



FINANCIAL WELLBEING IS FOR TEENS, TOO!

- ▼ THE FINANCIAL SMARTS
- ▼ FIVE WAYS TO MANAGE TIME
- ▼ PANDEMICS: WEALTH & HEALTH
- ▼ YOUR FINANCIAL MINDSET
- ▼ FINANCIAL MATH IS EVERYWHERE
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- ▼ HELPING NEW ARRIVALS

Preparing students for life after school

IN THIS EDITION

WELCOME

Welcome to the first issue of Teenfinca® for 2020.

Teenfinca® — Teenage financial capability — is for teenagers, and should be shared across the school and with families.

Its sole purpose is to help you understand the financial world in which you live. Teenfinca® is written by experienced teachers and financial specialists who are experts in topics related to personal and consumer finance.

Teenfinca® provides articles for you to read and think about individually, and discuss with your peers, teachers and parents. Several financial life skills are introduced in each edition. If your school has a financial capability or financial wellbeing program, your teachers have the option to use Teenfinca® as a resource within that program. Each issue is accompanied by a set of activities, available from The Wealth Academy website, that teachers may use.

This issue, as always, has a strong focus on financial decision-making and its relevance to everyday life. It includes articles about:

- financial wellbeing and teens
- being financially smart
- pandemics and wealth
- financial mindset
- how to use your time
- wants and their potential consequences
- teen entrepreneurship
- financial mathematics
- student stories

and lots more.

Teenfinca® is an educational resource. It does not sell or promote financial products or services; rather, it is designed to help you understand such products and services, and the financial concepts on which they are based.

Remember, your financial future will be your responsibility when you are an adult. Start your learning journey now.

Kind regards



Ken Swan
Director
The Wealth Academy

HELPING YOUTH TO BECOME FINANCIALLY CAPABLE

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FINANCIAL WELLBEING IS FOR TEENS, TOO!



Don't forget us, We are part of the real world!

Sometimes adults forget that we teenagers are a part of the world in which they live. They also forget that what happens to them, usually impacts upon us as well.

For the past few months all of the news has been about Covid-19, crashing share markets, people losing their jobs, queues of people seeking financial assistance, and stories of mental health issues and domestic violence.

It's pretty hard to be cheerful and optimistic when that is all we hear!

This news hits us in the face every morning at breakfast and is there again at night as we get ready for bed. In between, we are trying to learn at home or in school, in settings very different from our normal learning environment. It is also a time when we clearly see the concern on the faces of our teachers, our parents and others around us.

Not too many of us would say these times are optimum.

Wellbeing

For many of us, the stories of financial distress we hear on the news are actually in our homes.

We hear a lot about wellbeing at school. We know it is important. But we don't hear too much about financial wellbeing. It seems taboo! It seems silenced! Why?

We know that the real world for many families, including mine, is about the anxiety, stress and harmed wellbeing brought about by finances. We know that finances affect the quality and quantity of the food on the table, being able to put fuel in the car, the ability of my parents to pay the rent or the mortgage, being able to buy the incidentals for schooling, and the technology to learn online, to pay for the 'extras' that I may have an opportunity to participate in, the employment of my parents, my career choices, and a whole lot more.

For most teens, we see and hear about the importance of financial wellbeing daily. It is time that we started to talk about this more at home and in school, because this is part of everyday life.

We should not have to learn about financial wellbeing by watching the news! We should not have to learn how to manage our financial wellbeing by guesswork, trial and error.

It is time to make financial wellbeing a real topic for teens. It would be a topic most of us would be interested in discussing! **T**

WHY IS FINANCIAL WELLBEING A TABOO CONVERSATION?

ARE YOU FINANCIALLY SMART?



EXERCISE

I will be financially smart if I:

- think carefully about paying to join a gym instead of exercising at home using free online programs
- think about the cost-benefit of financial decisions related to exercise
- choose clothing that is comfortable, appropriate and priced reasonably

I will NOT be financially smart if I:

- join a gym simply based on its advertising, without making any financial comparison of other gyms
- don't consider home-exercise options, including free online programs
- don't think about the cost-benefit of financial decisions related to exercise
- choose clothing that is the most expensive and not necessarily practical.



HOLIDAYS

I will be financially smart if I:

- take holidays based on an informed budget-planning process
- also have a budget for the duration of my holiday
- don't make financial decisions while on holidays that are simply based on emotion
- plan the holiday based on good research, which should minimise unforeseen financial consequences.

I will NOT be financially smart if I:

- take holidays based on no budget-planning process
- use a credit card to fund my holiday
- make financial decisions while on holidays that are simply based on emotion
- spend, spend, spend without thinking.



GAMBLING

I will be financially smart if I:

- don't make a habit of gambling
- don't follow friends who choose to gamble regularly
- choose to not gamble in venues that provide gambling services — e.g. sports clubs
- ignore the marketing of gambling companies which try to lure me into their activity

- recognise that, although gambling activities can be engaging and fun when conducted in the appropriate manner, gambling generates millions of profits from people's losses

I will NOT be financially smart if I:

- gamble regularly, as I know gambling companies have all of the advantage
- include gambling in my budget as there are probably better ways to spend my money on entertainment!



BUYING GIFTS

I will be financially smart if I:

- buy gifts well in advance when the desired item is cheapest
- buy gifts based on accurate research of the person's interests, to avoid throw-aways!

I will NOT be financially smart if I:

- just buy anything, at anytime
- don't carefully match the gift to the person receiving the gift
- don't look for the best buy.



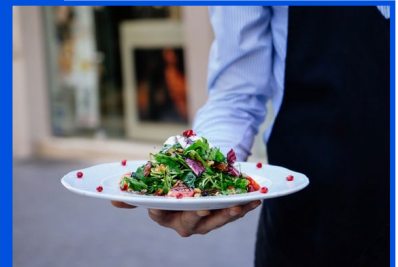
EMPLOYMENT

I will be financially smart if I:

- seek work to earn money so I can save and pay my bills, while still studying towards my career preference
- look for jobs locally to save on other expenses — e.g. travel, which may reduce my net benefit
- look for work with friends who may be able to share costs of transportation
- consider my long-term financial future when considering career paths.

I will NOT be financially smart if I:

- am too picky in my casual work choices, which may prevent me from earning hundreds, perhaps thousands of dollars
- choose jobs that may impact financially on my overall health and wellbeing
- don't think about my long-term financial future when considering career paths.



HABITS

I will be financially smart if I:

- establish personal money management habits that will build my wealth
- associate with people who have good money management habits.

I will NOT be financially smart if I:

- establish no habits that favour good money management
- only mix with people who do not have good personal money management habits.



FIVE WAYS TO MANAGE YOUR TIME BETTER



Your life, your time. Use it well!

There's a good reason for the saying, 'if you want something done, ask a busy person'. Some people seem to be able to whip through important tasks quickly and efficiently. Luckily, anybody can improve their organisational and time-management skills, and there are plenty of techniques you can adopt to help you manage time better to work more efficiently.

1. Don't procrastinate

The biggest obstacle to getting tasks done is the human tendency to procrastinate, says Les Watson, time-management expert, trainer and author. He recommends a four-step approach: 'Do, Dump, Delegate, Decide when (or Diarise)'.

If you can do a task in two minutes or less, do it immediately. If the task requires more time, evaluate whether you have to do it yourself or whether you can delegate.

If you decide it is something that you must do yourself, this is where leadership and discipline come in. 'Put a diary entry into your calendar — this is the leadership,' says Watson. 'When the reminder comes up, actually do what you said you would do — this is the discipline.'

