

## INQUIRY INTO REVIEW OF THE NEW SOUTH WALES SCHOOL CURRICULUM

**Organisation:** Australian Securities and Investments Commission

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Legislative Council  
PORTFOLIO COMMITTEE NO. 3 - EDUCATION  
Parliament House  
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SYDNEY NSW 2000

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Dear Committee Members

I write to confirm that as the lead agency charged with improving the financial capability of all Australians, the Australian Securities and Investments Commission (ASIC), made a formal submission to the NSW Curriculum Review in November 2019. (Attached)

Overall, ASIC supports the vision and recommendations in the NSW Curriculum Review - Interim Report. We also want to draw the Committee's attention to the important role financial education plays in ensuring the future well-being of students<sup>1</sup> in reforming the content of the curriculum and the Senior Secondary Curriculum.

The Alice Springs (Mparntwe) Education Declaration, 2019<sup>2</sup> highlights the importance of developing financial and entrepreneurial knowledge and skills, providing an engaging context that students view as relevant and critical to their future.

ASIC continues to work with education stakeholders to start as early as possible to develop good money habits in young Australians, aligning with the Organisation for Economic Cooperation and Development's (OECD's) best practice guidelines for financial education.

The OECD Education 2030<sup>3</sup> paper, highlights the need to prepare students for economic challenges, citing that:

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<sup>1</sup> Inquiry into the New South Wales School Curriculum – Terms of Reference (Terms of Reference questions 3c & 4)

<sup>2</sup> <https://docs.education.gov.au/documents/alice-springs-mparntwe-education-declaration>.p13

<sup>3</sup> OECD's position paper - Education 2030 2018 p.3

Financial interdependence at local, national and regional levels has created global value chains and a shared economy, but also pervasive uncertainty and exposure to economic risk and crises.

While performance of Australian students in the most recent financial literacy assessment, [\*PISA 2018 Results \(Volume IV\): Are Students Smart About Money?\*](#), revealed some positive results, there were also clear areas to focus more targeted work.

It is clear the impact of the pandemic on young people will be far reaching making it even more important for young Australians have the skills to manage money day-to-day, make informed financial decisions and plan for their futures.

NESA's future's focussed review provides the chance to elevate the importance of financial education to make a real difference to the financial lives of young people.

Yours sincerely

Laura Higgins  
Senior Executive Leader  
Financial Capability



**ASIC**  
Australian Securities &  
Investments Commission

# Australian Securities and Investments Commission (ASIC) submission on the NESA Curriculum Review

## Integrating financial literacy education in curriculum content to connect learning to life

### Introduction

The Australian Government is committed to helping Australians to be in control of their financial lives.

ASIC is the lead agency for financial capability policy and a key focus of ASIC's agenda is to equip young Australians with essential financial decision-making skills.

ASIC supports the vision and recommendations in the NSW Curriculum Review - Interim Report. In addition, we want to draw NESA's attention to consider financial literacy education in reforming the content of the curriculum and the Senior Secondary Curriculum. Financial literacy education provides the perfect setting in which to present content that students view as relevant and critical to their future well-being.

Financial literacy is the combination of financial knowledge, skills, attitudes and behaviours necessary to make sound financial decisions and being able to apply that knowledge effectively across a range of contexts, including in online and digital environments.<sup>1</sup>

### Recommendations

ASIC, as the lead agency for financial capability in Australia recommends that NESA prioritise financial literacy education by:

1. Using explicit financial literacy concepts as authentic learning contexts across all years and learning areas, providing every student with the theory and application to better manage money day-to-day, make informed money decisions, and plan for the future.
2. Using financial literacy as a mandatory project and inquiry focus to broaden the Senior Secondary Curriculum linking learning to future core life skills.

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<sup>1</sup> National Consumer and Financial Literacy Framework 2011

[http://www.curriculum.edu.au/verve/\\_resources/national\\_consumer\\_financial\\_literacy\\_framework\\_final.pdf](http://www.curriculum.edu.au/verve/_resources/national_consumer_financial_literacy_framework_final.pdf)

## Reforming the Content of the Curriculum

Financial literacy education contexts engage students<sup>2</sup>, and address multiple learning, social and emotional areas, which allow them to transfer knowledge and skills into their lives after school.

Financial literacy doesn't 'add' to the curriculum. It is an avenue to connect the core concepts and knowledge of a learning area to core skills and applications for students to link the relevance of their learning, reflect on how they make decisions and ultimately engage in their learning.

The NSW Curriculum Review - Interim Report<sup>3</sup>, skills in applying knowledge are listed. Financial literacy education provides a context where these skills can be developed and strengthened. Some examples are listed below and link content to authentic learning opportunities with a financial literacy context.

Provide students in junior years with the opportunity to:

- Investigate features of advertisements that influence children to buy or want a product.
- Understand the process concept of fundraising and donating and the role it plays in our society by running their own fundraising project.
- Identify Australian notes and coins and that money is a finite resource in the context of a shopping trip or a classroom economy.
- Recognise needs and wants, setting goals and how to stick to a budget by organising a 'day out' for their class.
- Investigate the financial and non-financial costs of becoming a pet owner, and consider other factors that influence the choice of a pet.

