



TWG07 Adult Mathematics Education(AME)

Financial Literacy and numeracy: exploring the skills and knowledge needed to survive in complex financial systems
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Financial Literacy and numeracy: exploring the skills and knowledge needed to survive in complex financial systems

Introduction

- The Money Matters Project
- Some Skills and Knowledge Involved
- Financial Literacy Skills – a debate
- Financial Vulnerability-descriptors
- Financial Vulnerabilities – perspectives of analysis
- Further Education considerations



*Financial Literacy for
Disadvantaged Families*

Education,
training and
Resource
development
available online

Comics

**For Children
6 to 12 years old**



Escape rooms

**For Teenagers
13 to 18 years old**



An App

**For Youth
19 to 25 years old**





Skills and Knowledge involved

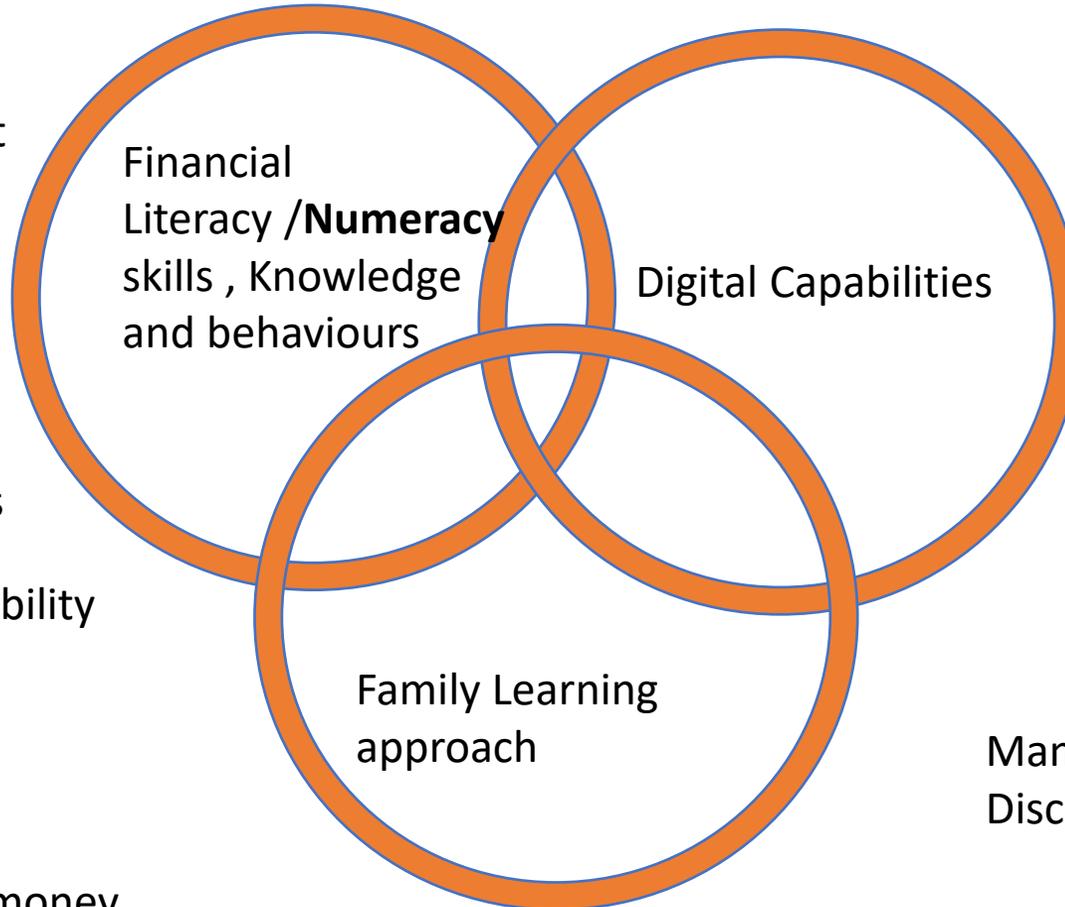
Graphical representation of interest
On savings

