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# School Leavers Survey

What and where have school leavers learnt about money?

14 02 2018

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# Background

## About the survey

The Commission for Financial Capability (CFFC) has conducted a nation-wide survey of students who are intending to leave school within the next 12 months or those who have left school in the past 12 months about what they have learnt about money at home and at school. The survey was deployed in two waves; Wave 1 via an external research provider to 416 members of a research panel. Wave 2 generated 585 survey participants recruited via CFFC Social Media channels and the NZQA website.

## About this report

This report is intended to give a high-level overview of the findings from the school leaver survey. This means that no significance testing or cross-tabulation has been applied to investigate differences between groups. The report begins with a summary of the key findings drawn from the survey analysis. The key findings are followed by a short interpretation of the findings. Appendix 1 contains a tabulation of all survey data.

The sample size for analysis is  $n = 1,001$ . Some questions are only asked based on answers of previous questions, for example around debt, as a respondent may not have debt. Thus, the respondent is excluded from answering that particular question. The respondent base for each question is included in every table.

## Interpreting the data

In reading these data, when the 'n' (i.e. the number of respondents) appears at the top of a column next to the '#', the numbers add vertically. When the 'n' appears at the top left of a table (i.e. next to the survey question), the numbers add horizontally. Not all tables may add to 100%. This is due to weighting, rounding, omission of response options such as "no", "unsure", or, in the case of multiple response questions, percentages add to more than 100%. Where necessary a footnote is added explaining the data as presented.

## Limitations

The sample may not be fully representative of the school leaver population. This is due the following two reasons:

1. The data was collected in multiple waves, each with some self-selection bias.
  - Wave 1 the survey was sent to members of a panel operated by a market research company. Panel members receive rewards for completing surveys.
  - Wave 2 the survey was posted via advertisement either on the NZQA website and via CFFC social media channels. A prize was offered as an inducement.
2. There were only two sampling criteria applied:
  1. Respondent is intending to leave secondary school within the next 12 months
  2. Respondent has left secondary school within the last 12 months.

No further criteria such as gender, ethnicity etc. were applied to ensure that the sample is representative of the population.

Due to sample size, the views of the respondents reported can be considered to be broadly representative of the population, recognising the limitations of the sampling technique. Considerably more females responded to the survey than males (approximately 70-30%). The results as presented in this report will need to be interpreted with this in mind.

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# Summary Findings

## Demographics

- Of all respondents, 66% have just left school in the last 12 months, 72% are female, 76% are 17/18 years old and 74% intend to undertake further study after leaving school.

## Financial Products and assets

- The three most frequently selected financial products students have is a bank account, savings account and mobile banking. When focussing on accessing credit in some way, 22% have a student loan and 14% a credit card.
- Most school leavers feel they are confident enough to engage with a bank to sort out a mistake on their account (86%).
- When asked how much help they need in managing certain financial situations such as taking out a loan, school leavers on average score themselves a '3' on a 1-5 scale. In other words, they do think they need some help.
- When asked what financial areas/products would be most beneficial to know more about, the topics that were selected by more than 30% of respondents were: 'How to budget', 'Borrowing money and loans', 'Taxes' and 'Managing bills/payments'.

## Debt

- Most students currently don't owe anyone any money (60%). If they do owe money, this is primarily owed to their family (21%).
- Most students owe less than \$100 (36%). The results also show that 34% of all respondents owe more than \$1000. It is likely that this is study related (i.e. student loan), however this cannot be confirmed from the data received.
- 20% of all respondents who owe money to someone have no idea how much interest they pay. Most students (60%) state they do not pay interest. It is likely that this concerns loans to family members as this is the most common source of borrowing for students.

## Learning about money

- When asked who school leavers learnt most from about money, 'family' received the highest proportion of responses (74%).
- When asked how much they have learnt from their family, on a 1-10 scale, the average score is 7.21. This means that school leavers have learnt quite a bit from their family.
- When asked how much they have learnt at school, on a scale of 1-10, the average score is 4.79. The standard deviation for this question is very large (2.41) meaning that responses vary greatly. This is highlighted in Appendix 1 Table 11, where all scale scores received similar levels of responses.
- When asked to select what things school leavers remember learning at school, 23% of respondents selected they learnt none of the topics mentioned.
- School leavers want schools to teach about money matters in class time, either as part of a specific subject (43%) or as part of existing subject areas (39%).
- When asked how much they think they know about certain money matter school leavers on average score themselves a '3' on a 1-5 scale with the exception of how to buy and sell things online where they rate their knowledge more highly.

