

## Increasing worries as adults struggle to carry out basic financial calculations

A recent study has shown that in the countries tested, the quality of financial management skills that adults had was quite poor. In countries such as Japan, Estonia and Finland, the financial skills that adults possessed were better, reaching the standards that are expected of adults to be able to do simple tasks such as working out change and figuring out prices of products per unit cost.

However, in countries such as Spain, England, Italy, Turkey and Israel, the opposite was found out to be the case. In Italy, Spain and England, only 2/3 of adults could successfully work out how much change they were meant to receive; whereas the average taken from the other countries was 3/4. 1 in 3 adults struggled to work out the price of a product per unit, and 1/2 of adults couldn't read a basic financial line graph. This worry figure rose to 3/4 in Turkey, Italy, Chile and Greece.

The Cambridge University and University College London published these worrying figures, with cautious notes that suggest more needs to be done about this issue, as financial skills are a necessity in the new lives that people live within the modern, 21<sup>st</sup> century society. Financial skills are needed to avoid the possibility of whole communities going into debt, to avoid the possibility of economies collapsing.

The basic skills that adults are expected to have included the ability to work out how to save into pensions efficiently, how to successfully take out a loan that is affordable in the future and how to purchase property in a suitable way.

In a survey conducted by our own BBC School Report Team, 43 out of the 45 students that were questioned agreed that in schools, students should have more financial education, meaning that they would be better equipped for life's financial issues. This suggests that as a country, more focus should be put on teaching the younger generation useful skills to take with them into their future career paths.

One option for making sure that students are fully prepared to take financial challenges is that a new course/class should be made mandatory. Many schools include the optional Certificate of Financial Education/Studies course as part of GCSE timetables – perhaps this should be made mandatory in order to develop these skills at a younger age, meaning they would follow them through their life.

Overall, the solution is simple: financial education needs to become a consistent role in our educational system and our society.