or for an overseas trip, online shopping or as a backup for emergencies.

> *'I do have a credit card, a $2000 credit limit, and that's the one I do check online and always try to pay on time. I don't use it much, but it's useful to buy tickets to go to festivals, buy tickets online, and also I keep it in case I'm out of my means.'*

> *'I actually wanted to get a credit card, not to be able to use it, but to get a good credit rating early. So I rang [the bank] and got the minimum credit limit. But every time I go to the bank they always ask me if I want to increase the credit limit, always…they look at my spending and always try to convince me to increase it.'*

> *'I did get a credit card to have a good credit record, only because I knew I would use it wisely. So I just use it for purchases I can pay off and always pay the bill on the weekend.'*

Irrespective of the reasons for having a credit card, several participants showed limited confidence and often feared their credit card debt 'would get out of control'. Unfortunately, only a few young women were clearly confident in managing their credit cards and credit levels. These women had a good overall knowledge of how interest works, used their credit cautiously, paid their bills on time and did not accumulate debt.

> *'I always write down what I've got for the day, because if I don't write it down I would overuse my money, and if you use your credit card, then you don't see where the money goes…and you forget about it.'*

GETTING INTO TROUBLE WITH EASY CREDIT

Some participants also described credit card debt that was frequently connected to shopping, travelling or general lifestyle purchases. It was not a surprise that young women in debt had very limited financial literacy, did not budget, did not check their account balances and did not understand how interest works.

> *'I know I'm lazy not to check expenses and my credit card balance online. In fact, I have no idea what's happening with my credit card right now.'*

Low financial literacy but easy access to credit

The current research showed how low levels of financial literacy combined with easy and quick access to credit cards with high spending limits had an incredibly negative effect on young women's lives. Many participants commented on this experience.

> *'I watched the movie Confessions of a Shopaholic the other day and the main girl in the movie had like $20 000 debt on six different credit cards, and I was like, "Oh, I know so many people like that!" So many of my friends have at least two credit cards and go shopping like it's free money! They've got their credit cards so easily that they use it the same way, without much thinking. A friend of mine went to the bank last year and walked out with a $5000 credit card and got into serious debt trouble afterwards.'*

Intensifying this phenomenon, most young women did not know what to do with their debt or how to manage their budgets to pay off their credit card bills. In fact, many young women in these circumstances avoided thinking about their debt and did not take immediate action to fix it.

> *'I opened a credit card to go overseas, and I came back because of a family emergency and started using it, that's how I got in debt. Now I'm slowly paying it off, I had no idea how to start doing it, but I actually didn't look at the problem in the eye, I wouldn't even open the bank envelopes!'*

> *'With a credit card you just put [things] on it, then you forget about it, or you can't really be forced to pay it back and it accumulates. I could pay it off if I wanted, but I prefer to keep my savings.'*

The following participant described some of the circumstances that often drive young women to credit card debt.

> *'Well…something would come up, and you feel that you need it. If you don't have the money, you just find your way around it. If you don't have a credit card, you can just go on without it, or ask someone to help you.*

> *'But if you ask for money from your parents, they would expect it back straight away or they would be really vigilant about it. But with a credit card you just put on it, then you just forget about it or you can't really be forced to pay back and it collects and that happened to me four or five times.*

> *'And then you have this little bill left over there and then accumulates interest and you don't really notice how it happens with a credit card, unfortunately, which I already feel is unfair.'*

LEARNING FROM EXPERIENCE AND DEVELOPING RESOURCEFULNESS

There was significant evidence that these young women learned from experience, both their own and their friends'. In this way, participants showed a developing resourcefulness.

Resisting marketing

Young women experienced the behaviour of banks as a source of pressure. They particularly felt that banks were more focused on selling products than providing independent information, which contributed to their mistrust of the finance sector.

The marketing of products was perhaps confirmed in the number of different accounts or linked accounts they had, some of which they didn't really understand the benefits of.

> *'I actually have three bank accounts. I've got a debit card which I use for petrol, and then I have another with all that I allow myself to spend…like $100 a week, and then I have my savings account but I usually take some money out of my savings!' (laughs)*

Most participants with a credit card conveyed that banks very frequently tried to persuade them to increase their credit limits without a significant understanding of their specific circumstances and capacity to match salaries with credit allowances. A high level of credit is an enticing but potentially very dangerous trap to many young women with low levels of financial literacy.

> *'Well, in my case I have a credit card with [the bank], with a limit of $1500. So that's OK, I can manage that. They had a promotion recently that if you have been a long-time client they offer you to increase your credit limit. They sent me all the documents and even without replying, later on they sent me a letter saying that had increased my limit to $10 000. I freaked out!'*

> *'The bank called me last night to let me know I now have an $8000 limit! And I just said, "No way! Cut that limit back to $500!" I told them I was sure, all I needed was a limit of $500, because I would spend a couple of hundred dollars when I really, really need it. And they insisted, they couldn't believe it!'*

Saying 'No' to credit cards

Young women could comment significantly on these issues. Approximately half of the participants avoided credit cards and did not plan to apply for one in the near future.

> *'I don't plan to have a credit card. In fact, girls around my age…maybe one of my friends has a credit card, but usually a lot of them don't even think about having a credit card because they are afraid they won't be able to control themselves and not [be] able to keep on top of it. I know lot of people who don't have a credit card.'*

Participants described significant risk factors associated with young women's increasing levels of debt, such as easy access to credit cards and limited understanding of how interest works. As they indicated, a significant problem is that young women often don't know how to choose a credit card appropriate to their life circumstances. Young women with a credit card also often struggle to keep track of money that is not coming out of their own bank account, so avoided credit cards.

> *'Credit cards for girls are a very bad idea! If I had a credit card I would just buy whatever I like! Having one is too much of a temptation.'*

> 'I would recommend, "Don't get it". I think if you just don't have it, you should avoid it. I've got one and I feel that it's so easy for them to push you into higher credit limits and other stuff, but they don't tell you that with that they will also increase your fees. They might explain to you the concept and few details, but not everyone understands that, what they are paying and all that.'

Some participants also showed signs of increased financial responsibility and growing financial independence by using debit and not credit cards.

> 'Visa Debit is definitely better than credit, because you are always spending your [own] money, you don't have to be anxious that you won't have enough money.'

> 'I don't have a credit card; I avoid them. I prefer to use Visa Debit, something that's my own. I don't want a credit card. I'm actually pretty good, to be honest. If I really wanted to, I know I could get one. But I think that by having it so easily accessible, it is too much of a temptation. And I don't want that.'

Setting limits with phones

Mobile phones were the key focus of interest for the teenage cohort, who also cited phones as a common example of where either the participants or someone they knew had got into significant debt.

> 'Yes, I have friends who got in trouble. Mostly because their companies convinced them to get a higher cap and they keep doing that...'

> 'I think the majority of us would like to learn about mobile phones because we all use them. So I think that [we need] information saying, "Watch out for this...or that", giving you the right information about the types of contract for mobile phone[s].'

Young women aged 20–25 years had more commonly learned to manage their mobile phone bills and mostly used prepaid plans as a strategy to avoid debt.

Monitoring spending on cards

Some of the young women in this cohort were able to manage their spending by setting limits on their credit cards and understanding their own means for paying them off. They were careful about not progressively increasing their levels of credit.

> 'It's about knowing how to put a credit limit in your credit card, you need to assess if you can pay off that debt from your salary. It's also about knowing how to use things.'

Some participants who reported credit card limits of $1500–2000 paid their bills on time and were careful about not progressively increasing their levels of credit.

> 'I've had a $2000 limit in my credit card for the last two years and didn't want to go beyond that. I'm really careful. I've grown up with two parents who are artists and who struggle every day for a new job and for a pay cheque and I know what it is not to have money.'

> 'Well, with my credit card I know what the limit is what I earn, that's how much I would be able to pay back. So if you have a measurable amount, then it's OK. I do like my credit card because it's easier, it allows you to do online shopping too. But you just have to know that if it gets lost or you overspend, you know that you can pay that off.'

> 'Because I have internet banking, I check there every couple of weeks how things are going and if I have been charged the right way. Sometimes I see that I withdrew $80 and couple of days later again $80... and I wonder...where did [that] first $80 go? Petrol...lunches...'

It can be easy to get caught all the same

The following narrative reflects a regional participant's experience with debt. While a university student in Melbourne, her restricted understanding of financial services (such as direct debit and online banking) caused hardship.