2. Do what's important

The Eisenhower Matrix divides tasks into four quadrants, depending on their level of importance and urgency. Watson recommends you examine how you're spending your time, what tasks you are doing, and which quadrant these tasks fall into. You may well find that you're working in the 'urgent, low importance' quadrant. 'High urgency and low importance often come from other people,' he says.

'It is their urgency, not yours. It is a matter of [having] clear boundaries and ... if possible, delegating or pushing back.' Focus on spending time in the 'high-importance, low-urgency' quadrant. 'That is where you plan and get ahead of the game.'

3. BUILD HABITS AND SUPPORT

Assess what you can do every day to work more efficiently. Build those habits by doing something small each day, and garner support from your co-workers or peers, who will keep you accountable.

'Talk about the habits, what you are putting into your day that you want to create as a habit, and how you can support each other,' says Watson. 'You will feel like you aren't doing it alone.'

4. LEARN TO SAY 'NO'

The word 'no' is very powerful, says Watson. And there are ways of saying 'no' to co-workers that won't damage your professional relationships, he adds.

If colleagues approach you for advice, or to ask you to look over a piece of work, politely tell them that you can't do it at that very moment, but that you will schedule time later in the day to meet or discuss it. In many instances, they will resolve the problem on their own.

5. USE THE TOOLS AT YOUR DISPOSAL

You might like to think that there is an all-powerful app that can magically transform your time-management habits, but Watson warns there is no silver bullet. 'Whatever tool you use, you need to work to a system,' he says. There are plenty of digital tools and apps that can help form better habits or support more efficient use of time.

Watson is a fan of Microsoft OneNote, which allows users to keep track of their ideas and plans, collaborate and share notes. Another app is Freedom, which blocks websites or apps that distract you.

You can set work sessions when these sites will be automatically blocked.

T

By Lucy Siebert | As published in the ANZIF Journal Vol: 43 Issue: 1

**WE ARE WHAT WE
REPEATEDLY DO!**

- ARISTOTLE

HOW DO MY SKILLS RELATE TO A CAREER IN INSURANCE?

There is no doubt that many of us are sitting at home trying to stay entertained during this difficult period of isolation due to COVID-19.

For many high school and university graduates, the extra time spent at home provides an opportunity to update their CVs, and plan for future career opportunities.

What insurance careers might we see more of in the future?

The insurance industry has embraced emerging technologies to keep up with the market and meet the needs of consumers.

It has provided a window of opportunity for high school leavers or graduates who haven't yet considered a career in insurance.

Operational roles in the insurance and finance sectors are shifting, and the use of technology to drive customer experience, retention and brand awareness will be critical for all organisations.

Organisations will require talent that brings new digital and technical and IT skills to the table.

As more technology start-ups enter the market, more tech-savvy candidates will be considered, especially in underwriting and loss adjusting.

Digital Forensic Investigator

Some of the most interesting cases to read are about fraudulent claims. Unfortunately, it does happen, and many fraudsters get away with it, but as technology advances, the industry has become more savvy at determining when a claim is a fraud.

Here are two interesting cases!

- **Caught on camera: Heavily pregnant woman stages car crash to win insurance payout** (<https://www.smh.com.au/national/nsw/caught-on-film-eight-month-pregnant-woman-stages-fake-crash-to-fleece-insurance-20150930-gjy8uw.html>)
- **Bugatti Veyron crash was insurance fraud** (<https://www.drive.com.au/motor-news/bugatti-veyron-crash-was-insurance-fraud-20140828-3eiza.html>)



As you can see from these articles, not everyone is honest when it comes to their insurance claims. Investigators are needed.

Actuary – Cyber

Cyber Insurance has become a necessity for many organisations, especially when pricing insurance, calculating cyber risk and loss. In this day and age, the risks of having your personal or business information hacked / stolen are greater than ever. If you're a digital guru with actuarial skills, this one is for you!



Drone Pilot

This one is our personal favourite. Insurance assessors all around the world are using drones to calculate risk, and most importantly assess damage.

Drones are regularly used when natural disasters / storm damage to houses occur, and provide a much safer alternative to a person assessing damages on the ground.



They save time and money, and streamline the claims process. 



PANDEMICS, WEALTH AND HEALTH



Sometimes it takes extreme situations for us to see clearly the relationship between a person's health and a person's wealth. The current pandemic highlights this relationship.

HOW DOES HEALTH AFFECT WEALTH?

When individuals, families, and communities are unwell:

- people can lose their jobs and have no income to pay their bills, buy food, and look after their families
- business owners can close their businesses, losing the wealth they have invested into their business, sometimes over many years
- people may have to accrue large credit card debts at high interest rates as they have no other access to money
- people may have to sell assets including their homes to minimise long-term financial hardship

Health events at any level can have an impact on the wealth of individuals, families and communities. T

HOW DOES WEALTH AFFECT HEALTH?

When people lose their job or close their business and have no or limited income (wealth):

- mental health issues emerge, because people feel more stressed and anxious about their life
- there is unfortunately an increase in domestic violence due to financial and emotional stress
- it limits their financial capacity to join gyms and participate in sporting activities
- it limits people's opportunity to interact and socialise
- it can affect their self-esteem.

Wealth events at any level can have an impact on the health of individuals, families and communities. T

KEY MESSAGE

There is always a strong relationship between a person's health and wealth. Whether it be at a global, national, regional, local, family or personal level, your wealth is influenced by health events, and your health influenced by wealth circumstances.

WHAT IS YOUR FINANCIAL MINDSET — FIXED, GROWTH OR RESILIENT!

FIXED MINDSET

A fixed mindset means you think your abilities and potential are fixed or unchangeable.

It usually means that you do not think you can change your financial future. You may say "I am hopeless with saving," or, "I have no will power when it comes to shopping." Often a fixed mindset has a negative perspective.

GROWTH MINDSET

A growth mindset means you think your abilities and potential are plastic — that is, they can be adjusted or improved.

It means that you believe you can change things about your financial future. You may say, "I am now a better saver of money," or, "I want to learn how to invest so I can make best use of my money." Often a growth mindset has a more positive perspective.

RESILIENT MINDSET

A resilient mindset refers to the ability to navigate life, adapting to change, learning through adversity and understanding your feelings and emotional responses to situations.

It may mean that you can withstand the financial ups and downs of life, to maintain financial commitments during tougher times, to make good decisions despite external pressures. Often a resilient mindset has a realistic but aspirational perspective.

Examples

Fixed Mindset: World Events

"My world is falling apart and I have no control."

"I don't think life will get any better for me."

"There isn't much I can do to change my circumstances due to this current situation. This will be my life."

Growth Mindset: World Events

"My world is falling apart. I will have to do some things differently to find new opportunities for myself, my family or my business."

"There are some things I can't control, but there are many things I can do to make the best of this situation."

Resilient Mindset: World Events

"My world is falling apart. It is going to be tough for a while, but I will remain committed to my responsibilities as much as I can and make sure I stay as positive as I can."

"I can help others by always being supportive and helping them to get through any tough times."

Fixed Mindset: Financial Capability

"A lot of teenagers have a better understanding of money than me. I will never understand most of these topics and my parents don't understand them either."

"Some of the topics seem too difficult and a lot of them are too boring, which doesn't help either. I will just work it out as I go and hope for the best." **T**

Growth Mindset: Financial Capability

"A lot of teenagers have a better understanding of money than me. I know if I put in the effort to learn and understand some of these topics and seek help, I can improve my own financial capability. I may even be able to help my parents."