## Income/ Assets

- When asked what kind of assets school leavers have, the assets that were selected by more than 30% of respondents are a car/motorcycle, computer less than 12 months old, savings/investment account, cash and KiwiSaver.
- Half of all school leavers (50%) say they receive income from a full-time or part-time job. Interestingly, 30% of respondents state they receive most of their income through gifts.

## Differences in gender

- There were very few differences between male and female found.
- Male respondents felt they knew more about how interest and credit cards work.
- Female respondents have jewellery as assets (Female, 19% vs Male, 8%), whereas men reported having more cash (Male, 38% vs Female, 29%)

## Comparison to the 2015 “The Financial Capability of Secondary Schools” report

- What students have learnt at home and at school has increased over time, however the results also show that students still learn more from their family than they do at school.
  - The 2015 report shows that 49% of students report that they learnt ‘a lot’ from their parents. The 2018 survey shows that this has increased to 68%.
  - The 2015 report shows that 14% of students report that they learnt ‘a lot’ from their school/teachers. The 2018 survey shows that this has increased to 28%.
- Qualitative comments showed in both the 2015 research and 2018 survey that students learnt most about money at school in business studies and accounting. Qualitative comments suggest at both timepoints that there is a general lack of consistency in what is taught about money in school and how this is taught (i.e. inter-curricular or as part of a subject).
- Both reports show that students want to know more about money. The 2015 report shows that 72% of students want to know more about how to manage money. The 2018 survey asks about explicit topics students want to know more about. There are seven topics that were selected by 25% - 42% of respondents.

# SCHOOL LEAVER SURVEY

## MONEY MATTERS

The Commission for Financial Capability has conducted a nation-wide survey of school leavers about what they have learnt about money at home and at school.

## WHAT DO SCHOOL LEAVERS KNOW ABOUT MONEY?

Note: School leavers are students who intend to leave school within the next 12 months or those who have left school in the past 12 months

### What have school leavers learnt at home and at school?



Almost nothing (35%) Some (38%) A lot (27%)

At School

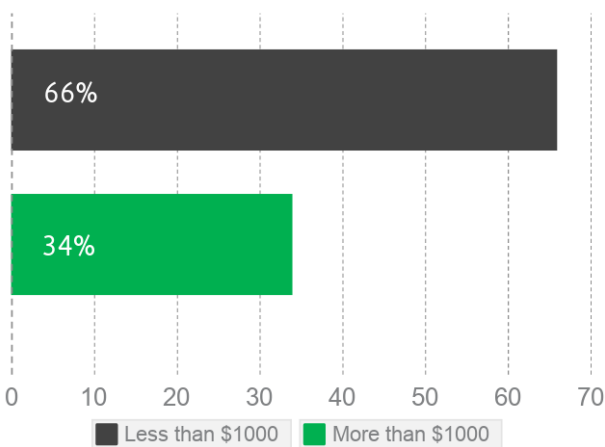


Almost nothing (7%) Some (25%) A lot (68%)

At Home

There is great variability in what students have learnt both at home and at school. Where some have learnt a great deal, there are also some that have learnt very little. School leavers reported they learnt most from their family.

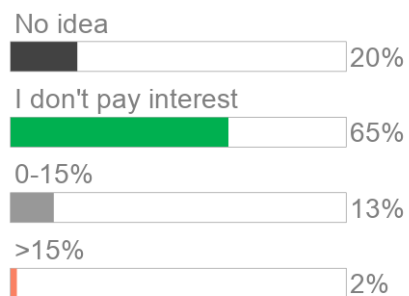
### How much do school leavers owe?