> 'Unfortunately, sometimes you learn the hard way, when you make big mistakes. I came to Melbourne from the country to study and rented a flat at the student campus. They were supposed to take the rent every month from my account, but they didn't do it for the whole year and I didn't know. I thought they were doing direct debit, but I didn't check. I thought I didn't have to worry about that. So, after a year, because of a system error, they took all the money in one go. And I didn't have any extra to survive! I had to ask for money to my family and my boyfriend, and it took me a long time to pay back. Since then I've been learning a lot about saving and stuff like that, because that happened to me.'

And she goes further explaining the specific circumstances related to her debt and the challenges that she encountered.

> 'In my case I know it was a little bit of my fault because I didn't check how much I was spending and how much was left in my account. I know it sounds weird, but coming from the country, there's no internet out there. Coming to the city, internet banking was new to me, no one introduced it to me, no one really told me I could log in with my ID and check my phone bill or bank account.'

Young women who believed they were dealing well with their credit cards had developed strategies to control their spending. While some participants had begun to develop strategies to control their money, others remained very vulnerable to the temptations of 'free money'.

IMPLICATIONS FOR FINANCIAL LITERACY

It was clear that teenagers and young women faced significant peer pressure and broader societal pressure to consume items and lifestyle options. They also had to deal with unfettered marketing from the financial sector placing temptations in front of them to extend their credit and spending.

One of the strongest themes was the need for regulations to be developed to reduce the vulnerability of 15–25 year-old young women to credit and debt. This finding has implications for strategies that should be put in place to improve financial literacy in young women. There needs to be strong recommendations for the Federal Government through ASIC and the Australian Bankers' Association (ABA) to

- Advocate with the finance sector to increase their social responsibility to young people related to the current unfettered marketing offering increased credit limits. This could perhaps be done through the ABA.
- Provide information in plain English that clearly informs young women what they are signing, and the implications.

Regulators have responsibilities to

- Provide guidance in reviewing current regulations to improve accessibility contracts and product agreements in plain English that is accessible to teenagers and young women.
- Develop new information to explain HECS and HECS-HELP debts and payment options. This information should be available electronically, in plain English, as step-by-step or bite-sized pieces of information using graphics and images young women related to.

HOW YOUNG WOMEN WANT INFORMATION

All participants were asked what aspects of money and finances they would like to learn more about, how they would like to learn and what would be the best way to communicate this information to them. Two themes emerged from their responses. They wanted

- Trusted information available where they were, such as at universities, TAFEs and events
- Information available on the internet.

However, the data also revealed that the participants saw their family as their first contact for trusted advice; their mothers for practical advice and fathers for strategic financial support advice or planning.

They also strongly indicated that they wanted advice related to taking steps toward financial independence. They want to know about starting work and opening a first bank account, completing a first tax return, and learning the difference between a credit card and a debit card. They wanted information that was appealing, interactive, with interesting graphics and presented in small learning steps.

The data also revealed considerable confusion around a HECS debt and what it really meant, what were the payment options and even how to find out the balance of that debt. They wanted information about HECS in plain English rather than in the style of information they currently receive.

While young women did not see the need for gender-specific information on debt, credit and how to manage their money better, they did want information that matched their life stage.

INFORMATION APPROPRIATE TO LIFE STAGE

Participants clearly identified that they wanted financial information specific to their needs and tastes. First, this means that they identified the information content should be practical and related to either life stage or actions that would help them towards financial independence. They wanted

- Information on single topics, such as opening a bank account, choosing between credit and debit cards or understanding HECS
- Learning opportunities and warnings about how to avoid financial difficulties as practical, interactive advice about how to calculate credit card interest, or the costs of mobile phone plans
- Independent information they could trust and not associated with banks.

Particularly for teenagers, examples that explain mobile phone debts and plans would be appropriate information content.

Second, participants wanted the information presented in ways that they found accessible, which includes

- Catchy graphics
- Text in plain English
- Availability on the internet.

Typical of Generations Y and Z who have been raised with the internet and digital media, these study participants understood and expected technology to be used to deliver messages. Some characteristics of Generation Y are given in Appendix A.

TRUSTED INFORMATION

Feeling vulnerable – parents are safer than banks

Young women were often aware they did not understand financial terms. They preferred to talk first to their parents than approach a financial institution, to avoid feeling more vulnerable or embarrassed.

> *'I would talk to my mum, she is very confident about this stuff.'*

> *'I would go first to mum because she knows; she used to be a bank officer so she knows we can't trust anyone in a bank! They are all liars, and many of them don't even know what they are talking about. I don't trust them.'*

Internet

Participants saw the internet as a safe and trusted source of information.

> *'I think I would look for more info on the internet, most definitely. I wouldn't approach anyone at the bank.'*

> *'I don't know, apart from my parents and my boyfriend, I don't know which institution I would go to for more information. I don't know. I would probably use the internet.'*

Financial institutions are the last resort

Consistent with the findings from WIRE's earlier research (WIRE, 2007, p. 34–35), participants wanted independent trusted information that was not linked to banks or the private financial sector.

Only four research participants were confident in approaching a financial institution when facing doubts or problems regarding their own money.

> *'Yes, you are always nervous when you go somewhere with your money, but you always need to go home and do some further research before deciding.'*

Gender differences are less important than life-stage differences

Research participants did not express a particular interest in gender-sensitive financial messages tailored for young women. They stressed the need to develop financial information specifically for young people and thought financial messages should focus on life stages rather than gender.

> *'It depends where you are in life, but right now I would say that the kind of information I need is pretty much what my boyfriend needs to know. I don't have children; I'm not married so why should I get a different type of service? If you are financially savvy now, then you are prepared for whatever comes later on.'*

> *'I find it surprising how in this century we actually need to inform women about financial products, after being so independent, having jobs, going out there.'*

IMPLICATIONS FOR FINANCIAL LITERACY

These findings have implications for recommending how to provide information to teenagers and young women around money and their financial literacy.

Overwhelmingly, young women first sought information from their parents; mothers first for practical advice, then fathers for strategic advice. Improving the financial literacy of mothers and fathers is key. This finding has implications for strategies for educating parents, including the need to

- Assist parents to better understand their role in preparing their children for financial independence, particularly when informing teenagers around credit and debt.
- Provide new information for parents about their role as the first point of contact for financial information so they can better prepare their daughters to make informed financial decisions.
- Provide parents with information on small early steps they could take such as simple pocket money options, how saving for an item can be used as a learning opportunity, and sharing with their children how they make financial decisions for the family.

The need for specific information

The financial sector has responsibilities to

- Work with the ABA to ensure they provide a response that encourages young women to seek the advice they need without being pushed to take up new products
- Provide specific information that is not linked to marketing their products.

Young women want to learn about money only if financial information is linked to their interests. The type of specific, practical information targeted to life stages that the financial sector could provide includes

- Buying a first mobile phone
- Applying for a HECS-HELP loan
- Getting a new job—opening a bank account, registering a tax file number, lodging a tax return
- Opening a first credit card account—comparing cards and selecting the best option
- Saving money—planning for a car or holiday
- Moving out of home—paying bills and budgeting.

Age-specific information could include

- At 15–16 years—what to consider with a first job; how to open, understand, compare and choose the best bank account; buying a first mobile phone
- At 17–18 years—starting higher education; how to pay for studies up-front; what is HECS debt and how it works
- At 20–25+ years—moving out of home and paying bills; saving for holidays; buying a first car; how to invest money.

Early education

In recommending that parents be more involved in the early education of their daughters, other data that identifies poor level of financial literacy in particular among women needs to be considered. Governments, both state and federal, therefore have responsibilities to continue their work towards improving the financial literacy level of women and men.

These responsibilities need to be linked into the importance of early learning as a pathway to financial independence and literacy.

INFORMATION MEDIUMS

AGE-SPECIFIC MEDIUMS

Consistent with this internet-savvy generation participants in this study consistently identified they wanted information available on the internet. They also wanted information in plain English, using catchy graphics and in short grabs related to the next financially responsible stage they were moving into.

> *'No point giving kids our age any brochures and any more stuff to read. We need images and graphics. Pretty much all people our age can connect to that.'*

> *'It needs to be…not in dumb language, but very simple. Straightforward, simple…so people can understand.'*

> *'Maybe girls magazines wouldn't be a bad idea because magazines [make up] one of the best types of media.'*

> *'Or even a postcard like the ones they give you at uni, everyone is picking one, so something like that would be good. They are really simple, catchy, eye-catching... if you walk past and it looks cool you would take it.'*

FACE-TO-FACE INFORMATION

Despite the familiarity the young women have with internet and multimedia technologies, the research findings indicated that they also wanted to talk with someone who could provide independent financial advice. While this was usually their parents it is important that other independent face-to-face advice is available. They wanted this independent personal advice easily accessible and at places they commonly gathered, such as universities and TAFEs. Music festivals or other youth events could perhaps be useful places to make independent personal information available in short practical grabs.

