

Level of general financial education in Austria not satisfactory

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Latest survey shows: 4 in 10 Austrians don't even know where to start when defining term "interest"

Sparefroh TV to fill children's gaps in knowledge

A study conducted by IMAS International on behalf of Erste Bank und Sparkassen shows that Austrians' knowledge of finance is this year only graded as "adequate". Young people in particular cannot explain basic terms such as "interest" and "gross domestic product". 4 in 10 Austrians don't know where to start with "interest". This figure is especially frightening because almost every Austrian holds a bank account (98%). But the good news is that, last year, 57% of people were unable to correctly define "interest". "The level of finance knowledge in Austria has improved, but is still shockingly low", says Thomas Uher, spokesperson of the Erste Bank Executive Board.

55% of interviewees could not define the term "gross domestic product". However, while 57% of seniors (50+) could do so, this figure was only 28% for people aged 15-29 years. 40% of Austrians think the curriculum in finance and economics is simply not good enough.

"Especially here in Austria, people seem to have a certain aversion to concern themselves with financial topics. We finally need to realise that it is in our own best interest when we are well-acquainted with these subjects. We all need strategies on how to deal with our money so that there will be enough of it left in the end. That's why general financial education needs to start as early as possible", says Beate Blaschek, Head of the Department of Financial Services and Consumer Education of the Ministry for Social Affairs.

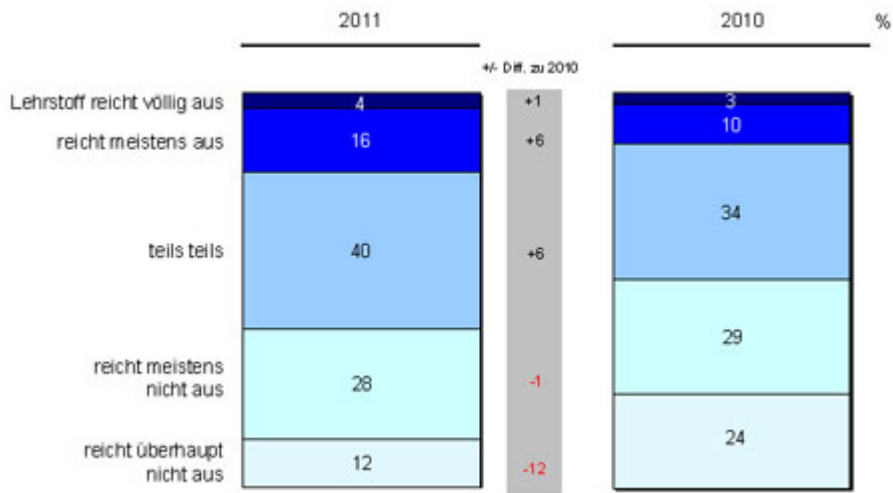
In co-operation with the Federal Ministry for Education, Art and Culture, Erste Bank und Sparkassen are now focusing on "Sparefroh TV". A pilot test last year showed that one in three primary schools in Austria had introduced a teaching module using Sparefroh TV – "an overwhelming success" according to Thomas Uher. Sparefroh is a character from the 1950s who originally came from Germany and was increasingly also used in Austria by the central savings bank (Zentralsparkasse) in the municipality of Vienna at the time. In the 1990ies, interest in the children's hero, which, according to a Wikipedia entry, reaches an equally high level of name recognition as Austria's head of state, was tailing off a bit. In 2006, the Sparkassen (savings banks) revived Sparefroh to use him as part of ad-free educational shows in which he explains how to handle money correctly. In the latest episode, he and the two hosts Kati and Klaus ponder the question as to what to buy with one's money and when to take a loan out for this. The shows have been recommended by the Federal Ministry for Education, Art and Culture for use in schools.

Sparefroh TV is available for free on YouTube, Facebook or sparefroh.at. Schools can request Sparefroh TV free of charge at the polis Centre of the Ministry of Education. (<http://www.politik-lernen.at>)

4 in 10 cannot define "interest"



Sparefroh



Schools: Curriculum is improving, but is not yet sufficient