"Some of the topics do seem too difficult, but that is only because I have not committed to learning about them. I know if I learn more about them, I will benefit in the future. I want to make good decisions so it is worth making the effort." **T**

Resilient Mindset: Financial Capability

"A lot of teenagers have a better understanding of money than me. I know if I persist, I can understand most of these topics even if my parents aren't able to help me."

"Some of the topics do seem too difficult and a lot of them are boring, but I know if I remain committed, I will learn and I will benefit. I may have to work some of it out as I go but I will try to learn as much as I can so I can make good decisions. I am committed. Nothing will stop me." **T**

RAGS TO RICHES



Wealth-related imagery is often about happiness, celebration, success.

We have all heard the term 'rags to riches'. This term usually relates to stories of success, achievement, aspiration and happiness after a beginning in extreme poverty (wearing 'rags' for clothes).

It is a term that draws us in with hope for a better future. Think about the everyday things in our lives today that reflect a yearning for 'rags to riches'.

The television show *Who Wants to be a Millionaire?* reflects our disposition for wanting a richer life. It has been popular for many years.

Why are Lotto and other, similar, gambling activities so popular? The simple reason is, many people are wanting a richer life and hope to get 'lucky'.

Beliefs

The common belief with this term is that a richer life is a better life. Any imagery associated with this term will, without exception, show happy faces, celebration and, often, wealth-associated artefacts such as boats, expensive cars, beautiful clothing etc.

Let's consider a couple of real 'rags to riches' Aussie stories.

RAGS TO RICHES - ANY SITUATION IN WHICH A PERSON RISES FROM POVERTY TO WEALTH, AND IN SOME CASES FROM ABSOLUTE OBSCURITY TO HEIGHTS OF FAME, FORTUNE AND CELEBRITY—SOMETIMES INSTANTLY. (WIKIPEDIA)

Carolyn Creswell – \$50 million

Carolyn bought a muesli business for \$1000 in 1992. The well-known founder of Carman's Kitchen bought the business with just \$1000 while still a university student. Creswell was working part-time for a muesli company when she heard that the business was closing. She decided to buy the owner out and try running it herself. Carman's now exports to 32 countries. The business, which sells muesli, muesli bars and porridge, has an estimated turnover of \$50 million a year.

Ruslan Kogan – \$400 million

How he did it: made electronics cheap again by cutting out middleman retailers.

The 38-year-old founder of Kogan Technologies grew up in a public housing estate outside Melbourne. He started his first business at the age of 10, finding lost golf balls and reselling them at a local golf course. At the age of 23 he started Kogan Technologies in his parent's garage, and it has grown between 200 to 300 per cent annually ever since. The Wall Street Journal estimates the business is worth over \$400 million.

Source: The New Daily (<https://thenewdaily.com.au/finance/work/2014/06/11/australias-self-made-men-women/>)

The Reality

These are just two of many stories which show that great ideas, initiative, resilience and effort can take someone from 'rags to riches'. These stories, however, are not common. They are inspirational and give everyone hope.

Often these stories are very limited in their description, giving only a thumbnail view of the ups and downs of the journey taken by someone who goes from rags to riches.

Although the common belief is that a wealthier life is a happier life, there are countless examples of unhappy wealthy people. There are also countless stories of people failing in their pursuit of wealth and perhaps harming other aspects of their lives.

'Rags to riches' stories should always be kept within the mindset of increased wealth. To attribute other characteristics to this story is not appropriate. Being wealthier does not necessarily mean someone has better health habits, or better friendships, or better self-esteem.

It simply means that a person has more money to spend, because they are 'richer'. 'Rags to riches' stories are wonderful to read about and learn from. For those of us wanting a richer future, regardless of our starting point, such stories remind us of the importance of aspiration, effort and resilience.

However, financial learners should always seek out the full 'rags to riches' story, not just the highlights, if they want to inform their own journey. **T**

RICHES TO RAGS



Loss of wealth can be extreme, but is usually more subtle!

It is important to realise that everyone has a wealth in some form. Regardless of whether you live on the streets or live in a mansion, there is wealth, just in differing degrees.

What is defined as 'wealth' or 'riches' is often skewed and stereotyped toward people who are super rich. This is not the reality. In the real world, everyone has wealth in varying degrees, just as everyone also has health in varying degrees.

If you think of wealth as a continuum, you will understand that some people have more, some people have less.

However, when people lose some or all of their wealth, wherever they may be on the continuum, it can have harmful effects.

The Reality

The reality is that people's wealth increases and decreases all the time. This is the real world.

Sometimes, however, there are definite reasons for people losing some, most or all of their wealth. Here are three reasons to consider.

1. A significant local event causes a change in personal circumstances. For example, a pandemic or a cyclone or bushfire can cause people in specific communities to lose their businesses, homes, jobs etc., which will of course negatively impact on their wealth.

2. Poor personal financial management is a major reason for people losing their wealth. If people are greedy, spend more than they earn, have unmanageable debt etc., then their wealth is undoubtedly heading south.

3. There is a long history of people losing the wealth that was originally generated by parents or grandparents. The view is that younger people, often raised in privileged environments, have no clue as to the value of money or how to handle it.¹ Financial education is important!

Here are two stories of people losing their wealth.

Toni Braxton

Braxton has won an amazing six Grammys, seven American Music Awards and nine Billboard Music Awards. Her music made \$170 million in worldwide sales. Braxton first filed for bankruptcy in 1998 because of her spending habits that went out of control. She admitted to losing touch with reality.

She filed for bankruptcy again in 2010 due to being millions of dollars in debt and having financial problems. Braxton's debts ranged from \$10 to \$50 million. The court ordered her properties liquidated to pay off debts and she had to sell her house.

Michael Jackson

The King of Pop was supposedly USD400 million in debt when he died unexpectedly in 2009. He was also close to foreclosure on his famous Neverland home.

Large amounts of spending required Jackson to take out loans, many of which he never paid back. Jackson's money problems got worse once he was involved in numerous expensive lawsuits.

Before he died, Jackson had planned on getting out of debt by touring. His estate resolved the financial issues, and Michael has been the top-earning dead celebrity for five straight years.²

Whatever the reason, it is always better to be trying to purposefully improve your wealth profile rather than make it worse!

Financial learning helps! **T**

¹ Taylor, Chris (2015) 70% of Rich Families Lose Their Wealth by the Second Generation. Money.com

² Michaels, Matthew (2018) 18 celebrities who were rich and famous before losing all their money, Business Insider Australia

**... 70% OF WEALTHY FAMILIES
LOSE THEIR WEALTH BY THE
SECOND GENERATION, AND A
STUNNING 90% BY THE THIRD.**

The Williams Group wealth consultancy

CANVA: MELANIE PERKINS



AS CO-FOUNDER AND CEO OF ONLINE DESIGN PLATFORM CANVA, MELANIE PERKINS HEADS UP ONE OF AUSTRALIA'S FASTEST-GROWING START-UPS THAT NOW SERVES OVER 15 MILLION USERS A MONTH ACROSS 190 COUNTRIES.

BUT, SAYS MELANIE, THIS IS JUST THE BEGINNING.

Picture this: a 19-year-old university student decides to take over her mum's lounge room in Perth. She's had an idea. It's a big one. She intends to make it a reality. With no money to rent office space, her mum's carpeted floor will have to do.

The student's name is Melanie Perkins and, as a commerce and communications degree student at the

University of Western Australia, she's frustrated by the lack of user-friendly tools available to complete everyday graphic design tasks. She and her boyfriend, Cliff Obrecht, decide to develop their own.