IMPLICATIONS FOR FINANCIAL LITERACY

These findings have implications for recommending what communication mediums are effective for engaging teenagers and young women to learn about financial matters.

An important thread running through all information mediums is that the content should be accurate and independent. Young people are highly sceptical, needing to be reassured that both online and face-to-face information is trustworthy.

The Federal Government through ASIC has the responsibility to

- Create and provide trusted information in plain English
- Provide information on the internet that is interactive and uses catchy graphics
- Provide information on single topics.

Information on websites

The internet was cited as the next option for seeking information. However, there is very little internet-based information targeted toward this cohort. For example, the regulator ASIC has the responsibility to develop the content of their Understanding Money website to target young women 15–25 years.

The Victorian Government has a responsibility to maintain and improve websites dedicated to youth including to

- Review all pages linked to the Youth Law and Youth Central website, particularly the Managing + Money section to show practical real-life examples in interactive formats with simple language
- Develop a new section on the Youth Central website based on the finding of this research, such as 'Your first bank account—what you need to think about' using real-life examples in interactive formats with simple language.

Information on websites is most effective if it is practical and addresses specific problems, and is in a format that young women find appealing. The information should be colourful, quick to access and preferably supported by interactive games that present information in bite-sized pieces. Websites could include

- Situational examples such as what to do when a financial institution offers to increase your credit limit
- A 'Tips and tricks' section
- Links to key sites on social media sites that young women use, such as Facebook.

Face-to-face information

The Victorian Government has the responsibility to provide free financial information to young people at their places of study. For example, CAV could

- Investigate creating small school-based friendship groups where teenagers are encouraged to share information with peers to help them make decisions about financial issues that affect them, such as mobile phones
- Conduct interactive workshops for young women at schools, TAFEs and universities that explain financial terms and services, provide tips on managing money applying financial skills in everyday tasks.

Improving parents' knowledge

The regulator ASIC has the responsibility to revise the content of their Understanding Money website to include information for parents to help get their children starting to think responsibly about money.

Conclusions

The aim of this project was to explore young women's relationship to money, their levels of financial literacy, particularly in regard to credit and debt, and identify key strategies to communicate information about money, credit and debt.

Using gender and diversity lenses we divided young women into two cohorts of teenagers (15–19 years) and young women (20–25 years), because each group displayed significantly different characteristics relevant to their life stages. Teenagers were still at home, mostly at school, not engaged in paid work and dependent on their parents for all aspects of their lives including access to money. While women between the ages of 20 and 25 years were either partially or fully financially dependent on their parents they were beginning to learn about money through life experiences and took more responsibility for their own financial outcomes.

The key finding for both groups was that parents are the most important source of information or help regarding money, and most young women did not trust any other option. This finding directly links to the level of financial literacy of both mother and father. Interestingly, mothers and fathers played different roles, with mothers providing more practical advice and assistance and fathers more strategic and directive about future wealth strategies such as shares and investment. However, a key step to improving young women's relationship to money, credit and debt is to improve the level of financial literacy of parents.

Consistent with other research findings our research found that teenagers are not engaged with thinking about money or learning about money strategies, but are highly engaged in thinking about mobile phones and other immediate lifestyle activities that require money. This suggests that the best way to engage teenagers in thinking about money, credit and debt is to deliver knowledge in a variety of interactive formats and learning strategies, using examples that teenagers can apply to their daily lives and priorities.

Therefore, effective financial literacy programs targeting teenagers would focus on products and services that are highly correlated with teenagers' needs and wants, such as mobile phones, in order to maximise interest levels and knowledge transfer. For example, communicating financial information on how to choose a phone, how to understand a contract and how to use the credits wisely could represent a useful way to introduce teenagers to financial information.

Young women between the ages of 20 and 25 years, while still often fully or partially financially dependent on their families, are at a different life stage. Most research participants in this cohort were studying at a tertiary institute, had a HECS debt, and some had an independent income. Like teenagers, they were engaged with money as a lifestyle enabler. However, they also were beginning to think about longer term financial matters such as saving for a goal such as travel or a car.

Consistent with the teenage cohort, young women first turned to their parents for information and help regarding money, and most young women did not trust any other option. However, young women 20–years old also showed further preferences for learning about financial matters.

As a second preference, young women were interested in learning about money through a well-advertised website that explained financial information in a simple and engaging way, preferably using short text fragments, comics and other graphics, humour and colour to break the initial barrier that most young women hold up against the financial world.

The third preference was face-to-face information 'where they were at' (university or TAFE), independent from financial institutions, and where they could get additional personal information about exactly what they need to know at that moment. They were most interested in finding out how to complete a tax return, the difference between credit and debt, and what they needed to know to get a loan.

While teenagers and young women did not see the need for women-specific information they emphatically wanted information in small steps related the next financial step they needed to take.

Although young women didn't see the need for gendered information they certainly acknowledge the different spending patterns of young women from their male counterparts, and the different societal pressures they faced in regard to image. Most young women did not agree they spent more money than young men, and they described themselves as more cautious than their male peers. They also identified different social pressures affecting their spending patterns. Apart from that, all participants agreed on the need to promote financial information for young people in a simple way.

While age-specific information seemed more important to teenagers and young women than gender-specific information, significant gender effects were revealed in the different roles young women's mothers and fathers played in providing financial advice and assistance. It is also worth noting financial responsibility within most families has changed. Parents continued to be financially responsible for most participants until they were 25 years old. This perhaps reflects changes to youth allowances and the increased costs of tertiary education and rent, all of which shape a very different financial relationship between parents and their children.

Research findings also suggest that if young women with high levels of education experience problems in understanding financial terminology, products and services, teenagers and young women from less advantaged groups might face greater difficulties in dealing with money. Further research is needed to analyse efficient financial communication strategies targeting young women from different social and economic backgrounds. Similarly, more information is required about the specific socio-cultural factors shaping CALD and Indigenous young women's relationships with money.

References and further reading

ABS – see Australian Bureau of Statistics

Adema, W. and Whiteford, P. (2008) 'Matching work and family commitments: Australian outcomes in a comparative perspective', ***Family Matters,*** 80, 9–16.

Alliance of Girls Schools Australia (2006) 'Developing financial literacy', ***Alliance Magazine***, 34, viewed April 2009, http://www.agsa.org.au/

AMP (2009) ***She works hard for the money: Australian women and the gender divide***, viewed April 2009, http://www.melbourneinstitute.com/hilda/Biblio/ophd/ AMP_NATSEM_report_Gender_divide_narrows.pdf

ANZ Banking Group (2003) ***ANZ survey of adult financial literacy in Australia: Final report***, viewed April 2009, http://www.anz.com/about-us/corporate-responsibility/community/financial-literacy-inclusion/

ANZ Banking Group (2008) ***ANZ survey of adult financial literacy in Australia***, viewed June 2009, http://www.anz.com/Documents/AU/Aboutanz/AN_5654_ _Adult_Fin_Lit_Report_08_Web_Report_full.pdf

ANZ Banking Group (2009) ***Money Business: Indigenous financial literacy***, viewed October 2009, www.anz.com.au

ANZ Banking Group and First Nations Foundations (2009) MyMoola: ***Opening financial pathways***, viewed October 2009, www.anz.com.au

ASIC – see Australian Investment and Securities Commission

Australian Bureau of Statistics (2005) ***Australian social trends***, ABS, Canberra.

Australian Bureau of Statistics (2009) ***Labour Force, Australia, Detailed***, viewed November 2009, http://www.abs.gov.au/

Australian Investment and Securities Commission (website developed 2005, reviewed annually 2008 ***Consumer and Financial Literacy Professional Learning Program***, viewed July 2009, http://www.financialliteracy.edu.au/about/the_program.html

Australian Investment and Securities Commission (2008) ***Your money starter. Insurance and super: A financial literacy resource for secondary schools***, viewed April 2009, http://www.fido.gov.au

Bakewell, C. and Mitchell, V. (2003) 'Generation Y female consumer decision-making styles', ***International Journal of Retail & Distribution Management***, 31, 95–106.

Beal, D. J. and Delpachitra, S. B. (2003) 'Financial literacy among Australian university students', ***Economic Papers***, 22 (1), 65–78.

Bin-Sallik, M., Adams, I. and Vemuri, S. R. (2004) 'Strategies for improving indigenous financial literacy in schools', ***The Australian Journal of Indigenous Education***, 33, 31–36.

