 Financial literacy: owning a car

Suggested duration: 30 minutes

Suggested course outcomes

3.1 Evaluate how contextual factors influence attitudes, values and behaviours.

5.1 Critically analyse situations, attitudes and behaviours that influence independence, health, safety and wellbeing in different contexts.

7.1 Demonstrate financial management, digital literacy and enterprise skills to facilitate education, workplace and community engagement.

7.3 Apply skills to take personal responsibility for their actions to protect and enhance the independence, health, safety and wellbeing of others.

What do we want students to know, understand or be able to do?

* Identify the costs associated with purchasing and owning a car.

Suggested content

| Learning context | Content |
| --- | --- |
| Independence  Focus: Preparing for participation in community, education and employment | Preparing for further education and employment   * leaving home, e.g. renting, responsibilities, share housing * paying for further education and accessing financial support   Financial independence   * credit, debt and savings * consumer and medical rights and responsibilities * purchasing online and offline * financial management, e.g. budgeting, loans, leasing, tax, superannuation, accessing money overseas |

Teaching notes

Teachers should choose materials and activities that meet the needs of their students and local school context.

Creating a safe and supportive learning environment

There are a number of strategies that can be used to create a supportive learning environment which enables students to feel safe to learn and ask questions. They include:

* making students aware at the beginning of Life Ready sessions that disclosing personal information that indicates they may be at risk of harm will be reported to the school principal in all instances. This includes personal disclosures related to instances of abuse, drug use, neglect or sexual activity under the legal age of consent.
* being aware that some parts of Life Ready can be confronting and sensitive for some students.
* enabling students to withdraw if they find issues personally confronting to protect them from making harmful disclosures. Equally, it is important to be prepared for issues that arise as a result of a student making a public disclosure in the classroom.

More information on creating a safe and supportive learning environment can be found on the [Life Ready website.](https://education.nsw.gov.au/teaching-and-learning/curriculum/key-learning-areas/pdhpe/life-ready)

Evaluating resources before use

Preview and evaluate all strategies, resources and teaching and learning approaches in full before use with students to determine suitability for student learning needs, stage of development and local school context. Consider the age, maturity, cultural background, sexuality, gender, sex, health and other characteristics of students in your care. Apply professional judgements to all strategies, teaching and learning approaches and resources including audio visual materials (e.g. videos, media clips and YouTube), interactive web-based content (e.g. games, quizzes and websites) and texts.

Use the [resource review flowchart](https://schoolsequella.det.nsw.edu.au/file/083acd3a-daca-4307-9afe-bc6c888f694a/1/final-resource-flowchart-html5.zip/index.html) to decide about the suitability of teaching and learning resources.

Materials should be reviewed in full and endorsed by the school principal before use in NSW government schools.

Communication with parents and caregivers

Some aspects of Life Ready may be viewed as sensitive or controversial, such as learning about abuse, child protection, drugs, respectful relationships, sexual health, sexuality and violence. Inform parents and carers, prior to the occasion, of the specific details of the Life Ready program, so that parents and caregivers have time to exercise their rights of withdrawing their child from a particular session. In this regard, a parents or caregiver’s wish must be respected.

Establishing how parents and caregivers will be informed about programs and involved in consultation is a school-based decision. Where parents and caregivers indicate they wish to withdraw their child from a program it is useful to negotiate which parts of the Life Ready program they are concerned about. A sample information letter is available on the [Life Ready website](https://education.nsw.gov.au/teaching-and-learning/curriculum/key-learning-areas/pdhpe/life-ready).

Lesson experiences

This theme refers to [ASIC MoneySmart’s car webpage](https://www.moneysmart.gov.au/life-events-and-you/under-25s/getting-a-car) (https://www.moneysmart.gov.au/life-events-and-you/under-25s/getting-a-car)

Activity one – Buying a car you can afford (30 minutes)

This activity is adapted from [ASIC MoneySmart’s car worksheet](https://www.moneysmart.gov.au/media/441177/first-car-lesson-plan-1.pdf) ([www.moneysmart.gov.au/media/441177/first-car-lesson-plan-1.pdf](https://www.moneysmart.gov.au/media/441177/first-car-lesson-plan-1.pdf)).

Students to watch the clip [‘In The Driver's Seat - MoneySmart Rookie’](https://www.youtube.com/watch?v=7rXdTPbfKzE) ([www.youtube.com/watch?v=7rXdTPbfKzE](https://www.youtube.com/watch?v=7rXdTPbfKzE)) to provide the context.

Students are to split into small groups with a mindmap that depicts the main expenses of buying a car.

1. Price
2. Registration
3. Insurance
4. Running costs
5. Servicing and repairs
6. Loan repayments (if using credit)

Students are to list at least three examples of things related to each of the main expenses in each of the six outside circles. These examples may be specific costs or factors that may impact on the cost. Examples could include:

* price: New car, used car, private purchase, make and model of car, warranty.
* registration: roadworthy certificate, size of vehicle, weight of vehicle.
* insurance: Type (e.g. Compulsory third party, Third party property, Third party fire and theft, Comprehensive), driver age, driving record, make and model of car, additional features or extras.
* running costs: Fuel, engine size/fuel efficiency, tyres, parking costs.
* servicing/repairs: Service/repair centre, parts availability, where the car comes from (e.g. European cars v. Australian made cars).
* loan repayments: Payment schedule, interest paid over life of loan, the credit provider e.g. high dealer rates v. bank or parents etc.

Suggested extension activity – Researching the cost of buying a car

* Students could independently research the cost of purchasing a car, even without finance. They should consider the costs of each of the factors discussed previously by researching green-slip quotes and the costs of comprehensive insurance as well as estimated petrol and servicing costs.