From there, they create online design software for the school yearbook market. Fusion Books is born. Five years later, it's the biggest platform of its kind in Australia and has expanded into New Zealand and France.

Melanie may not have known it then, but the seeds sown in that crowded lounge room with "stuff scattered everywhere" were to blossom into one of Australia's most successful start-up unicorns ever.

Fast-forward 12 years and I'm sitting in a photographic studio in Sydney's hip enclave of Surry Hills. It's a Friday afternoon and there's a buzz in the air. The photographer and assistant mill around setting up equipment and taking test shots before the 'talent' arrives.

And then, there she is. No fanfare. No airs and graces.

Just a warm, "Hi, I'm Mel." I look up to see a woman in a simple black jersey dress and black sandals. If it wasn't for the impressive diamonds in her ears, she could quite easily pass for an intern.

But at 31, this is a woman whose idea to "empower the world to design" has led to more than one billion designs being created, at 33 designs a second. Earlier this year, Canva acquired Pexels and Pixabay, two popular free stock-photo sites based in Germany. Today, Canva is worth US\$1 billion. With figures like these, Melanie could quite frankly have all the fanfare she fancies but, instead, she's friendly and open as she casually folds herself into the studio's grey flannel sofas to talk.

Melanie smiles at the mention of Fusion Books for, while lots of teenagers have great ideas, most of them do not have the motivation and determination to follow them through.

"Throughout my life, I've always put a lot of effort into any single thing that I did," Melanie explains. "That could have been a school assignment or an extracurricular activity. If you can put all your mind and effort into something and then you can see that time and effort and determination equate to success, you'll be more ready to take bigger and bigger risks."

"Starting the first company, handing over the cheque – which was everything that we'd ever saved and more... I knew that it was the start of a new chapter, because it meant that we had to figure out how to pay that back. Along the way there have been some forks in the road where we could go the easy route, or we can go the route that is terrifying, and it's the terrifying route that usually pays off in the end."

Much has been made of Melanie's youth and gender but that's something she dismisses easily. "I think there's probably a lot of emphasis on things that I don't give a lot of consideration to."

Dealing with people's preconceptions is just one of the challenges Melanie has faced during her career, but time has taught her that the challenges don't get harder, "they're just different".

"I feel like the magnitude of the challenges compared to where you are is always astronomical," she says. "In the start, it was astronomical trying to figure out all the things about starting a company. Now we've got 600 people, so there are astronomical challenges trying to make sure that those 600 are all moving towards the one vision, and that the company is structured and set up for success in order to take advantage of the huge opportunity ahead of us."

Right now, Melanie's challenge (and the one that's keeping her awake at night) is how to "go from 15 million users a month to every person on the internet using Canva. How do we go from point A to point B? It's a question that we're thinking a lot about."

For a self-confessed introvert who found networking "pretty daunting" at the start, Melanie's come a long way.

After meeting with Silicon Valley venture capital investor Bill Tai briefly at a Perth conference, she flew to San Francisco at his behest.

"I was absolutely petrified. There aren't many times in your life that you know that you're stepping into the next chapter. I had a very visceral reaction. It consumed my entire body."

That meeting with Tai in a café ended with an introduction to Lars Rasmussen, Co-Founder of Google Maps. The mistress of understatement, Melanie smiles as she says, "I was so nervous, but fortunately that worked out in the end."

Indeed it did, and Canva launched in 2013 with Melanie and Cliff at the helm, and they were joined by former Google executive Cameron Adams.

"I'm determined, stubborn and adventurous," she says.

MELANIE'S 3 TIPS TO START-UP SUCCESS

1. FIND A WAY TO GAIN CLARITY

"For me, it's writing morning pages. They're my secret weapon and help me process information."

2. ACCEPT THAT YOU WON'T KNOW ALL THE ANSWERS

"You're going to have to ask a lot of people for their advice and help, but then you're going to have to distil it down to what makes sense for you."

3. IMAGINE THE FUTURE

"It's important to figure out what is that first tiny step that will take you in the right direction. For me, it's always a kind of more optimistic, more egalitarian world."

"As a leader, I feel my job is to set the vision and the goals for the company, and then to work with everyone to empower them to dream big and crazy. I want to set them up to do the best work of their lives and to achieve those crazy, big goals."

Fortunately for her team, Melanie has a two-step plan to achieve those "crazy, big goals". "Step one: build one of the world's most valuable companies," she says, ticking them off on her fingers. "Step two: do the most good we can. We've started to dabble in step two. We've got 25,000 non-profits using our non-profit program now."

Melanie beams when I ask about the future. "We have such huge aspirations. We've done one per cent of what's possible so we've still got a lot to do but we celebrate success as we go. When we launched in Spanish, we had a Latino festival. When we released Photos Unlimited, a new product where you get 50 million images, we released doves from the roof of our offices. We always make an intentional effort to celebrate the milestone because if we don't, then we're always just looking at the top of the mountain."

She pauses. "You know, before we moved into our new offices, it was all, 'Wow, this is so big'. And I realised we had to fill each floor with our dream. Now, that whole building is overflowing with dreams and ambitions and goals."

Dreams. Ambitions. Goals. Just the way Melanie likes it. **T**

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www.theceomagazine.com*

AN UNDERSTANDING OF ETHICS HELPS YOU TO MAKE INFORMED FINANCIAL DECISIONS!

If you want to be financially capable, you must develop an ethical understanding of what happens in financial decision-making.

- **Understanding:** Can you recognise ethical concepts and explore ethical concepts in financial conversations and situations?
- **Reasoning:** Can you reason and make ethical decisions, consider consequences and reflect on ethical actions that pertain to your use of money?
- **Exploring values:** Can you examine values, explore rights and responsibilities, and consider the points of view of people involved in or affected by your financial decisions?

People who are good at financial decision-making are good at understanding the ethical aspects of those decisions.



Understanding: Each individual must act ethically when they complete the form, reporting honestly what money they have earned during the year, and what they have spent on work-related expenses.

Accountants and tax agents also must act ethically, ensuring that returns are completed truthfully.

While everyone wants to minimise their tax, no one should be trying to purposely evade paying the appropriate tax.

This is a question of ethics!

Exploring values: When you are purchasing goods or services, you expect that the people you are dealing with will act ethically. For example, you hope they will tell you the truth about the reliability of the goods you are purchasing.

Similarly, buyers of your goods and services will be expecting you to tell the truth about your competence, reliability and integrity.

Reasoning: In situations related to insurance, you will first consider your personal need for insurance and how it balances with your individual risk profile, and later as to how it relates to the welfare of your future family.

You will also have to consider the ethics of the people selling you insurance, to ensure the type and level of insurance is appropriate to your needs and fits your circumstances? What are the potential consequences and implications of taking or not taking out the insurance? How will you balance those thoughts to make an informed financial decision?

The quality of your financial decision is significantly influenced by how well you can 'reason' in your decision-making.



ENTREPRENEURIAL TEENS



TEEN MILLIONAIRES: KIDS RUNNING SUCCESSFUL BUSINESSES

Source: True Stories, 2019

This online video shares real stories of Australian teen entrepreneurs, including two who were still in school.

- **Jack Bloomfield** (The Bloom Group) has been business-oriented from the age of eight. He turns over more than 1 million dollars per year through his online businesses. Jack was earning enough in high school that he bought himself a flash car.
- At the age of 15, **Ali Kitinas** (Freedom Scrub) created a boutique skin care business that recycles used coffee grinds into facial and body scrubs. Her parents were there to support her, and her mum is now an employee.
- **Morgan Hipworth** (Bistro Morgan) had an idea from the age seven that he wanted to have a restaurant. From the age of 13 he was supplying a local cafe with cakes. In Year 9 he started his first pop-up shop and sold 10,000 doughnuts in 8 days. He used the profits to lease the shop full-time. He is now in Year 10.