Less than \$1000 More than \$1000

Money owed

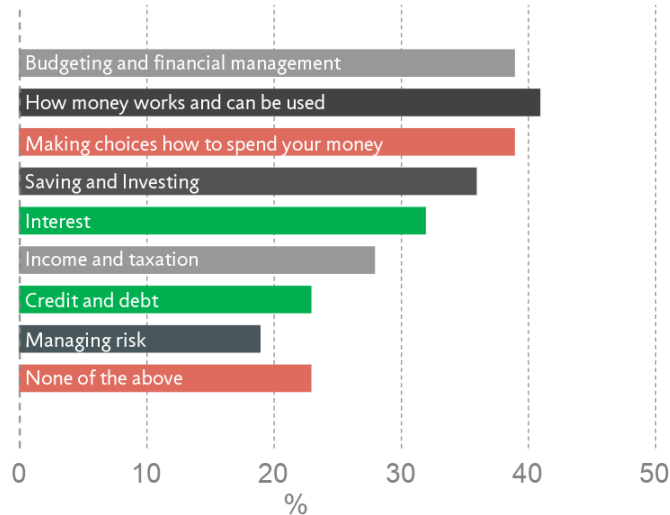
### Interest paid



### Debt

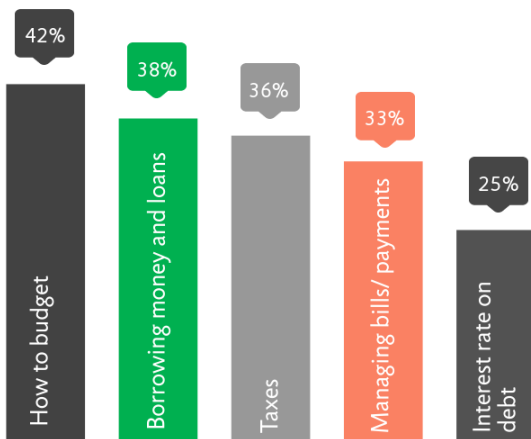
School leavers do not owe a lot of money. They also don't owe this at a high interest rate as most money is borrowed from their family

## What money matters do school leavers remember learning about at school?

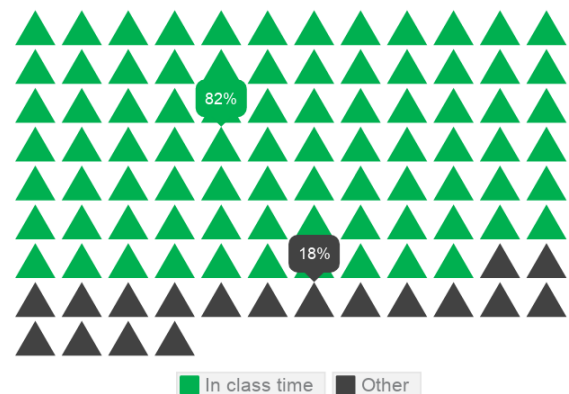


School leavers did learn a few things at school. Most of the topics mentioned were learnt about in accounting and business class. School leavers stated they did not learn much about money matters outside of these subjects.

## What do school leavers want to know more about?



## How do they want to learn about money?



School leavers are keen to learn more. They believe learning about money matters is important and mentioned a number of topics they would like to know more about. They also had strong views on the best way to learn about money. The majority of school leavers wants to learn about money in school during class time, either as a specific subject or as part of an existing subject.

Learn more about the work the CFFC and Sorted do:  
[www.cffc.org.nz](http://www.cffc.org.nz) or [sorted.org.nz](http://sorted.org.nz)

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# Appendix 1: Tables

## Demographics

**Table 1: proportion and number of responses to what age school leavers are at time of the survey**

Age	# (n= 1001)	%
Under 16 yrs	22	2%
16 yrs	130	13%
17 yrs	375	37%
18 yrs	387	39%
19+ yrs	87	9%

**Table 2: proportion and number of responses to the Ethnicity school leavers most identify with**

Ethnicity	# (n= 1001)	%
Maori	162	16%
Pacific Island	79	8%
Asian	76	8%
NZ/European	718	72%
Chinese	42	4%
Indian	42	4%
Other (everyone else not in the above groups)	74	7%

*\*Up to two ethnicities could be selected. 19% of all respondents selected 2 ethnicities.*

**Table 3: proportion and number of responses to gender most identified with by school leavers**

Gender	# (n= 1001)	%
Male	272	27%
Female	720	72%
Other	9	1%

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**Table 4: proportion and number of responses to the location of the secondary school of school leavers**