Provide students in middle years with the opportunity to:

- Explore foreign currency by creating a money museum.
- Respond to various online security issues and seeing the potential consequences of their decisions.
- Explain the history of currency, bartering, the development of cash systems, and the arrival of cards and ATMs.
- Investigate the influences on consumers when selecting clothes and accessories by sharing stories about the factors that sway their own choices.
- Explore the cost of being sustainability by making informed consumer choices based on their science investigations.

Real-world learning, including the development of financial and entrepreneurial skills is important to enhancing student learning.<sup>4</sup> From the work that ASIC has undertaken in schools to date, using financial literacy as a context for learning ensures the wonder in students is nurtured and passion ignited<sup>5</sup>.

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<sup>2</sup> Attard, C., 2016, 'Mathematics + Money = Engagement: Financial Literacy as a Tool to Increase Opportunity and Engagement with Mathematics for Students from Low Socio-Economic Areas: Final Report', Research Report [https://www.moneysmart.gov.au/media/560516/moneymathematicsengagement\\_final\\_report\\_14\\_september\\_2016-assoc-prof-catherine-attard.pdf](https://www.moneysmart.gov.au/media/560516/moneymathematicsengagement_final_report_14_september_2016-assoc-prof-catherine-attard.pdf)

<sup>3</sup> <https://www.nswcurriculumreview.nesa.nsw.edu.au/home/siteAreaContent/524abec1-f0f9-4ffd-9e01-2cc89432ad52> p20

<sup>4</sup> Alice Springs (Mparntwe) Education Declaration (2019) [https://uploadstorage.blob.core.windows.net/public-assets/education-au/melbdec/ED19-0230%20-%20SCH%20-%20Alice%20Springs%20\(Mparntwe\)%20Education%20Declaration\\_ACC.pdf](https://uploadstorage.blob.core.windows.net/public-assets/education-au/melbdec/ED19-0230%20-%20SCH%20-%20Alice%20Springs%20(Mparntwe)%20Education%20Declaration_ACC.pdf)

<sup>5</sup> [St Bernard's Primary School in Batehaven, NSW uses financial literacy](#) to extend and challenge maths students where they manage a market garden business growing produce to sell at the local market. Cassandra Portelli from Hunter School of Performing Arts implemented a Money Talks competition at her school which resulted in the publication of [Money Talks ebook](#).

## Reforming Senior Secondary Curriculum

ASIC fully supports the proposed changes to the Senior School Curriculum, offering real opportunities for students to leave school with the dispositions to transition to life beyond schooling. With the concern that the current curriculum is heavily focused on acquisition of knowledge, the balance is to focus “on providing every student with a broad education that prepared them for ongoing learning, life and work.”<sup>6</sup> The increased focus on learning for life support ASIC’s agenda, given that more than 1 in 3 people find dealing with money stressful and overwhelming.<sup>7</sup>

Our National Financial Capability Strategy<sup>8</sup> identifies three behavioral areas in which Australians can be empowered to take control of their financial lives:

- Managing money day-to-day
- Making informed money decisions
- Planning for the future.

Financial literacy education engages students and supports teachers in connecting school curriculum to life and work.

Students recognise the importance of financial literacy and are motivated to learn about it at school. In an ASIC evaluation report, 96% of students reported that it is important for them to learn about money, with 82% reporting that they were interested in learning about money.<sup>9</sup> Senior “students are earning money in wider and enterprising ways. They have part-time jobs, are gifted money, and sell possessions. Many are informal moneylenders and borrowers, providing bridging finance to each other. Their part-time work creates new financial responsibilities such as paying tax, seeking tax refunds, paying bills and managing accounts and credit cards.”<sup>10</sup>

With the strong link between overall wellbeing and financial wellbeing, ‘in an increasingly complex, globalised and rapidly changing world, it is critical for every young Australian to not only be able to cope with life’s challenges but also to flourish as financially literate and enterprising citizens in the 21st century. Developing consumer and financial capability in young people is a strong investment in Australia’s social and economic prosperity.’<sup>11</sup>

The OECD also recommends that schooling responds to an economic challenge for future students and points to the need for broader educational goals for the individual and collective well-being, aiming for education to do more than prepare the student for a world of work.<sup>12</sup>

## Summary

**This submission and its two recommendations provides the opportunity in the NSW curriculum for students to learn about financial matters to gain financial interdependence as core learning, ensuring they are well prepared to thrive in an uncertain future.**

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<sup>6</sup> <https://www.nswcurriculumreview.nesa.nsw.edu.au/home/siteAreaContent/524abec1-f0f9-4ffd-9e01-2cc89432ad52>

<sup>7</sup> <https://financialcapability.gov.au/strategy/#why>

<sup>8</sup> <https://financialcapability.gov.au/strategy/>

<sup>9</sup> <https://download.asic.gov.au/media/4563536/rep554-published-4-december-2017.pdf> p 43

<sup>10</sup> <https://www.australiancurriculum.edu.au/resources/curriculum-connections/dimensions/?id=46505>

<sup>11</sup> <https://www.australiancurriculum.edu.au/resources/curriculum-connections/portfolios/consumer-and-financial-literacy/>

<sup>12</sup> OECD Learning Framework <http://www.oecd.org/education/2030-project/teaching-and-learning/learning/>