CAV – see Consumer Affairs Victoria

Clarke, M. C., Heaton, M. B., Israelsen, C. L. and Eggett, D. L. (2005) 'The acquisition of family financial roles and responsibilities', ***Family and Consumer Sciences Research Journal***, 33 (4), 321–340.

Commonwealth Bank Foundation (2004) ***Improving financial literacy in Australia: Benefits for the individual and the nation***, viewed April 2009, http://www.commbank.com.au/

Consumer Affairs Victoria (2003) ***Consumer education in schools: Background report***, viewed October 2009, http://www.consumer.vic.gov.au/

Crooks M. 2009, ***A Gender Lens for Inclusive Philanthropy***, Victorian Women's Trust, Melbourne.

Dwyer, C.A. and Johnson, L.M. (1997) 'Grades, accomplishments, and correlates', h in Willingham W. W. and Cole, S.N. (ed) ***Gender and fair assessment*** Lawrence Erlbaum & Associates Publishing, Mahwah , NJ, pp. 127–156.

Feingold, A. (1994) 'Gender differences in personality: a meta-analysis', ***Psychological Bulletin***, 116, 429–456.

Financial Literacy Foundation (2008) ***Consumer and financial literacy professional program—teacher guide***, Curriculum Corporation, Carlton South.

Foley, E. and LeFevre, A. (2001) ***Understanding generation X***, viewed October 2009, www.zmf.com

Fox, J., Bartholomae, Z. and Lee, J. (2005) 'Building the case for financial education', ***The Journal of Consumer Affairs***, 39 (1), 195–214.

Furnham, A. (2001) 'Parental attitudes to pocket money/allowances for children', ***Journal of Economic Psychology*** 22, 397–422.

Greenwood, D. and Levin, M. (1998) ***Introduction to action research***, Sage, London.

IFSA – see Investment and Financial Services Association Limited

ITUC – see International Trade Union Confederation

Investment and Financial Services Association Limited (2008) ***Financial facts for women***, viewed July 2009, http://www.ifsa.com.au/

International Trade Union Confederation (2008) ***The global gender pay gap***, viewed October 2009, http://www.ituc-csi.org/IMG/pdf/gap-1.pdf

Kimmel, M. (2000) ***The Gendered Society***, Oxford University Press, New York.

Kite, M. (2009) 'Female bankrupts: girls lose the blues in the red', ***The Telegraph***, 20 June, viewed July 2009, http://www.telegraph.co.uk/comment/personal-view/5587607/Female-bankrupts-girls-lose-the-blues-in-the-red.html

Landvogt, K (2008) 'Money, Dignity and Inclusion: The role of financial capability' Social Policy Unit Good Shepherd Youth & family service

Landvogt, K (2009) 'Women and Money stories, struggles, solutions An Interactive Guide' Social Policy Unit Good Shepherd Youth & family service

Lewin, K. (1946) 'Action research and minority problems', ***Journal of Social Issues***, 2 (4), 34–46.

Luck, E. and Mathews, S. (2009) 'What advertisers need to know about the iYGeneration: An Australian perspective', ***Journal of Promotion Management***, Special Issue on Australia/Asia Pacific.

Marcus, C. (2008) 'Ladies in the red', The Age, 25 May, viewed July 2009, http://www.theage.com.au/lifestyle/fashion/ladies-in-the-red-20090403-9nea.html

McCrindle, M. (2006) ***Understanding generation Y***, viewed October 2009, http://www.learningtolearn.sa.edu.au

McInernery, S. (2008) 'No freedom in the credit cards for women', The Age, 27 November, viewed July 2008, http://www.theage.com.au/lifestyle/lifematters/no-freedom-in-credit-cards-for-women-20090407-9vfb.html

Ministerial Council of Education, Employment, Training and Youth Affairs (1999) ***National consumer and financial literacy framework***, viewed November 2009, http://www.decs.sa.gov.au

Mitchell, S. (1997) ***Generation X: The young adult market***, New Strategist Publications, Ithaca, NY.

Moen, P. and Yu, Y. (2000) 'Effective work/life strategies: Working couples, work conditions, gender, and life quality', ***Social Problems***, 47 (3), 291–326.

Multicultural Centre for Women's Health (2009) ***To every woman: Money, power and freedom***, viewed October 2009, http://www.mcwh.com.au/healthprom/ money.php

National Youth Affairs Research Scheme (2008) ***Young people (12–17 years) and financial debt,*** viewed May 2009, http://www.dest.gov.au/

Office for National Statistics UK (2009) ***ASHE results (Annual Survey on Hours and Earnings)***, viewed October 2009, http://www.statistics.gov.uk/statBase/ product.asp?vlnk=13101

Ozanne, J. and Saatcioglu, B. (2008) 'Participatory action research', ***Journal of Consumer Research,*** 35 (3), 423–439.

Pomerantz, E., Altermatt, E. and Saxon, J. (2002) 'Making the grade but feeling distressed: gender differences in academic performance and internal distress', ***Journal of Educational Psychology***, 94 (2) 396–404.

Reid, C. (2004) 'Financial literacy: Essential learning in the curriculum', ***VCTA Journal, Compak***, 1, 5–9.

Rodriguez, R., Green, M. and Ree, M. (2003) 'Leading generation X: Do the old rules apply?', ***The Journal of Leadership and Organizational Studies***, 9 (4), 67–74.

Ruble, D.N; Greulich, F; Pomerantz, M and Gochberg, B (1993) 'The role of gender-related processes in the development of sex differences in self-evaluation and depression', ***Journal of Affective Disorders***, 29, 97–128.

Russell, R., Brooks, R. and Nair, A. (2006) ***Evaluation of the youth financial literacy trial program***, viewed April 2009, http://www.anz.com/Documents/OLI/PeterLalorSecColTrialeval_RMIT.pdf

Securities Institute of Australia (2005). ***Financial Literacy: Challenges of behavioural change***, Growth Journal No 56, 68-71.

Sullivan, P. and Heitmeyer, J. (2008) 'Looking at Gen Y shopping preferences and intentions: Exploring the role of experience and apparel involvement', ***International Journal of Consumer Studies***, 32, 285–295.

Vodafone Foundation nfpSynergy (2008). ***Help-seeking behavior in young adults***, viewed April 2009, http://www.nfpsynergy.net/includes/documents/cm_docs/2009/ n/nfpsynergy_report_help_seeking_behaviour_in_young_adults.pdf

West, C. and Zimmerman, D. H. (1987) 'Doing gender', ***Gender and Society***, 1, 125–151.

Weston, R. and Qu, L. (2007) 'Australian families: Continuity and change', in E. Shaw and J. Crawley (Eds.) ***Couple therapy in Australia: Issues emerging from practice***, PsychOz Publications, Kew, Vic.

Whithear, D. (ed.) (2001) 'Collected works: 1980–2001', ***Australian Institute of Family Studies Research report no. 6***, Australian Institute of Family Studies, Melbourne, Vic.

Whittle, S., Yucel, M., Fornito, A., Barrett, A., Wood, S., Lubman, D., Simmons, J., Pantelis, C. and Allen, N. (2008) 'Neuroanatomical correlates of temperament in early adolescents', ***Journal of the American Academy of Child and Adolescent Psychiatry***, 47 (6), 682–693.

WIRE (2007) ***Women's financial literacy research report***, viewed July 2009, http://www.wire.org.au/womens_info/about/WomensFinancialLiteracyResearchReport.pdf

Wood, S.J., De Luca, C.R., Anderson, V.A. and Pantelis, C. (2004) 'Cognitive development in adolescence: cerebral underpinnings, neural trajectories, and the impact of aberrations', in ***Neurodevelopment and Schizophrenia***, Cambridge University Press, Cambridge, UK.

Hale, C (2006) ***The Finance First project: Engaging and transforming communities***, viewed May 2009, YWCA NSW, Citigroup and University of Western Sydney. http://www.financefirst.net.au/images/MakingCents_Evaluation_Summary.pdf

Young women & money

RESEARCH REPORT 2010

appendices

APPENDIX A LITERATURE REVIEW

WOMEN AND MONEY

Introduction—Australian women's relationships with money

Australian women's lives have experienced several transformations over the last few decades. Women's higher levels of education and their massive entrance into the workforce have promoted broader political participation and awareness of specific gender needs and priorities. However, although Australian women have now entered all areas of the workforce, there are still remarkable differences between men and women in paid and unpaid work, wealth outcomes, earnings and superannuation.

