

Saving is money in the banks

BLAIR RICHARDS | September 28, 2011 12.01am



Abby Moore, 7, who loves to save, with mum Nicole Moore. Picture: SAM ROSEWARNE

IN a world of online banking, credit cards and "buy now, pay later", old-fashioned school banking, pocket money and piggy banks are still the A-B-C of finance for kids.

Abby Moore, 7, of New Town, is a big fan of school banking, which she has been doing since prep through the Commonwealth Bank's Dollarmites Club.

The grade 1 Collegiate student is the proud owner of four money boxes and saves all her pocket money. Mum Nicole Moore said Abby earned \$2 pocket money a week by doing simple chores and had accumulated \$235. Abby had her eye on a special purchase, but has changed her mind, content in the knowledge of her four full money boxes.

"I was saving my money for a puppy, but my aunty and my Nanny have a puppy each and my Grandma has lots of puppies," Abby said.

Shadforth's financial adviser Charles Badenach, who this year published a book about financial literacy for young people, said weekly banking and pocket money as a reward for chores were still useful tools for teaching children about money.

"If you simply hand your children money you're asking for trouble. Later on they will look at you as a walking ATM," he said.

Mr Badenach has urged that financial literacy be taught as a separate subject in Tasmanian schools.

The Education Department says finance is taught in all schools as part of maths courses, but it is up to individual schools to decide whether to offer weekly banking.

Education Department deputy secretary of early years and schools Liz Banks said students learnt about money starting at middle/upper primary.

"Financial literacy will also be a significant focus in the Australian curriculum across a number of areas," she said.

richardsb@news.net.au