

Young Britons 'Need Better Financial Education'

Young people need better education if they are to become financially responsible in later life, an industry expert has declared.

November 9, 2007 (FPRC) -- According to Wendy van den Hende, chief executive of the Personal Finance Education Group (Pfeg), children need more suitable financial education if they are to develop sufficient awareness of how to use monetary products such as personal loans and savings accounts when they are older. She stated that although many children are currently "interested in money matters" and "do see its relevance", the education they receive is often not matched to their financial needs.

She said: "Young people have all sorts of exposure to finance in all sorts of ways. They are very good consumers, a lot of them have jobs outside of school and they are very sophisticated ... but they are not actually taught about finance. There seems to be an expectation that they will pick things up by some kind of osmosis, which tends not to happen."

Ms van den Hende added that "it is really important" for children to learn about personal finance at an early age. As research from the firm shows that two-thirds of teenagers lack understanding about loans, savings and other fiscal matters, the chief executive pointed out that it is vital such education is provided at an early age so that they have a good knowledge base on which to build in later life. Consequently, she advised that there needs to be more structure and coherency applied to financial education, especially when children make the transition from primary to secondary school.

Her comments come after research carried out in the group's What Money Means initiative earlier this year revealed that more than three-quarters (76 per cent) of children between the ages of seven and 11 are currently saving money. The study also indicated that a third of young people see saving up cash as the best way in which to finance making a purchase. "We need to help build on these good behaviours and attitudes [while children are young] to keep them going because as they get older they will inevitably start experiencing peer pressure and will be exposed to the media trying to sell them things," the PFEG chief executive pointed out.

And as a result of improved financial education when they were younger, consumers may well develop a more responsible and knowing attitude should they look to borrow money in later life. This in turn could help them to search out a cheap loan, which could be particularly helpful should Britons wish to make a major purchase, such as a house or a car. Earlier this month, research conducted by Nationwide showed that about a quarter (24 per cent) of teenagers would take out a personal loan or another form of borrowing to help finance such buying. The study also indicated that 24 per cent of teenagers believe that they do not have a good knowledge of finance, while 38 per cent state that they would turn to their school for information on money matters.

All About Loans providing you with breaking personal loans news

Contact Information

For more information contact Abbi Rouse of All About Loans (<http://www.allaboutloans.co.uk>)

Keywords

[personal loans](#)

[loans](#)

[personal loan](#)

You can read this press release online [here](#)