In spite of women's increased participation in the workforce, Australian women's employment rates are still 19% lower than men's (AMP, 2009). Compared to other OECD countries with similar tertiary education levels, Australia presents the fifth highest employment gap. The AMP (2009) report also stresses the salary gap between men and women, indicating that Australian men are likely to earn more than one-and-a-half times the prospective earnings of women. As in many other developed countries, Australian women still receive less income than their male counterparts, and very frequently are paid differently from men in similar positions.

Focusing on women is incredibly important because the challenges they face can be quite different from men, and women frequently live longer yet their salaries and superannuation balances remain lower than those of men (IFSA, 2008, p. 1). Apart from that, time spent out of the workforce to have and raise children means women earn less income over their working lives and therefore make less compulsory contributions to superannuation. It is still women who more commonly give up full-time work to care for children and other family members.

Working mothers often face challenging responsibilities and they become overloaded because they face substantial differences in the amount of domestic and family work they do compared to their male partners. As AMP's (2009) report indicated, full-time working women with children spend an average of 15 hours per week doing housework and looking after children, compared to six hours per week for men. Compounding this situation, research findings indicated that at least one-fifth of women who want to have a baby will most certainly face some kind of difficulty with working conditions or career opportunities due to their pregnancy.

The combination of these factors affects the way women experience and relate to their finances, and produces significant reasons why financial literacy programs and services should be aware of women's specific needs, priorities and pressures.

Socialisation of gender and money

The way men and women interact with money is the result of social constructions relationally created within specific contexts, where family, education, social values, politics and work opportunities influence each other. However, there is very limited research about the financial socialisation of children within their families, which is a significant place where they are introduced to ideas and values on how to manage and interact with the financial world. Through family interactions and experiences within and outside the classroom, children and teenagers build their understanding around money and learn to negotiate their reality regarding finances.

Academic findings (Feingold, 1994; Ruble et al.1993; Dwyer & Johnson, 1997) also stressed that women experience a different learning process from men, and their needs and motivations are different from a very young age. Although educational psychologists have found that girls often present higher standards in the classroom than boys, they tend to evaluate their own performance more critically. Girls are more likely to be excessively critical in assessing their own academic performance and knowledge, showing lower confidence in most subjects than boys (Pomerantz, Altermatt & Saxon, 2002). Consequently, the educational sector should address how to engage and communicate with girls and young women from an early age so they can be encouraged and supported to increase their levels of confidence, especially when it comes to financial security.

Financial pressures on young women

Apart from a few investigations observing women's relationship with money, circumstances and pressures of specific groups still seem to be under-represented by academic and independent investigations. Although there is a body of knowledge relating young people and financial literacy, a gender lens is rarely applied. As a result, young women's values, pressures and needs around money management are often overlooked.

According to UK survey findings (Kite, 2009), for the first time more young women than young men are getting into debt. Most bankrupts under 24 years in the UK are women as a result of excessive spending. In 2008, 55% of young bankrupts were women, compared to 48% five years ago. In total, 1560 women under 24 years old were declared bankrupt compared to 1250 men in the same age group. As the Insolvency Service (UK) indicated, young women succumb to the pressures and fantasies associated with celebrity lifestyles, seeking to purchase similar expensive items such as designer clothes, shoes and accessories, even if they cannot afford them. The gender gap seems to be growing at a vigorous speed.

Certainly, the easy access to credit cards and loans has facilitated this phenomenon. The Insolvency Service (UK) also highlighted some gender differences, pointing out that more young women than young men are also keen to demonstrate their independence by owning their own apartment, while young men in the UK are often satisfied with living with their parents. This, rather than indicating that young women are doing better financially than young men, suggests that women experience social pressures in a different way and tend to express their dysfunction by expanding their levels of debt.

Unfortunately, academic research exploring pressures on young Australian women and their relationship with money are scarce. Most of the information addressing these issues comes from sources often linked to independent research and presented as newspaper articles.

According to Marcus (2008) and McInerney (2008), pressures for young women to consume and increase their levels of debt are much higher than for men, as most marketing and TV and billboard advertising targets women. As a result, is not surprising that many women feel pressure to spend more money on beauty products, designer clothes, accessories and entertainment. Although many young Australian women have achieved financial independence, they are managing their money with varying degrees of success, as a recent survey highlighted (Marcus, 2008; McInerney, 2008). According to this survey, 74% of women aged between 19 and 39 consider themselves financially independent. Of the 1252 women surveyed, 30% believed they managed their finances well, around two-thirds thought they could do it better and 16% had trouble making ends meet. Among the main issues of women's concern was debt, as 80% of women owed money. Of those women with credit card debt, 56% acknowledged going backwards with their finances. Therefore, women considered financial security a key factor to freedom (as indicated by two-third of respondents, with only 14% selecting good health and 7% a partner).

As rigorous research findings on young Australian women and financial literacy are extremely scarce, the following sections of the literature review present a brief overview of existing the knowledge around young people and financial literacy and a summary of current financial literacy programs and resources available for women and young people in Australia.

FINANCIAL LITERACY AMONG YOUNG PEOPLE

UK and US experiences

Young people are often exposed to high-income expectations and an intense need to consume products, reinforced by the market and the media. Children and teenagers are responsible for spending substantial amounts of money with limited parental or educational guidance on personal finance. Consequently, many struggle when it comes to money issues. As research findings showed (Vodafone Foundation & nfpSynergy, 2008), one in three 16–24 year-olds in the UK feel uncertain about organising and managing their finances. The restricted financial knowledge of many young adults rapidly translates into a problem with serious lifetime consequences.

Because young consumers spend large amounts of money they have a significant effect on the economy. US teenagers spend an average of US$150 billion annually. Apart from that, 80% of US teenagers from 18 to 20 already have credit cards (Clarke, Heaton, Israelsen & Eggett, 2005). In spite of the access to financial resources, young Americans' low levels of financial literacy seem to get worse every year, with devastating effects on their lives. Some of the first challenging financial decisions young adults face are often connected to credit card use, education costs, loans, accommodation and living expenses. The way they approach these and other relevant financial issues, and their capacity to become financially independent and secure, is a repeated result of an early relationship with money, mostly learned from family and school (Furnham, 2001).

However, young adults' initial chances to apply their financial skills often translate into a growing 'normalisation' of a culture of debt. Upon graduation, the average university student in the UK owes more than £12 000. Results provided by the UK Consumer Credit Counselling Service indicated that debt levels for young adults under 25 years increase with age. On average, 24-year-old consumers had a debt of £16 351 in 2006, mostly as a result of personal loans (56%) and credit cards (28%) (Vodafone Foundation & nfpSynergy, 2008).

The reality of Australian teenagers and young adults is not very different from what was found in other countries. Research developed by the financial sector in 2008 indicated that Australians aged between 18 and 24 are among the least financially skilled group of the overall population (ANZ, 2008). Unfortunately, most Australians tend to build a relationship with money management through trial and error. This, as many authors believe (Bin-Sallik, Adams & Vemuri, 2004; Reid, 2004; Beal & Delpachitra, 2003; Russell, Brooks & Nair, 2006), is the direct result of the restricted emphasis schools place on the training of essential financial knowledge and applied skills at an early age.

It is well known that young adults often feel peer pressure to continue spending money, buy things they cannot afford and increase their debt. Frequently, many of them do not know what to do and where to turn for financial assistance when facing serious debt. As UK research findings highlighted, 62% of young adults admitted not knowing what to do or which services they should approach for help in case of money problems (Vodafone Foundation & nfpSynergy, 2008). This is a compounding factor on teenagers and young adults' capacity to build a secure and independent financial future.

Financial literacy among young Australians

Australia follows an international trend regarding teenagers and young adults' levels of financial literacy. Previous research findings (ANZ, 2008) highlighted that financial literacy is strongly associated with a person's age, gender, education and socioeconomic characteristics. According to this recent survey, people aged 18–24, women, people who speak a language other than English at home and people of Aboriginal and Torres Strait Islander descent had among the lowest scores of financial literacy. These findings confirmed previous studies relating low levels of financial literacy with the youngest cohort of the Australian population (Commonwealth Bank Foundation, 2004). As these surveys stressed, people with low rates of financial knowledge also experience greater unemployment and lower incomes and are more likely to experience difficulties in dealing with mobile phones, credit card debts and other bills.

Seeking to understand the lower financial literacy scores among young people, the ANZ Survey report (ANZ, 2008) suggested that, to some extent, these results reflected people's low exposure to finance-related life experiences. According to the ANZ (2008), once people start purchasing homes and cars or become involved with superannuation and other investment products, their financial knowledge is expected to improve.