Comment: These entrepreneurs are working hard to achieve their personal goals.

Watch the recording: True Stories <https://www.youtube.com/watch?v=1YCGM7FiCGg> 

BUSINESS OPPORTUNITIES ARE LIKE BUSES, THERE'S ALWAYS ANOTHER ONE COMING.

RICHARD BRANSON



FIVE INVENTIONS BY CHILDREN - THAT MADE MILLIONS

Source: Top Fives

Teens with STEM and entrepreneurial ideas have made a difference to the world through their inventions. Here are a few.

1. The **popsicle** or ice on a stick: was invented by Frank Epperson by accident, in 1905. After a long day of play Frank went inside, but left his cup of soda with the stirring stick still in it out on the porch. The night got very cold, and when Frank went outside the next morning, he found his drink frozen like an icicle.
2. The **SafeWander Sock Sensor** was invented by Kenneth Shinozuka to alert the family members when a person with Alzheimer's wanders too far from their area.
3. The **trampoline** was invented by George Nissen, aged 16. He spent his life refining and demonstrating the use of the trampoline.
4. **Water Talkies** were invented by Richie Stachowski in 1995 at age 11. He wanted to talk to his dad, swimming with him while swimming underwater. He made huge deals with many toy providers and eventually sold his company for a lot of money.
5. **Good vibrations** was invented by Jonah Kohn aged 14. This invention allowed deaf people to feel music.

Watch the recording: Top Fives <https://www.youtube.com/watch?v=nefv0KAY60g> 

TO INVENT, YOU NEED A GOOD IMAGINATION AND A PILE OF JUNK

THOMAS A. EDISON

SPEAKING WITH CONFIDENCE: THE TOP 5 TIPS BEHIND A GOOD PRESENTATION



A great career won't happen by chance. You have to make things happen!

Want to deliver a great presentation? According to Vinay Iswar CA, Managing Director of BetterCo, it's about telling a compelling story.

Have you ever had to deliver a presentation for a study or work project, and been confronted with anxiety and a lack of confidence? If so, you're not alone. According to a New Zealand study, a fear of public speaking - also known as 'glossophobia' - is one of the most common forms of performance anxiety.¹ In fact, it's believed 75% of the world's population suffers from this fear.²

While it's a common concern among students and professionals alike, it doesn't have to be.

Vinay Iswar CA is Managing Director for Accounting at IT consulting

firm OneHQ, as well as an experienced presenter and growth coach. Vinay is passionate about helping his clients and fellow accounting and finance professionals find new ways to improve their ways of work, including growing one's confidence to improve presentation performance.

Here, we tap into his expertise to learn about the art of giving a strong presentation in-person or online.

1. Frame your speech as a story

A good public speaker takes their audience on a journey, and captures the hearts and minds of their audience.³

Vinay encourages students and accounting and finance professionals to approach their speeches and presentations like telling a story to capture their audience's attention.

¹ <https://www.counsellingpsychotherapy.net.nz/performance-anxiety-social-phobias>

² <https://www.news.com.au/finance/work/careers/presentation-studio-ceo-emma-bannister-shares-her-top-public-speaking-hacks/news-story/4cea4e9d8e5ac3185716bc6deec63526>

³ <https://www.younlimitedanz.com/be-inspired/articles/the-art-of-a-good-story-how-to-hone-your-storytelling-technique>

"You have to be comfortable with what you're offering or what you're presenting. If you know your content, it's more like storytelling and it's more compelling," he says.

"Anyone can tell a good story; just think back to when you last told your friends about an amazing holiday you've been on. If you treat your speech like an engaged conversation rather than being too rehearsed, your audience will be more engaged with what you have to say, and you'll feel more confident in your delivery."

2. Authenticity is key

Vinay says it's not enough to know your content well, you also need to believe in it yourself.

"You must have a clear purpose and message. If your content is not genuine, if you don't believe in what you're saying or you are fifty-fifty on your topic, it's going to show to your audience," he explains.

Vinay says that instead of trying to come off as being confident and 'faking it til you make it', the key to delivering a great presentation is authenticity.

"It's important to just be yourself. Anyone who's ever had to speak in front of a crowd or to an audience online will understand it is challenging. If you lose your spot when presenting, there's nothing wrong with being honest and going, 'I'm sorry, I just lost my place. Let me start again.'"

3. Practise your body language

When you want to deliver a presentation with confidence, it's important to remember practice makes perfect.

Reading your notes aloud, and practising your body language, eye contact and facial expressions in front of a mirror or a small group of friends or family members can help increase your presentation comfort level and give you the feedback you need.

"You can't see yourself when performing onstage, so you have to gauge the audience's reaction to see if you're doing well or not. Body language is everything, even when you are sitting in a room and delivering a virtual presentation," he says.

Speaking from his experience presenting to his staff and at conferences, Vinay says it's important to pay attention to your physical habits when presenting because actions like fidgeting can reveal your nerves to your audience.

"Avoid doing distracting things like clicking a pen or crossing your legs because your audience will see that you're feeling nervous. Instead, practise positive body language in the mirror, such as standing up straight with your shoulders back and feet shoulder width apart. Allow your hands to make natural hand gestures and don't forget to breathe."

4. Engage your audience

Vinay also encourages students and professionals to find ways to engage with their audience while presenting.

Making it more personal and conversational through direct eye contact during in-person presentations, or encouraging interactivity by asking the audience questions that they can reply to on online platforms and chat groups gives them the opportunity to engage with you and what you are saying rather than just listening passively. Encouraging audience participation through exercises and activities will also make you feel as though you're being heard.

"We used to talk about 'capturing' the audience's attention but that's an outdated approach. Today, it's about how you get your audience 'involved' in your presentation as early on as possible," Vinay says.

"Asking simple questions like 'who agrees with me?' or splitting the audience up into two groups to illustrate a point, are two great techniques to get your audience involved, and help to make you feel confident that your thoughts are being validated," he says.

5. Strive to do your best and you will succeed

It's important to know that feeling anxious or being nervous before a presentation is completely normal. Instead of being hard on yourself when you make a mistake, treat it as a learning curve and remember that you are the one in control of sharing your message with your audience.

Vinay encourages students and professionals to focus on the positives of each presentation they give, and give themselves credit for putting in the time and effort required to prepare and deliver a powerful message.

"Each time you present in front of an audience, the more comfortable you will become with delivering a clear message that entertains and educates."

T

Article by Vinay Iswar CA, Managing Director of BetterCo

This article first appeared on youunlimitedanz.com on 22 April, 2020 and has been republished with permission.



I WANT TO OWN A HAIRDRESSING SALON

Hairdressing is a popular job. It provides an opportunity for people to cut or style hair in order to change a person's image. People who take up this career are often creative and caring people who have learnt specialised skills in grooming and styling.

Hairdressers who are employees will also need financial knowledge and skills to help them in their home life. Just like other adults, they have to manage their finances at home, making sure they spend within a budget.

Many hairdressers also start their own business which require a lot of business and financial skills. Usually these skills are not taught in hairdressing school, so they have to learn these skills themselves.

Hairdressers also employ specialists — for example, accountants — to help them with their financial decision-making because this is not their area of specialist knowledge.

Setting up a salon could require investments of tens of thousands of dollars. Hairdressers may need to take out loans and buy insurance. They will need to ensure they have the cashflow from regular clients to repay the loan, and to pay the staff they need to manage bookings and promote their business. This may be new to them.