Comparison of offers when
Borrowing money

Debt – calculation of interest rates

Circular economy- towards sustainability

Talking about money
Encouraging sharing and learning



Online
Safety- spotting scams
Protecting your money

Shopping- indicators of
more secure sites

Managing money emotions
Discussing feelings about money

Developing Financial vocabulary

Financial Literacy Skills – a debate

Consist of **developing resilience** to create :
'A financial cushion, coping with a financial shortfall and stress,
and behavioural traits promoting long-term planning and
saving,
keeping **control over money**, taking care with expenditure, and
avoiding financial fraud' (OECD, 2020, p7)



Storchi and Johnson (2016) argue that **developing financial wellbeing**
is not simply about improving how people access financial services and support
or identifying 'optimal behaviours'.

They posit people in **different social, cultural, and economic environments**
may have different financial and wellbeing goals.

Financial Vulnerability

The term financial vulnerability linked to work by Gal, Grotlüschen, Tout and Kaiser (2020) to describe people who might be identified as **financially fragile, stressed, squeezed, or struggling**.

Described as:

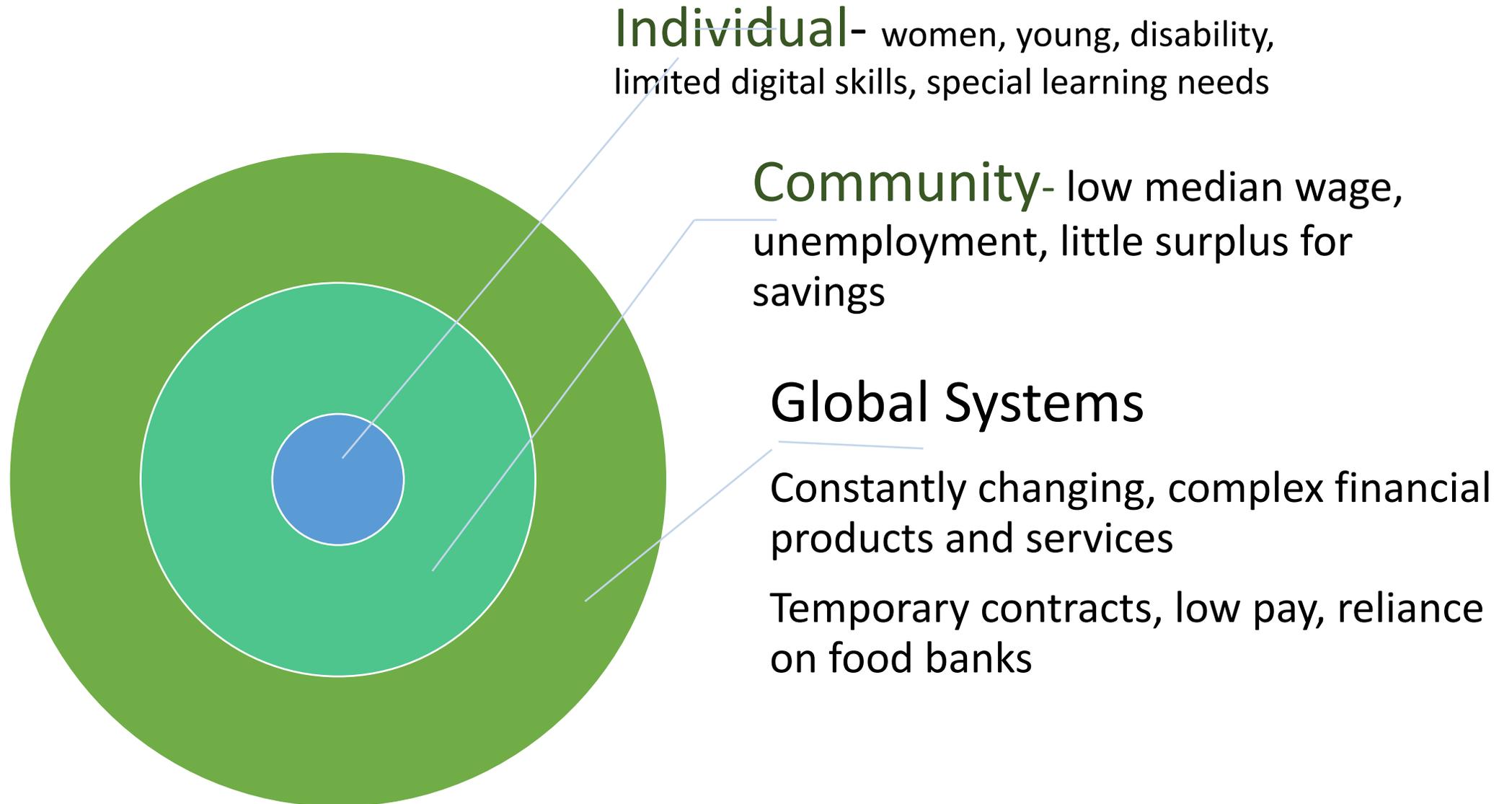
- **Struggling** to make ends meet
- having **limited 'back up money'**
- using **short term 'payday loans'** or many credit cards to get by
- families have **little awareness, or confidence, in accessing financial organisations and support** (Financial Capability Lab, May 2018)
- Experiencing **feelings of financial insecurity**



