



Ontario Home Economics Association

OFSLC (Ontario Family Studies Leadership Council)

Ask a Professional Home Economist

For Immediate Release

Teaching Financial Literacy in Secondary Schools

By Laura Featherstone, OCT, P.H.Ec.

TORONTO, ON - Is it too easy for secondary and post secondary students to acquire debt? The concern is that it is difficult to pay off debt in a reasonable time, with minimal penalty.

In 2011, the Vanier Institute of the Family reported that 'average Canadian family debt has now hit \$100,000. Not only that, the debt-to-income ratio, which measures household debt against income, stands at a record 150%, meaning that for every thousand dollars in after-tax income, Canadian families owe one thousand five hundred dollars.' In 2010, more Canadian families fell behind on mortgage payments, while credit card delinquency and bankruptcy rates rose. In April 2011, a Stats Canada survey showed that almost one-third of retired Canadians are in debt.

It's no secret that debt puts a great deal of long term stress on families and individuals.

Today, students appear to have unlimited access to credit cards, cell phone and internet plans from a very early age - a major change from decades ago. These expenses do not include the high cost of obtaining a post-secondary education which according to the Vanier Institute of the Family is \$18,000 for the average Canadian student upon graduation. So what can be done about debt load?

Teaching students to manage debt is critical to help prevent a lifetime of financial stress.

Family Studies courses relating to financial literacy focus on financial responsibility. One course entitled *Managing Personal and Family Resources*, focuses on learning to make informed decisions around large and small purchases. Learn more about the course expectations at www.edu.gov.on.ca.

The City is an exciting resource developed by Financial Consumer Agency of Canada www.themoneybelt.ca to help teach financial literacy skills in secondary schools across Canada. Some topics included are: Lifestyle Reality Check; Needs, Wants and Priorities; Income, Expenses and Budgets; Savings and Banking; Credit and Debt; Insurance; Investing and Financial Planning.

This valuable resource engages students in rich performance tasks and is available on-line and in hard copy. It contains a very detailed glossary to provide students with the language of finances. The premise of this resource is based on eight people at various stages of their lives, the eldest two being 45 years of age. The other characters are 18, 20 and 25 years old. Working with real-life scenarios, students are able to identify and apply what they are learning to their own lives.

Included in this resource are pre-assessments and post-assessments that teachers may use to see what the students know already and what they have learned as they work through the resource. It is imperative that students understand the impact that debt can have on their lives.

It appears that teaching students to be financially literate is a sound investment!

Summer 2011 - Financial Literacy Workshops for Teachers

This summer, the Ontario Teachers Federation is sponsoring a number of workshops across the province with a focus on Family Studies and Financial Literacy for grades nine to twelve. OTF summer institutes are offered at a cost of \$50 and serve as excellent professional development for teachers. All workshops are designed to help teachers connect financial literacy learning to real-life experiences.

Register early! Go to www.otffeo.on.ca

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OFSLC (Ontario Family Studies Leadership Council) is composed of representatives of boards of education throughout the province of Ontario. Its purpose is to assist school boards with jurisdictional responsibilities for Family Studies/Social Sciences in the curriculum management process, to provide a forum where the broad educational issues that impact on existing and future Family Studies/Social Science curricula, programs and guidelines may be investigated, analyzed, and appropriate action initiated and be knowledgeable about and contribute to, the educational programs and pedagogy related to the preparation of new members entering the teaching profession.

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Ontario Home Economics Association (OHEA) a self-regulated body of Professional Home Economists promotes high professional standards among its members so that they may assist families and individuals to achieve and maintain a desirable quality of life. **For further information, please contact:** Ontario Home Economics Association, 14 Totten Place, Woodstock, ON N4S 8G7 Tel/Fax: 519-290-1843 Email: nancyohea@rogers.com
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