As expected, low levels of financial literacy represent a serious handicap with repercussions not only in the way people manage their money but also in the way they produce it, affecting their social and labour outcomes. Young adults' limited financial knowledge is compounded by international economic events. According to recent findings, Australian teenagers have been seriously affected by the world economic recession, with 245 000 (approximately 20% more than 2008) without full-time work or full-time study. Unemployment rates among teenage males grew from 12.8 to 18.7% and for females from 13.9 to 16.5%).

Low levels of financial literacy at an early age often represent high risk, leading to future levels of household debt, bankruptcies, sexually transmitted debt for young women and decreased savings. Recent findings (ANZ, 2008) indicated risks associated with low levels of financial literacy. According to this study, people with restricted financial literacy were less likely to engage in financial behaviours that could make their banking less expensive. Apart from that, they were more likely to be at risk of loss as a result of their lower use of insurance and were less likely to obtain financial information from financial publications, the internet and seminars, or advice from accountants, tax specialists or financial planners.

According to research findings (Commonwealth Bank Foundation, 2004; Fox, Bartholomae & Lee, 2005; Reid, 2004), high-school leavers are often not prepared to take minor or major financial decisions in life. As a result, many decide on significant financial issues relying on a self-learned knowledge acquired through trial and error.

Many studies have stressed the important role of primary and secondary schools as a source of financial knowledge for students at all ages when relevant programs and up-to-date resources are offered (ANZ, 2003; Commonwealth Bank Foundation, 2004; YWCA, 2008). There are various initiatives working towards that goal within the educational sector, seeking to apply financial literacy in a more systematic way or by promoting extra-curricular activities within primary and secondary schools. Findings have indicated positive results and an increasing financial awareness among the school children and teenagers involved in these projects.

Although the Victorian Curriculum Assessment Authority (VCAA) highlighted that, in 2004, there was no formal course of study in any jurisdiction and no systematic approach to the teaching of financial literacy, positive progress is been recently made in that direction. In the 2007–2008 Commonwealth Budget, the Australian Government committed $2 million to the Treasury to develop a national approach to provide teachers with the knowledge and skills to deliver consumer and financial literacy learning for students in the compulsory years of schooling. This will be achieved through the development of the National Consumer and Financial Literacy Professional Learning Package to be delivered under the Australian Government Quality Teacher Programme.

Future financial literacy curriculums should consider the idea that financial tasks are best transmitted and learned through repeated modelling and genuine personal investment; processes that often occur at home (Clarke, Heaton, Israelsen & Eggett, 2005). As suggested, financial programs would be more effective if they incorporate students' parents in classroom instruction and homework assignments, in order to address the effects of family and gender values around money.

Teenagers and young adults' levels of financial literacy are the result of their practical experience and their exposure to a complex variety of educational resources and programs. An integrated and collaborated response including government agencies, the educational and financial sectors and mass media is needed to improve young Australians' knowledge and relationship with money. The development of good money management skills can empower teenagers and young adults to sustain economic security and better opportunities in the future.

UNDERSTANDING GENERATION Y

Teenagers and young women are expected to experience socio-cultural and economic factors that shaped their generation and which significantly affect the values, ideals and expectations of individuals. As with all generations, these women acquire behaviours, skills and attitudes about money through socialisation and show particular patterns of consumer behaviour and learning preferences. It is useful to review the values and experiences of the generation that includes teenagers and young women to help understand what and how to communicate with them about money issues.

People of Generation Y (Gen Y) were born between approximately 1980 and 2000. With ages ranging between 10 and 30 years old, Gen Y describes the teenagers and young women who are the focus of this study.

Key characteristics

Generally, Gen Y individuals do not have major financial commitments, are technology proficient and entertainment driven and strongly participate in online shopping (Bakewell & Mitchell 2003, Luck & Mathews 2009, McCrindle 2009, Sullivan & Heitmeyer 2008). Specifically:

Information-rich or information-overloaded?

- Described as 'the internet generation', Gen Y has been raised with cable television, globalisation, terrorism and environmentalism.
- Digital media provides an unprecedented source of information on almost any issue. The overwhelming volume of information and resources often mean Gen Y are confused about consumer choices.

Enthusiastic spenders

- Raised in a culturally diverse social context and accustomed to an abundance of goods and services, Gen Y is more consumption-oriented than previous generations and tends to have an 'anything is possible' attitude.
- Gen Y women are described as recreational quality seekers. They will pay more for specific brands that they are loyal to.
- Gen Y spend most of their money arbitrarily on entertainment, technical goods (personal computers, video games, music and software), travel and food.

Idealistic and influenced by peers

- Although Gen Y is highly materialistic and very motivated to shop, they remain one of the most difficult cohorts to reach through advertising.
- Gen Y is an idealistic consumer group, socially preoccupied but—by contradiction—highly individualistic.
- Individuals are more likely to make decisions based on peer recommendations. The most relevant factor influencing teenagers' decisions is the experiences of their core group of three to eight friends.

APPENDIX B
FOCUS GROUP PARTICIPANTS

DEMOGRAPHIC DATA

The 92 research participants were comprised of the following groups.

Total number of research participants	92
Teenagers (aged 15–19 years)	36
Young women (aged 20–25 years)	56
Women with different needs	
CALD participants	25
Indigenous participants	7
Regional participants	13

FOCUS GROUP LOCATIONS

Focus groups were conducted in the Melbourne central business district (CBD), Melbourne suburbs and Victorian regional locations. While groups were sought in other regions including the northeast, the only regional areas where focus groups could be formed were Geelong and Ballarat. The table summarises the characteristics of each of the ten focus groups, including whether teenagers (15–19 years) or young women (20–25 years) participated in the group.

Focus group	Participants	Location	Date	Number of participants
1	Young women	WIRE—Melbourne CBD	02 June 09	8
2	Teenagers	Geelong—regional Victoria	18 July 09	11
3	Teenagers	Fairfield—Melbourne	21 July 09	6
4	Young women	WIRE—Melbourne CBD	22 July 09	11
5	Young women	WIRE—Melbourne CBD	30 July 09	9
6	Teenagers	Springvale—Melbourne	20 August 09	12
7	Young women	WIRE—Melbourne CBD	24 August 09	5
8	Indigenous	Preston—Melbourne	31 August 09	7
9	Young women	WIRE—Melbourne CBD	10 Sept. 09	10
10	Young women	Ballarat—regional Victoria	22 Sept. 09	13

APPENDIX C
WOMEN-SPECIFIC FINANCIAL LITERACY RESOURCES

Many resources provide financial services and information specifically for women. A selection of resources and information has been included here, partly because they were consulted or otherwise referred to during this research. The initiatives of WIRE are presented first, followed by other organisations in alphabetical order.

The organisations listed here are dynamic. Therefore, this information forms a brief current guide, and may change.

WIRE – Women's Information, the Queen Victoria Women's Centre (QVWC) and the Office of Women's Policy (OWP)

Resource
Women and Money Month; Women's Financial Literacy Project: Steps for securing your financial future

Type
Workshop series

Outline
Women & Money Month 2009 is a partnership project that will deliver a series of financial literacy workshops and seminars for women in Victoria. The workshop content is based on existing research into the barriers women face in achieving financial security. The workshops aim to better equip women to navigate the money jungle and work towards greater financial security—now and into the future. Each workshop consists of a series of 4 x 2-hour sessions over four weeks. Workshops were delivered in several regions and locations across Victoria in October and November 2009.

Contact
http://www.women.vic.gov.au/web12/owpMain.nsf/allDocs/RWP3FBD67F229098D68CA257489000AA18F?OpenDocument

WIRE – Women's Information

Resource
Information sheets

Outline
Information sheets are available for women in various situations including those who work, who are at home with children or going through a separation. Some titles are:

- Struggling with pregnancy & finances (a woman's story)
- Property & Separation (a WIRE information sheet)
- Women & Debt (a WIRE information sheet).

Contact
http://www.wire.org.au/site/womensinfo/finance.php

WIRE – Women's information

Resource
Financial literacy research report

Type
Report

Outline
This study, funded by the Helen Macpherson Smith Trust, sought to discover what women in Victoria understood their financial levels to be, and also ways to improve these levels. Over 300 women were engaged through this research. The study researched current trends, best practice models and user-friendly information that support women to increase their financial literacy.

Contact
http://www.wire.org.au/womens_info/about/WomensFinancialLiteracyResearchReport.pdf

Alliance of Girls Schools 'in alliance'

Resource
Developing Financial Literacy

Type
Article

Outline Discussion of how some private girls schools are teaching financial literacy and spending Commonwealth Bank Financial Literacy Grants. Targeted to secondary school teachers.

