

Support young people's financial capability



Young people in NSW are navigating complex financial landscapes without sufficient education or support, particularly those in regional areas, in out-of-home care, facing housing stress, are disengaged from

mainstream education, First Nations or culturally and linguistically diverse. With cost of living pressures, digital exclusion and high use of Buy Now Pay Later (BNPL) services, targeted policy intervention is urgently required.

Key recommendations

1 Trial youth-specific financial capability programs

Action

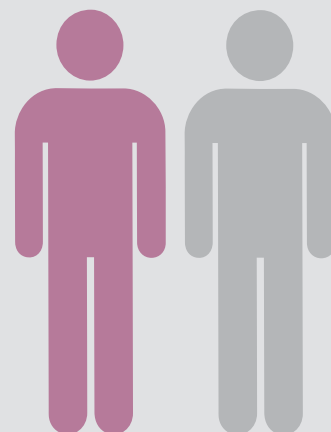
Pilot co-designed services that build financial literacy among young people, especially those in regional or remote areas, leaving care or facing housing insecurity.

Impact

Mainstream financial counselling does not meet the needs of disengaged youth. Programs must be culturally appropriate, trauma-informed, and youth-focused. Vulnerabilities such as high BNPL use and ignorance of support services are

Nearly half of all young Australians were **unemployed in the last year.**

Monash University
Australian Youth
Barometer:
Understanding Young
People In Australia Today,
November 2023



exacerbated outside metro areas. Without more dedicated youth-specific pathways, young people are falling through the cracks.

\$8,118

The average **personal debt** of a 23 year old is \$8,188.

ASIC media release *Gen Z more concerned about finances than any generation in Australia*, 14 November 2023

2 Expand access to financial supports

Actions

- Extend the \$2.50 Opal fare cap to low income young people.
- Co-design energy relief options with youth stakeholders.
- Reform NILs loan access using digital bank scraping and expanded eligibility.

Impact

Many cost of living supports exclude youth due to age, housing arrangements or lack of credit history. Current structures assume traditional income and tenancy models which do not reflect youth realities such as shared housing or gig work. Adapting policy settings to be inclusive of young people's needs will ensure equitable access.

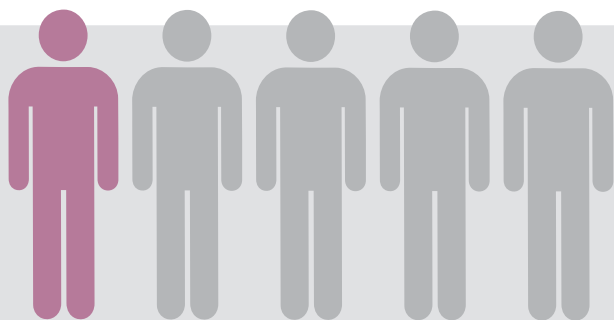
3 Embed financial literacy in the NSW school curriculum

Action

Expand financial capability education in NSW schools beginning from Year 7, to align with national and international best practice.

Impact

Financial literacy among under 25s is declining (HILDA, 2020) but students actually want more education on tax, debt and credit. The current Life Ready educational program is too late for many students. Early education builds resilience, especially for those who exit school before Year 11.



1 in 5 young Australians **experienced food insecurity** in the last year.

Monash University Australian Youth Barometer: Understanding Young People In Australia Today, November 2023



9 in 10 young Australians **experienced financial difficulty** in the last year.

Monash University Australian Youth Barometer: Understanding Young People In Australia Today, November 2023

4 Strengthen youth sector capacity

Actions

- Deliver financial literacy training to youth workers.
- Fund dedicated financial capability roles in high need communities.

Impact

Youth workers are frontline responders to financial distress but often lack the tools to identify and support at-risk young people. This gap is pronounced in regional areas, where service access is limited. Youth sector-specific programs to meet this need already exist but are limited in reach. Investing to build capability within the sector will ensure timely, trusted support and better intervention.

About the NSW Financial Inclusion Network | financialinclusionnetwork.com.au

The NSW Financial Inclusion Network formed in 2015 as a policy think tank, engaging the community sector and government to build a more financially inclusive future for NSW. It is funded by NSW Fair Trading and facilitated by Northern Rivers Community Gateway.

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This document and its recommendations have been developed in consultation with NSW Financial Inclusion Network members, and are therefore based on the particular expertise of those organisations.