Where did you go to secondary school?	# (n= 1001)	%
Auckland	338	34%
Hamilton	63	6%
Wellington	107	11%
Another North Island city or town	241	24%
Christchurch	110	11%
Dunedin	38	4%
Another South Island city or town	90	9%
Overseas	14	1%

**Table 5: proportion and number of responses to when school leavers have left or intend to leave secondary school**

Did you leave secondary school within the last year or do you intend to leave secondary school within the next year?	# (n= 1001)	%
Yes, I left school within the last 12 months	662	66%
Yes, I will leave school within the next 12 months	339	34%

**Table 6: proportion and number of responses to what school leavers will be doing after secondary school**

What will you, or are you doing after leaving secondary school?	# (n= 1001)	%
I don't know	71	7%
Further education or training (e.g. University, Polytechnic, or other study)	737	74%
Paid employment	139	14%
Travel	41	4%
Something else	13	1%

**Table 7: proportion and number of responses to what financial products school leavers currently have**

Which financial products do you currently have?	# (n= 1001)	%
KiwiSaver	555	55%
Standard bank account (1)	814	81%
Savings account (2)	722	72%
Electronic/online banking	606	61%
Mobile banking (3)	643	64%
Car/ motorcycle insurance	193	19%
Health insurance	146	15%
Credit card	143	14%
Hire purchase/ store card	27	3%
A student loan	217	22%
Another form of loan	26	3%
None of the above	36	4%

\*Multiple responses possible, so Table X does not add up to a 100%



**Table 8: Proportion of levels of expertise to categories of money matters by school leavers**

How much do you think you know about the following money matters? (n= 1001)	Nothing (I'm a novice) 1	2	3	4	Everything (I'm an Expert) 5
Managing your own money	5%	14%	39%	33%	9%
How debt works	15%	27%	31%	21%	6%
Credit cards	15%	27%	29%	21%	8%
How interest works	13%	22%	29%	26%	10%
How to buy things online	1%	3%	12%	30%	54%
How to sell things online	6%	12%	22%	32%	29%
How KiwiSaver works	19%	23%	28%	20%	10%

**Table 9: Proportion and numbers of responses to actions school leavers will take if there is an error found on their account**

If the bank made a mistake on your account or you got a bill with an error on it, what would you do?	# (n= 1001)	%
Nothing, can't be bothered	8	1%
Nothing, don't know how	12	1%
Ask my family/friends sort it out for me	95	9%
Assume that bank or person responsible will find the mistake and fix it	25	2%
Contact them and ask them to investigate or fix the mistake	861	86%

**Table 10: Proportion and number responses of types of assets owned by school leavers**

Do you have any assets?	# (n= 1001)	%
What are assets?	78	8%
I don't have any assets	175	17%
A car/ motorcycle	309	31%
A house (or co-own a house)	33	3%
Computer less than 12 months old (3)	347	35%
Land	24	2%
Cash (more than \$1000)	317	32%
Investment/savings account (2)	397	40%
Jewellery (that's worth a good amount)	163	16%
KiwiSaver (1)	436	44%

\*Multiple responses possible, which means that Table 10 does not add up to a 100%

**Table 11: Proportion and number of responses to how much school leavers have learnt about money at school by school leavers**

		Nothing 1	2	3	4	5	6	7	8	9	Lots 10
How much did you learn about money during your time at school? (n= 1001)	#	83	127	134	133	134	123	125	81	17	44
	%	8%	13%	13%	13%	13%	12%	12%	8%	2%	4%

**Table 12: Proportion and number of responses to categories of money matters learnt at school by school leavers**

What do you remember learning about money at school?	# (n= 1001)	%
Budgeting and financial management	388	39%
How money works and can be used	411	41%
Making choices how to spend your money	389	39%
Saving and investing	358	36%
Interest	316	32%
Income and taxation	281	28%
Credit and debt	227	23%
Managing risk	189	19%
None of the above	234	23%
Other	22	2%

\*Multiple responses possible, so Table 12 does not add up to a 100%

**Table 13: Proportion and number of responses to level of preference about how to learn about money at school by school leavers**