Association of Superannuation Funds of Australia

Resource Why can't a woman be more like a man–gender differences in retirement savings

Type Report

Outline Presentation of social and economic research examining distribution of superannuation holdings and results of an ASFA survey of members into investment choices and a survey of the Australian population on attitudes.

Australian Government – Financial Literacy Foundation

Resource
Financial Literacy: Women understanding money

Type
Information sheets

Outline
A financial literacy resource for women of all ages that discusses financial issues of personal interest to women and frames superannuation in the context of broader money management issues. It consists of 14 information sheets and is available in print and electronic form. It will be available through a range of other government, industry and community sector sources.

Contact
http://www.understandingmoney.gov.au/documents/women/womenunderstandingmoney.pdf

Australian Housing and Urban Research Institute

Resource
Women and Housing Policy Research – a scoping paper

Type
Report

Outline
Overview of the challenges related to the lack of provision of housing for women, particularly single women and women-headed households.

Contact
Women's Planning Network, www.wpn.org.au

Chantiri, Emily

Resource
The Savvy Girl's Money Book

Type
Book–Murdoch Books 2005
ISBN 1740456351

Outline
A clever money management guide for 20-35 year olds who spend their hard-earned cash on shoes and cocktails and don't have enough left to pay the monthly phone bill, let alone plan for marriage and kids. Very informative with a bright and breezy style that appeals to young women who run a mile from dry, earnest advice.

Commonwealth Bank

Resource
Girl$avy

Type
Training

Outline
Series of one-day workshops for high school students.

Council on the Ageing with the support of DVC and the Women's Financial Network

Resource
Women's Financial Literacy Seminar program: a training program to prepare women for financially secure retirements

Type
Training

Outline
Targeted to older women.

Resource
Women's Financial Literacy Project Final Evaluation Report, July 2006

Type
Report

Outline
Evaluation of the Women's Financial Literacy Project, which was a Victorian training program with workshops for older women. Recommendations include longer sessions, more targeted sessions, marketing suggestions and use of a financial buddy system.

Curtin University of Technology – Women's Economic Policy Analysis Unit

Resource
Women and Australia's Retirement Income System 2002 (Austen, S., Jefferson, T. and Preston, A.)

Type Report

Outline
Analysis of why the super system is gender biased.

Human Rights and Equal Opportunity Commission

Resource
Women's Financial Prospects in Retirement

Type
Article

Outline
Discusses problems with women's retirement planning and superannuation, and strategies to overcome them.

Contact
http://www.hreoc.gov.au/sex_discrimination/20thanniversary/women_work_equity/speeches/olsberg.html

James, Vivienne

Resource
Woman's Money Book: It's Your Money – Why Not Make the Most of It.

Type
Book Allen & Unwin 2003
ISBN-10: 1741141311

Outline
A definitive guide that takes the mystery out of financial management and gives practical pointers to women on how to manage their personal finances.

Money Girl

Type
Online information

Outline
Independent online portal providing financial information and referrals for young women.

Contact http://moneygirl.com.au/

RPR Consulting for FaCSIA

Resource
Financial Literacy for Marginalised Women – draft 2005

Type
Discussion paper

S4W

Resource
1000+ women have their say June 2006

Type
Report

Outline
Results and analysis of survey of 1012 Australian women members of S4W organisations and networks asking them to nominate their key areas of concern.

Resource: Women, Saving and Superannuation (and outline) July 2005

Type Report

Outline Survey findings and summary of 684 women's knowledge and attitudes towards saving and superannuation issues. The survey was distributed through women's networks and conferences.

Resource
Security for Women–Superannuation Roundtable

Type
Discussion paper

Outline
Summary of roundtable discussion on problems with women and superannuation with suggested solutions and next steps.

South West Victorian SEAL Inc.

Resource
Finance for Women

Type
Training

Outline
This course aims to provide women, particularly rural women and low-income earners, with basic financial skills to meet personal and family commitments. Topics covered include financial terminology, bill payment strategies, budgeting and record keeping.

Location
Shire of Moyne, in particular Macarthur and Hawkesdale

Contact
71 Hyland St, Warrnambool VIC 3280;
Deborah Dumesny ph: (03) 5562 6099;
email: seal@seal.org.au

Queensland State Government – Office of Women's Policy

Resources
Women and Finance; Women and Superannuation

Type
Information sheets

Outline Information, targeted at older women, covers reasons women are less prepared for retirement as well as superannuation choices and further resources. Sheets currently being revised and updated–this one discontinued.

Contact
www.qld.gov.au

University of New South Wales Research Centre on Ageing and Retirement (RCAR)

Resource
Women and retirement savings – Ways forward. Lessons from overseas initiatives and proposed Australian Strategies

Type Article

Victorian State Government – Department of Innovation, Industry and Regional Development

Resource
Women's Access to Finance Seminars and Workshops for Women

Type
Training

Outline The Women's Access to Finance program consists of seminars and workshops to assist women who are running their own businesses to better understand and access finance for business expansion. Topics include understanding debt and equity funding, the financier's perception of risk and selecting the right debt product. Workshops participants learn to understand financial statements and submit their own finance plan. Different organisations host these seminars and workshops across Victoria.

Contact Victorian Business Line 132 215; www.business.vic.gov.au (Business Events Calender).

Victorian State Government – Office of Women's Policy (Victoria)

Resource Ageing with financial security– Report from the Sixth Annual Premier's Women's Summit, September 2005

Type
Report

Outline Summary of Summit including results of online survey, highlighting issues and barriers and areas where work is needed and a summary of government initiatives. This report is targeted to community services.

Resource
Ageing with Financial Security – roundtable discussion fact sheets, September 2005

Type
Information sheets

Outline
Fact sheets provided to roundtable discussions at the Premier's Summit – give stats and summary of four themes.

Resource
Making superannuation work for you – A woman's guide

Type Booklet

Outline: Retirement planning for older women, including information on superannuation, pensions and contacts

Contact (03) 9208 3126

Western Australian State Government – Office of Women's Policy

Resource Superwoman Women and Superannuation–Securing your Future

Type Booklet

Outline Information for women on retirement planning, superannuation, pensions and contracts

Contact Ph: 1800 199 174, or (08) 6217 0441; http://www.community.wa.gov.au/Communities/Women/Publications.htm

Westpac Bank

Resource
The Ruby Connection

Type
Events, seminars and workshops

Outline The Ruby Connection is an online portal where women share their experiences of being in business by exchanging ideas, developing alliances and gaining knowledge. The ruby connection organises regular events for women in business in Australia. Westpac also offers a range of financial management workshops and seminars.

Contact
http://www.therubyconnection.com.au/default.aspx

Women in Business Network

Type
Training

Outline
The Women in Business Network promotes greater business networking and nurtures professional camaraderie between women from business and professional employment. The program suits women who own or manage a business or want to set up a business or professional women. It provides mentors for business, distributes a newsletter and helps identify the needs of businesswomen in the area. Seminar/training topics include succession planning, effective use of the internet, workplace relations and assertiveness skills.

Location
City of La Trobe and Wellington Shire

Contact
http://www.womeninbusiness.com.au/contact.html

Women in Super

Type
Information service

Outline
Established in 1994 as an unincorporated not-for-profit association by the Conference of Major Superannuation Funds to provide a forum for, and enhance the opportunities of, women employed in the superannuation and financial services industry. Women in Super is a national association with over 1000 members. Each participating State has a management committee representing each of the major sectors within the superannuation industry.

Contact http://www.womeninsuper.com.au/

Women Making It Work

Resource Financial literacy seminars

Type Training, businesswomen's network

Outline These seminars have been developed for the businesswomen's networking group ' Women Making It Work'. This network aims to stimulate business development across the Casey/Cardinia Councils region and raise the profiles of local businesswomen through networking and training. Topics include superannuation, estate planning and understanding financial jargon. Women of 40–50 years old usually attend and younger women are welcome.

Contact
Ph: (03) 5945 0404; wmiw@cardinia.vic.gov.au

Women's Advisors Meeting Working Group

Resource Effectively communicating superannuation and financial literacy messages to women during their different life stages, June 2006

Type Discussion paper

Outline Discussion paper in draft form as at February 2010.

Women's Financial Network

Type
Private Business

Outline
The Women's Financial Network was established in 1995 to create an organisation where women could access financial information, professional advice and related services in a friendly, holistic environment.