To financially manage a salon successfully, a hairdresser or his/her office

manager will need many skills, including how to:

- purchase resources at the best price
- employ staff at the correct rate and under the right conditions
- develop budgets to guide the distribution and management of all funds
- develop mid- and longer-term budgets to ensure facilities are kept at the highest standard.

Any hairdresser who wants to become an effective business person must learn how to manage their finances. **T**



I WANT TO BE AN ACCOUNTANT

Many school leavers want to work with and in business, and to help business owners to be successful. Many of them also like to work with numbers. Some of these people choose accountancy as a career.

As part of their studies, accountants learn many financial life skills that help them in their personal lives. This is to their advantage.

Accountants who own a business, like all other business owners, have to make financial decisions. They must:

- firstly, be very good at financial management because they will be advising clients in this process
- decide if they want to take out a business loan from a bank to invest in and build their business
- manage loan repayments
- find premises to run their business and appropriately finance that premise
- be skilled in managing their books to keep track of their finances

- ensure they have appropriate insurance cover
- identify the most cost-effective way to market their services to attract and keep clients, and much more.

To be successful, accountants must demonstrate good money management skills if they are to attract and keep clients. **T**



TEENS IN BUSINESS



50 BUSINESS IDEAS FOR TEENS

Are you looking for ideas to start your own business? Small Business Trends provides 50 ideas for teens to consider as start-up ideas. Some are more involved than others, but many are achievable, even for teens still at school. Here are a few ideas.

- academic tutor
- child care
- craft fair vendor
- social media influencer
- podcaster
- cake decorator
- laundry service
- tech support
- t-shirt designer
- musician
- pet photographer
- delivery service
- videographer.

Check out all 50 suggestions. There may be one or two for you to try! **T**

Find out more: SmallBizTrends <https://smallbiztrends.com/2016/10/business-ideas-for-teens.html>

**YOU DON'T HAVE TO BE AN ADULT TO START
YOUR OWN BUSINESS.**

HOW COVID-19 IS AFFECTING TEEN ENTREPRENEURS

Globally, Covid-19 is impacting on how people run their business. Some businesses have had to close. Others have had to change how they operate. This is the same for businesses that are run by teenagers. Here is how one business coped.

"My organization is called The Good Neighbor; what we do is hold pop-up shops, which consist of clothing and hygiene supplies, for the homeless of San Diego. The idea of the pop-up shop was designed to make the homeless feel valuable and as if they were getting the shopping experience. But our recent event couldn't be a pop-up shop since the introduction of social distancing due to COVID-19.

These circumstances, however, were not going to get in the way of making a donation and continuing to do whatever it takes. On Monday, March 16th, we went to Stand Up For Kids Shelter and, instead of doing a pop-up shop, we just did a drop-off. Although as more restrictions show up and we may not be able to hold events in the near future, we continue to pivot in different ways. The Good Neighbor is making Instagram posts, creating short videos, showing people how they can clean out their closets during self-quarantine and donate the clothing and, reflecting on the past, strive for more in the future. We are making the best of the situation!" — Fania Pupko, founder of The Good Neighbor. **T**

Read more: ForbesWomen <https://www.forbes.com/sites/stephanieburns/2020/04/02/how-covid-19-is-affecting-these-teen-entrepreneurs/#6198bf8065c3>

WE ARE MAKING THE BEST OF THE SITUATION!

MY BRAIN AND FINANCIAL LEARNING



FORGETTING IS NATURAL!

Did you know your brain is designed to forget things? You will have forgotten many things you learned yesterday, last week, last month, last year. You forget more easily unless you practise, repeat and/or rehearse the things you are being taught.

So, you will forget financial life skills that you are taught unless you practise them, repeat them and rehearse them. **T**

FOCUSED ATTENTION

Focused attention gives you the best chance to learn something. This means that the environment you are learning in should not be full of things that potentially distract your attention. These includes

- visual - having the television on while learning
- auditory - listening to music while learning, and
- smell - eating pizza while learning.

Every time your brain is distracted, it weakens the memory formation process! **If you truly want to focus on your financial learning, you should think about the best ways to focus your attention. T**

HOW DO I LEARN?

Your learning is stored in your brain. Your brain learns through three processes — practice, repetition and rehearsal. Consider the following examples.

- Through practice you learned to play a sport and a musical instrument, cook a nice meal, write a good story ...
- Through repetition you learned to speak, read, write, solve math problems, make your bed, ride a bike ...
- Through rehearsal you learned to give a good speech, talk confidently, manage a meeting

It is through practise, repetition and rehearsal that you learn financial life skills. The more you do this, the better your financial decision-making in the future. **T**

HOW DOES THE ENVIRONMENT AFFECT FINANCIAL LEARNING?

The type of environment you are in will influence your learning. There is a lot of research that says a stimulating environment will stimulate learning. This is true, but also false.

It can be false because many 'learning' environments overstimulate, causing lots of distraction. Try studying with the television on, music in the background, siblings squabbling and food smells coming from the kitchen. It is very hard to concentrate with so much stimuli.

Your brain learns best when the environmental stimulus is related to the topic of your learning.

To learn financial life skills, put yourself in an environment that will not distract you, and gives you the best chance of remembering! **T**

**WHEN WE WANT TO REMEMBER
SOMETHING WE HAVE HEARD WE
MUST HEAR IT CLEARLY, BECAUSE A
MEMORY CAN BE ONLY AS CLEAR AS
ITS ORIGINAL SIGNAL.**

WANTS HAVE CONSEQUENCES!

You have heard this before: *You can't always have what you want when you want it!*

Usually people have to wait to save enough money to purchase some of the things that they want. If you don't wait there will always be financial consequences, some of which you may expect and others that may be unexpected. Here are two examples.

PLANNING FOR UNEXPECTED FINANCIAL CONSEQUENCES IS IMPORTANT, ALTHOUGH DIFFICULT!

I Want a New Phone

CHOICES

- Buy a phone that meets your basic needs. The prices will vary, but you can choose a price you can afford. You might not get one of the big-name brands, but it will be cheaper.
- Buy a popular brand phone. This phone will be more expensive.



EXPECTED CONSEQUENCES

- Consistent pricing, if you use it within your plan.

POSSIBLE UNEXPECTED CONSEQUENCES

- Impact on credit rating will depend on your commitment to payment consistency.
- Unexpected costs related to loss of phone, with potentially very expensive costs to pay out the plan.
- Unexpected costs related to damage to phone.
- Failure to stay on the plan because you want the latest phone.

I Want to Travel the World

CHOICES

- Do this travel as one long trip.
- Travel the world in multiple trips.
- Choices of transportation, accommodation, duration, number of stopovers and time of year.



EXPECTED CONSEQUENCES

- Budgeted flights and accommodation.
- Budgeted spending on food, entertainment, travel.

POSSIBLE UNEXPECTED CONSEQUENCES

- Flight delays.
- World events that impact on travel schedule including flights and accommodation.
- Personal illness, or sickness to friends and family that may shorten your trip.
- Unplanned but opportunistic side-trips.
- Insurance costs — unplanned.
- Loss of luggage.

HELPING NEW ARRIVALS



Australia is one of the most multicultural and diverse nations in the world. We are home to the world's oldest continuous cultures, and almost half of our current population was born overseas or had a parent born overseas.

In fact, modern Australia is a nation that has been built on migration, and migration continues to bring many economic and social benefits to our community.

According to the Australian Human Rights Commission, it is estimated that migrants contribute over \$10 billion to Australia's economy in their first 10 years of settlement.