What is the best way that schools can teach about money? (n= 1001)	Least preferred 1	2	3	4	Most preferred 5
In class time, as part of a specific subject	2%	9%	15%	31%	<b>43%</b>
In class time, as part of existing subject areas	2%	8%	13%	37%	<b>39%</b>
In organised activities outside of class time	9%	<b>40%</b>	28%	14%	9%
In resources and activities that students can take home and do in their own time	7%	33%	<b>36%</b>	16%	8%
Other	<b>80%</b>	10%	7%	2%	2%

**Table 14: Proportion and number of responses to who is owed money to by school leavers**

Who do you currently owe money to?	# (n= 1001)	%
No one	605	60%
Family	206	21%
Other adults	12	1%
Friend(s)	73	7%
Bank	38	4%
Finance company	28	3%
Student loan	156	16%
Other	26	3%

**Table 15: Proportion and number of responses to how much is owed in total by school leavers**

How much do you owe in total?	# (n= 396)	%
Less than \$50	90	23%
Between \$50 and \$100	51	13%
\$100 and \$250	37	9%
\$250-500	30	8%
\$500-\$1000	53	13%
More than \$1000	135	34%

**Table 16: Proportion and number of responses to the highest interest paid on money owed by school leavers**

If you are paying any interest what is the highest interest rate you owe on this money?	# (n= 396)	%
No idea	79	20%
I don't pay interest	258	65%
0-5%	25	6%
5-10%	16	4%
10-15%	11	3%
More than 15%	7	2%

**Table 17: Proportion and number of responses to who school leavers listen to the most when it comes to money**

Who do you listen to the most when it comes to money?	# (n= 1001)	%
Family	740	74%
Friends	16	2%
School/ Teachers	26	3%
News/ media	11	1%
Social Media	14	1%
Other adults	34	3%
Advice from banks	119	12%
Other	41	4%

**Table 18: Proportion and number of responses to sources of money of school leavers**

How do you currently get money?	# (n= 1001)	%
Full-time or part-time job	500	50%
Casual work	333	33%
Pocket money	404	40%
Gifts	296	30%
Student loan	126	13%
Inheritance/trust fund	31	3%
Scholarship or another student allowance	162	16%

**Table 19: Proportion and number of responses to amount of help school leavers require in certain financial situations**

How well do you think you would be able to handle the following situations? (n= 1001)	Not well, I need a lot of help 1	2	3	4	Very well, I don't need any help 5
Buy a car/ motorcycle	16%	18%	31%	23%	12%
Take out a loan	21%	27%	26%	17%	9%
Manage rent payments	14%	20%	28%	23%	15%
Manage bill payments	14%	19%	29%	25%	13%
Manage a credit card	17%	22%	27%	19%	14%
Manage a student loan	12%	19%	28%	26%	15%

**Table 20: Proportion and number of responses to how much family has taught school leavers about money**

	Nothing 1	2	3	4	5	6	7	8	9	Lots 10
How much would you say that your family taught you about money? (n= 1001)	6	18	37	64	85	111	216	174	87	203
	1%	2%	4%	6%	8%	11%	22%	17%	9%	20%

**Table 21: Proportion and number of responses most useful financial areas to know more about by school leavers**

Which financial areas do you think would be most useful to know more about?	# (n= 1001)	%
How to budget	416	42%
Borrowing money and loans	376	38%
Taxes	358	36%
Managing bills/payments	329	33%
Interest rates on debt	253	25%
Insurance	251	25%
Investing	244	24%
Saving	221	22%
How to do set up banking and do transactions	144	14%
Kiwisaver	137	14%
Credit cards	112	11%
Other	17	2%

\*Multiple responses possible, so Table 21 does not add up to a 100%

## Qualitative comments

### **What is the most important thing you learnt at school about money?**

From 1001 responses, more than 100 responses (10%) specified they have learnt nothing at school. Many students stated that unless you take business class or accounting, learning about money was not covered in any other subject.

Specific themes coming through from the qualitative comments were learning about how to save (25%) and budgeting (10%). Other smaller themes found are 'Investing' (5%), 'cautionary spending' (9%) and how interest works (8%). Other themes may well be identified further through in-depth text analytics not yet undertaken.

A large number of responses cannot be attributed to a specific theme and are less specific in nature. For example, comments were found such as 'managing money' or 'to use money wisely' without specification around what that entails.

Some comments are focussed on what students have been told rather than what they have learnt. For example; 'I was told to save' and 'I was told not to take out loans'.

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