Descriptions

Feelings and
finance are
strongly
linked

Financial Vulnerability - Perspectives



Financial Vulnerability Factors

A Global Issue? A systems issue? A community issue? An individual's Issue?

Individual

- **women** - often linked to their socio-economic position in society and the different social norms around finance expected between men and women
- **'young, a single parent, in poor health, unemployed and with low income'** (West & Worthington, 2018, p 331),
- **having a disability** (Lusardi, Hasler & Yakoboski, 2020)
- **Limited digital capabilities**(OECD, 2017)
- **Special learning needs**(tbp)

A Financial system issue

A financial environment with:

- **constantly changing complex, specialist financial products and services**
- **temporary working contracts and low levels of pay** contributes to **in-work poverty**,
- **families relying on benefits and food banks** to get by (Beatty, C., Bennet, C. & Hawkins, A., 2021)

Community

where there is a **low median income**, **unemployment is common**, income is low **little surplus** available for long-term savings or investments (Baron's , 2015)

Global

Research by the OECD (2020) found that **42% of individuals responding to their survey, across 26 countries** from Asia, Europe, and Latin America, felt **'financially stressed'**, in that they worry about meeting their everyday living expenses

Financial Literacy/ Numeracy Education Considerations

Financial Education is needed to help people counteract ineffective spending and expensive borrowing by learning about financial planning and debt management (Lusardi , 2019; OECD, 2020)

Developing Mathematics/ Numeracy skills:

- **a dual effect raising both mathematical and financial literacy skills and knowledge**

(Baron, 2015; Skagerlund, Lind, Strömbäck, Tinghög and Västfjäll, 2018)

- **In younger children**, in the social context of **home learning and informal activities**, (cooking and shopping, helping to develop a sense of size, weight, volume and ratio.)

(Ramani and Siegler, 2015)

- In later life, to understand **credit, compare utility bill offers and planning needed for retirement or taxation** (Gal, Grotlüschen, Tout and Kaiser, 2020)

Financial skills need to develop wider skills:

including **financial confidence, digital engagement, and the ability to seek advice and guidance.**

(Money Advice Service, 2018)

When teaching, recognising, **the culturally situated everyday financial practices** of the learners. It should be grounded in a dynamic view of culture as lived experiences' (Marta Civil, 2016)

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