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How schools and parents can start teaching kids about today's most taboo topic - money

By Garry Marr

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It's something barely discussed at home, let alone at the dinner table. And now educators are increasingly looking at including this topic in the curriculum - even as early as kindergarten.

But if you're assuming those lesson plans involve body parts, you're mistaken; today's most taboo topic might actually be money. Personal finance might not have the same cachet as sex ed, but

schools are now trying to fill in some of the gaps we have in financial literacy - the idea being that if you tackle it early, you can instill in students a lifetime of knowledge.

A report prepared for TD Bank Group by the Canadian Foundation for Economic Education found Grades 10, 11 and 12 are now the dominant grades for financial education, with very little financial teaching going on prior to Grade 4. The same report found most people, inside and outside the education system, think schools have some role to play in teaching children about financial literacy.

"Financial education is being taught in every province and territory across Canada," says Jane Rooney, who was appointed in April 2014 as national Financial Literacy Leader. "Each province has taken a different approach."

Her appointment followed the recession and a decision by former finance minister Jim Flaherty to strike a task force on financial literacy in 2009 - the idea being to create stronger a financial system through a more educated population.

Rooney's group ran consultation sessions across the country in the first year of her mandate and heard from about 500 organizations. One goal was a national strategy to help people manage their money and debt, plan for their financial future and protect themselves from fraud and financial abuse.

It's early days, but there has been some success, Rooney says, pointing to a recent survey that found 46 per cent of Canadians are keeping a budget, with 93 per cent of those people sticking to it. "We know budgeting is a key area of focus," she says.

In some ways it all starts with children and teaching them something as basic as the difference between wants and needs - something emphasized in programs available through her group's website. Her site has lessons that can be used to teach children³ about money and budgeting that teachers can access, but Rooney says more can be done to assist educators in teaching financial literacy.

In some provinces, financial literacy is taught with a cross-curriculum approach, where it's discussed in multiple subjects as opposed to in just one course, often mathematics.

"They believe financial literacy is an essential life skill, so you get money concepts in all your subjects," Rooney says.

At the end of the day, she thinks a combination of schools and parents is probably the best way to build "healthy habits" in the financial thinking of children. But getting parents into the conversation is difficult since many people are still uncomfortable talking about money - something Rooney and the federal government are trying to bring out in the open by using plain language.

Rick Hancox, chief executive of Financial and Consumer Services Commission in New Brunswick, says financial literacy is ultimately a money issue and people are exposed to that at a very early age.

"You see kids at the ATM thinking it just spits out money and (asking) to see it. But it's a fundamental piece throughout life and the challenge is preparing people," he says. "People don't want to talk about money. When we first (started) working trying to get financial literacy into the curriculum one of the challenges was teachers didn't feel qualified because they said 'nobody taught me.' What we've tried to do is take the curriculum and matching financial literacy to them and giving teachers the resources."

Being concerned about passing on good habits may be a stumbling block for parents, concerned that they are "bad with money" or who don't feel comfortable sharing their finances with their children. But, chances are children are already paying attention to their parents' habits, and at-home financial literacy can be as basic as explaining why you choose to buy certain products in bulk, how to read the flyer in the grocery store or how to save money for a toy they want. Sharing the household budget or, if parents are able, paying children an allowance are other ways to help teach financial literacy at home.

Cairine Wilson, vice-president of corporate citizenship with the Chartered Professional Accountants of Canada and a member of the national steering committee on financial literacy, said it's clear that the earlier you start teaching the more likely you'll have a successful financial program that will last you a lifetime.

Her group, which includes 200,000 CPAs across the country, has developed 34 workshops on financial literacy aimed at children as young as seven and extending all the way up to seniors.

"Yes, you should start young and likely start at home. But it's really a lifelong endeavour because your needs and circumstances change over time," Wilson says. "The needs of seniors are quite different than the needs of seven-year-olds."

Her view is that educators play a key role in financial literacy, but it probably starts in the home with parents.

"Kids are usually most receptive to advice when they get home," says Wilson, adding that parents have key teachable moments that can use throughout the day at places like grocery stores.

"There is no question schools also have a role to play," she says. "I believe financial literacy is now on the radar of educators across the country and that's a good thing."

Illustration by Mike Faille/National Post

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