Over 20,000 people from across the south east gather at Brisbane's South Bank each year to say 'Welcome' to refugees and migrants at the LUMINOUS Lantern Parade.

Multicultural Australia, recognising the benefits of our multiculturalism and diversity, works to ensure that our society is welcoming for refugees, migrants and international students. We work to ensure that they feel included and find a sense of belonging here in their new home.

We help them to find a home, learn English, go to school, TAFE or university, and to find a job. We help businesses and governments ensure their services meet the needs of new refugees and migrants. We help local communities to meet and welcome new Queenslanders through their local neighbourhood community centres and at major events and festivals like the LUMINOUS Lantern Parade and the MOSAIC Multicultural Festival.



**MULTICULTURAL
AUSTRALIA**

Getting a job

Getting a job, especially that first job, is a huge milestone in all our lives. Earning our own income offers us choice and freedom, and, because we spend a significant portion of our lives at work, it is a place where we find friendship and connection. So, you can imagine how significant it is for refugees and migrants to get their first job here in Australia. That's one of the reasons Multicultural Australia's support to these new Queenslanders puts a big focus on work and education.

When a migrant or refugee can find a job quickly, they gain more than just the benefits that a regular wage offers. They meet new people at work and learn the expectations and customs in Australian workplaces. They make friends and they get to practise their English.

We run several programs that help refugees and migrants get a job, or get ready to work. Work and Welcome is a program that gives a migrant or refugee 12 weeks of paid work with an Australian school or business. This is most often a refugee or migrant's first Australian work experience, which is really important on a resume for future job opportunities.

Many schools run a 'workplace giving' program where school staff donate small weekly amounts which pay the wages for the placement.

Our Skilling Queenslanders for Work program assists people to develop their skills, prepare for the workforce and gain ongoing work through traineeships and work placements. Across Queensland, we help participants gain certificate qualifications in Hospitality, Construction, Conservation and Land Management, Business Administration and as a Multicultural Teacher's Aide.

We know that young people are our future leaders. We work closely with young people from refugee and migrant backgrounds to achieve their aspirations, helping them to build their personal values, problem-solving abilities and self-belief through our Migrant Youth Vision Project (MYVP).

We connect young people with employers and job opportunities, and we offer mentoring, training and access to sports and community activities. With AFL Queensland, we run the AFL Diversity Umpiring Pilot Program,

giving young people umpire training and paid work experience in AFL's junior leagues and tournaments.

Together with Australian Catholic University, we developed Kicking Goals Together, a soccer competition that incorporates employment skills development and training for international students and young people from migrant and refugee backgrounds. 100% of participants say that Kicking Goals Together increased their peer networks and sense of belonging in Queensland.

New understanding

Settling in a new country doesn't end when you find a house and get a job. There's ongoing work for new Queenslanders to understand local laws, customs and institutions, like banking and money management, which can be very different in Australia than in other countries.

To help young people learn financial literacy skills, we run workshops with Suncorp and Wesley Mission.

The workshops discuss how young people use money in their home country, and how it is different in Australia. They explore the consequences of spending money versus saving money, and teach some critical budgeting skills that help young people manage their income and expenses and make smart choices with their money.

Growing a strong, welcoming, multicultural Australia benefits all of us.

You can learn more about the services that Multicultural Australia offers young people and the wider community at www.multiculturalaustralia.org.au. **T**



With half of us born overseas or having a parent born overseas, the MOSAIC Multicultural Festival celebrates our rich cultural diversity.

LEARNING FOR LIFE



Students from Murrumba State Secondary College - Learning for Life

Learning for life is an appropriate title for this article, as it is also the motto for Murrumba Downs State Secondary College. Students from the school share their 'learning for life' financial life skills and reaffirm the importance of learning these skills.

What does 'learning for life' mean?

- Our schools is preparing us for life after school. The subjects and lessons give us an opportunity to learn things that are real life related.

What financial life skills do you need to learn?

- How to pay bills is a practical skill we need to learn.
- We also should learn about attitudes on spending, how to budget money and what to budget for.
- Going to university and student loans is a whole new world we have to be prepared for. The financial aspects of that are scary.
- It is important to learn how to stay on top of everything you need in life, especially the necessities.
- We should learn about different investment strategies that we may need later in life.

What are the benefits of learning for life?

- Learning for life should be about enabling you to stay ahead in life, and to keep yourself out of financial trouble.
- Independence is a great benefit. We also want to have our own assets

so we should learn about that.

- If we are 'earning for life' we will grow as a person, helping us to be more mature and financially responsible.
- Learning for life should mean we are learning to ensure important parts of our life are well organised and planned.

What may be the consequences of not learning financial life skills for life?

INDIVIDUALS:

- won't be using their money effectively
- could more easily get scammed
- may get caught in massive debt which could affect their relationships.

While money does not necessarily lead to happiness, managing it well means you have more avenues in life in the future, giving you more opportunities

FAMILY

- Without a proper education there can be a domino effect on the family if children are seeing poor money management and they start repeating those behaviours.
- There are definitely kids coming to school without food which can potentially impact on their education, peer friendships, personal health and social behaviours.

WE CAN MAKE GOOD FINANCIAL DECISIONS REGARDLESS OF HOW MUCH MONEY WE HAVE.

COMMUNITY CONSEQUENCES

- It is not good for the community if lots of people have financial life skills that cannot help them with their daily living. It can lead to crime, poor health, and lack of opportunities when participating in the community.

Family life and finance

- If parents can make good financial choices then it has a positive impact on the whole family.
- Families can make good financial decisions regardless of how much money they have.
- Children from families with less money, can become more financially capable than others, because they have to think about their decisions more carefully.
- Sometimes teens can use their situation to motivate themselves to improve their financial life skills, to establish financial goals, to be more aspirational.

Social life and finance

- In some countries more money can mean more power and influence.
- Unfortunately sometimes, people with more money are given more respect in the community. That is not fair.
- People need to understand the consequences of spending irrationally especially on wants, not needs.
- A lot of people follow the herd by spending money on things to be part of the group. They shouldn't need to.

Travel life and finance

- Some of us are saving for trips now for when we leave school.
- I will plan ahead when I intend to go overseas, to make sure I have enough money.

Transportation and finance

- Even though I can drive, I make conscious decisions to use public transport to save costs.

- Depending on where you work, you have to think about your transportation choices, because some costs are more expensive than others.
- There can be a peer pressure around transport choices, but you should make choices that are best for you.

Work life and finance

- When you start working, you should start thinking about and planning how you are going to manage that money.
- While at school it is important not to do too much casual work, as the priority is our education.
- You have to start learning about taxation and superannuation.

Building your wealth

- Schools don't do a good job explaining wealth concepts. It becomes a trial and error process when you are young.
- We may have to seek out people (mentors) who know what they are doing.
- I listen to audio tapes and read books, because there is nothing taught in school.
- It is possibly taught a little bit in business classes, but most kids don't do this. The reality is everyone should be learning about wealth.

Entrepreneurship

- Entrepreneurs should be financially literate because they are managing the money of the business.

Final messages - learning for life

- There should be a 'learning for life' orientation in all schools. I feel quite unprepared for school exit.
- Learning for life should be incorporated into all subjects with a greater focus on financial concepts.
- It can be really detrimental if we leave school without a good set of financial life skills.
- Just because we use financial technology, doesn't mean we understand it or can use it properly. We have to be very careful.

HAVING LESS MONEY AVAILABLE TO YOU, CAN FORCE YOU TO BECOME MORE FINANCIALLY CAPABLE!