Contact
http://www.womensfinancialnetwork.com.au/Home/Home.asp

Women's Health In the North (WHIN)

Resource
Enterprising Women

Type
Training

Outline
This project aimed to support increased social and economic participation by engaging women in financial literacy programs and a community development focussed approach to micro-finance and micro-enterprise development. Target audience was CALD women, with possible inclusion of other groups such as young women.

Financial literacy training was provided to those who have had little exposure to managing money, dealing with taxation issues, identifying the impact of income on benefits or accessing financial services in Australia.

Four financial literacy programs were provided four times per year for three years; each program involves 4–6 sessions with 6–10 participants.

Women from the local government areas of Nillumbik, Whittlesea, Moreland, Darebin, Yarra, Hume and Banyule were eligible to participate in the project.

Contact
Victoria Business Line: 132 215;
Toll free: 1800 136 034; www.sbcs.org.au; businessimprovement@iird.vic.gov.au

Women's Information Services Australia

Resource
Women's Financial Needs Survey May 2006

Type
Report

Outline
Results and analysis of survey of Australian women about their financial knowledge and attitudes.

APPENDIX D
FINANCIAL LITERACY RESOURCES FOR YOUNG PEOPLE

Many resources provide financial services and information specifically for young people. A selection of resources and information has been included here, partly because they were consulted or otherwise referred to during this research.

The organisations listed here are dynamic. Therefore, this information is a brief current guide, and may change.

ANZ Bank

Outline
Facilitated by ANZ Bank and run by independent organizations, this program provides financial education about the use and management of money. Apart from this program, ANZ, in partnership with other community organisations in Australia and New Zealand, has developed Kickstart Your Financial Success (for the general public), Saver Plus (a matched savings program for people on low incomes), Progress Loans (a program offering small loans to people on low incomes) and MoneyBusiness (a program to improve levels of financial literacy in Indigenous communities).

Resource Kickstart Your Financial Fitness

Type publication

Contact http://www.anz.com/aus/aboutanz/community/Programs/finlit.asp; ANZ branches.

Resource Saver Plus

Type Project with the Brotherhood of St Laurence

Contact
Patricia Toohey, Head of Group Community Relations, ph: (03) 9273 6871; or email: tooheyp@anz.com

Resource MoneyMinded

Type Program

Contact
Patricia Toohey, Head of Group Community Relations

Resource Community Financial Education Program

Type Program

Contact Patricia Toohey,
Head of Group Community Relations

Australian Government – Department of Education, Employment and Workplace Relations

Resource
The Real Game program

Outline
This is a career development program that integrates financial literacy concepts across key learning areas. There are five versions for different year levels. This comprehensive interactive learning kit offers a stimulating theme-based approach to life experiences as students explore the ideas and strategies that will enable them to make better informed decisions on education, income and job satisfaction, and gain a realistic understanding of adult life, work and society.

Contact http://www.realgame.gov.au/index.htm

Australian Securities and Investments Commission

Resource
FIDO consumer website of ASIC – Financial tips and safety checks

Outline
FIDO protects investors, superannuants, depositors and insurance policy holders. FIDO also regulates and enforces laws that promote honesty and fairness in financial products and services, in financial markets, and in Australian companies.

Resource
Your Money Starter

Outline
An online financial literacy resource for secondary schools that includes interactive learning, teacher's resources and fact sheets.

Resource
To the Max

Outline
Targeted at a youth audience, this comic covers credit and loans, mobile phones and owning a car.

Contact
www.fido.asic.gov.au

Resource:
Your Money Starter

Outline
The resources exploring superannuation and insurance for teachers and students in Years 9–12. It would be useful in the curriculum areas of Studies of Society and Environment, Accounting, Business, Commerce and Mathematics. There are five modules: two units for Years 9 and 10 and three investigations for Years 11 and 12. These modules are supported by a series of photocopiable fact sheets and two multimedia learning objects: Plan for the party–Super and Safe or Sorry–Insurance

Contact:
http://www.fido.gov.au/yourmoneystarter

Assessment for Learning

Resource
Website

Outline
The website provides professional advice and activities related to formative assessment. It provides Australian primary and secondary teachers in all learning areas with assessment tasks to be used for formative purposes.

Contact
http://cms.curriculum.edu.au/assessment

Commonwealth Bank Foundation

Resources and outlines
Australian Financial Literacy Assessment (AFLA): This tool was designed to help identifying Year 9 and 10 students' financial literacy levels.

National Financial Literacy Curriculum Resource: This service assists teachers to improve students' knowledge, skills and understanding of financial literacy through 12 modules mapped to the Year 7–10 curriculum.

Financial Literacy Grants: Grants of $3,500 each awarded to 100 secondary schools seeking to develop specific money management programs.

DollarsandSense: Making Sense of Your Money–program. Launched in 2002, the website was developed to increase teenagers' (14–17 years old) levels of financial literacy, incorporating unbiased information and resources on saving, budgeting, borrowing, lending, jobs and money.

Contact
www.dollarsandsense.com.au

StartSmart
This program, launched in 2007, communicates with young people in a simple, engaging, and interactive way about money management skills. Workshops are held in over 200 rural and regional locations across Australia each year. Students share ideas, play games and improve their knowledge regarding financial issues. Tailored modules and interactive lessons are held on site n metropolitan secondary schools.

Contact
http://www.startsmart.com.au/

Contact
www.commbank.com.au/foundation

Consumer Affairs Victoria

Resource
Consumer Affairs Victoria website

Outline
The website provides a collection of useful resources for primary and secondary teachers and students.

Contact
www.consumer.vic.gov.au/consumerstuff

Resource
Pocket Money

Outline
Designed to reach high school students, Pocket Money is a 12-page tabloid lift-out covering issues from earning and spending to saving and investing. A Teachers' Guide accompanies the lift out. All these activities are mapped to VELS.

Contact www.education.theage.com.au

Resource Information sessions

Outline: Interactive information sessions and free advice for young people are offered in several regions on many youth consumer issues like managing credit and debt, mobile phones, buying a car and how to get a refund.

Contact http://www.consumer.vic.gov.au

Financial Basics Foundation

Resource Website

Outline The foundation is a registered charity established to help educate secondary students about the credit system and responsible financial management practices. The website has sections for teachers and students, useful links and two financial literacy teaching resources. Operation Financial Literacy contains 10 modules covering topics such as financial planning, income, budgeting, financial protection, credit and borrowing and mobile phones.

Contact
www.financialbasics.org.au

Resource ESSI (Earning, Saving, Spending and Investing) game

Outline ESSI engages upper primary–lower secondary students in learning about earning, saving, spending and investing. The player makes selections on goals, financial choices, calculations and other matters to achieve the most assets at the end of the 26-week period. Playing time is about six hours.

Contact http://www.essimoney.com.au/

Financial Literacy Foundation

Resource
Consumer and Financial Literacy Professional Learning Program

Outline
Links provide primary and secondary teachers with resources and ideas for implementing consumer and financial literacy.

Contact
http://www.financialliteracy.edu.au/resources/useful_links.html

Resource
Understanding money website

Outline
The website aims to build the capacity of people to better understand and manage financial risk. There is information about building financial skills and knowledge related to budgeting, saving, credit and its use, debt control, investing, superannuation, getting financial advice and looking out for scams and insurance. There are links to many quality educational resources and professional learning programs.

Contact
www.understandingmoney.gov.au

Financial Planning Association of Australia

Resource
DollarSmart – A financial toolkit for teenagers

Type Fact sheets

Outline
A toolkit for young people to help them control their money and get back on track for an easier financial future.

Contact
http://www.ifsa.com.au/documents/Fact%20Sheet_Dollarsmart_toolkit.pdf

NatWest Bank

Resource
MoneySense program

Outline The program teaches children money management life skills. Materials and ideas are age-grouped: 11–14, 14–16 and 16–18 years old. Four modules with lesson plans, activities and resources cover how to open a bank account, how to manage money on a day-to-day basis, budgeting and how to run a business.

Contact http://www.natwestf2f.com/natwest/schools.asp

New South Wales Office of Fair Trading with the Department of Education

Resource
Money Stuff website

Outline
This financial literacy site contains factual resources, a glossary and a quick quiz. Topics relate to advertising; buying a car, mobile phone or house; renting a flat and starting work. The teachers' resources section contains print and video resources.

Contact
http://www.moneystuff.net.au/nsw/Teachersresources/Videoresources/tabid/92/Deafult.aspx

New Zealand Retirement Commission

Resource
Sorted – Your independent money guide

Outline
A free independent money guide with calculators and information to help managing personal finances throughout life. The website has a link with resources for young people, to help them get sorted on money matters, assist on how to pay for their studies and make smart decisions.

Contact
www.sorted.org.nz