Thank you to the students from Murrumbidgee State Secondary College for their time and insights.

DOES THE COLOUR OF YOUR CAR AFFECT INSURANCE?



Yes, it can! The reason colour affects the cost of car insurance is some colours and paints, like metallic and pearl shades, can be costly for the insurer to replace or repair. They also cost more and affect the value of your vehicle.

That being said, the answer isn't entirely black and white.

We dig into detail about:

- which factors affect your premium,
- how safe certain car colours are, and
- six of the stranger reasons why prices go up or down!

How does car colour affect your insurance?

There's a host of factors that can hike up your car insurance premiums. It could be that you drive V8-powered beast, or you're simply a driver under the age of 25. How much you drive, where you park overnight and your driving record can also all play a part.

If you think that's a lot to wrap your head around, you've only just scratched the surface into what goes into your car insurance premium.

What you might not have expected is that something innocuous like the colour of your car can have an impact on your insurance premiums.

Compare the Market's Head of Banking Rod Attrill explains, "Some insurers will take the colour of the car into consideration. This is mainly around the type of paint. For example, metallic paint can be more expensive than a standard colour and therefore the car may be more expensive to replace."

beyond paying more for a specific colour or metallic paint job when buying your vehicle from a dealership, the shade of the paint can be more expensive to repaint if scratched or damaged in an incident, and this can increase the price of your insurance.

What is the safest car colour?

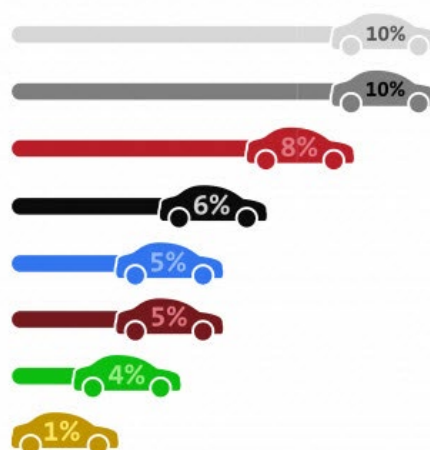
Are some car colours safer than others?

To find out, researchers Stuart Newstead and Angelo D'Elia from Monash University pored over the data and produced these results in their paper *An Investigation into the Relationship between Vehicle Colour and Crash Risk*.

Compared to white cars which, according to the report, are statistically safer in terms of crash risk, the following colours had their overall risk factor measured in percentages.

According to the data, silver and grey cars statistically pose the most risk of a crash overall, based on colour, compared to white cars.

Car Colour and Increased Crash Risk



Source: *An Investigation into the Relationship between Vehicle Colour and Crash Risk*. Stuart Newstead, Angelo D'Elia, Monash University Accident Research Centre, Monash University. 2007

The colour orange, however, was a safer choice than white, though Newstead and D'Elia note that there was more variation in the data for orange than some of the other colours. Additionally, different car colours that also posed less of a risk than white, such as yellow, cream and mauve, only made a small difference that wasn't deemed significant.¹

Perhaps unsurprisingly, silver and grey cars are the most likely to be in an accident, possibly because they have less visibility on road.

How much does the colour of your car affect your premiums?

¹ *An Investigation into the Relationship between Vehicle Colour and Crash Risk*. Stuart Newstead, Angelo D'Elia, Monash University Accident Research Centre, Monash University. 2007

“ESSENTIALLY, THE COLOUR OF YOUR CAR CAN AFFECT THE VALUE OF THE VEHICLE, THUS CHANGING THE PREMIUM.”

different coloured Volkswagen Beetles parked in a line

To take a look at just how much more different you could pay on insurance based on car colour, let's do some good ol' fashioned comparison.

The table below shows quotes* for the exact same make and model of car; a 2014 automatic Toyota Camry, driven by a 25-year-old male who parks it in the garage. All the details of the car and owner were kept the same – the only difference being colour.

Colour	Insurer 1	Insurer 2	Insurer 3	Insurer 4
White	\$613.43	\$637.97	\$644.10	\$711.86
Silver	\$625.34	\$650.35	\$656.61	\$725.65
Red	\$625.34	\$650.35	\$656.61	\$725.65
Grey	\$637.24	\$662.73	\$669.09	\$739.42
Black	\$637.24	\$662.73	\$669.09	\$739.42

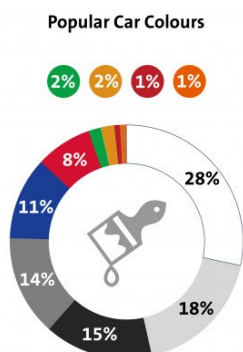
* Quotes sourced from Compare the Market's free comparison service on 19 June 2019.

Each of the insurance companies in the table above charged more for silver, red, grey and black compared to white. Depending on which colour the car is you could be paying over \$10 or \$20 a year more.

Bear in mind, as we have already mentioned, different factors will affect the cost of your car insurance premiums.

Top 10 popular car colours in Australia

Compared to the data above, what are the most popular car colours – based on those who used our comparison service? In 2018, the top 10 car colours* were:



* Based on car insurance quotes made through Compare the Market in 2018.

While the most popular car colour was white, with over one in four Aussies having chosen it for their set of wheels, the majority of our customer's other favourite shades were the colours which increase the risk of an accident and cost more to insure.

Other bizarre factors that affect car insurance

So, now you know that the colour of your car does affect your insurance, you might be wondering what else could change the cost of your premiums. You wouldn't be the only one.

This question came up as part of a Senate Inquiry into the general insurance industry in 2017, where it was revealed a variety of factors can affect the cost of car insurance. Some of these included:

- the colour of the car,
- your marital status,
- when you fill up your fuel tank,
- what groceries you buy,
- when you go shopping, and
- your address²

You might think that what you cooked for dinner or when you went shopping shouldn't matter, but it all provides information which can be matched to data gathered by the insurer to determine the risks involved and how much they will charge for cover.

Will this benefit your finances or hurt them? It could go either way. As noted by the Financial Rights Legal Centre in their submission to the 2017 Senate Inquiry, "The use of granular data may lead to more targeted (and lower) pricing for some consumers, but others will be left underinsured or uninsured."³

There can be trillions⁴ of different premiums for car insurance policies based on how much data insurers can gather.

You can influence some of these factors, and doing so can help reduce your car insurance premium, which you can learn about in our handy guide. **T**

² *Inquiry into Australia's General Insurance Industry: Submission to the Senate Standing Committees on Economics. CHOICE, Parliament of Australia, Australian Government. 2017.*

³ *Submission by the Financial Rights Legal Centre. Financial Rights Legal Centre, Parliament of Australia, Australian Government. 2017.*

⁴ *Senate Economics References Committee: Inquiry into Australia's General Insurance Industry. Allianz Australia Insurance Limited, Parliament of Australia, Australian Government. Page 14. 2017.*

*This article has been reproduced with permission of comparethemarket.com.au
www.comparethemarket.com.au/car-insurance*

FINANCIAL MATHS IS EVERYWHERE

I did not grow up with a passion for numbers, money or maths, but somehow, I have ended up in a career working in financial markets within the treasury of a bank. This was never my plan, nor had I specifically taken active steps to be in this position, but I can say that it has taken a bit of hard work, luck and reflection

I am the daughter of Sri Lankan immigrants. My father is a bus driver for the local council, and my mother is a retired family day care educator. I have an older sister and brother, both of whom were academically inclined, avid readers, sports players and musicians. We were a humble family when I was growing up in the southside of Brisbane, just trying to make our home in Brisbane, Australia.

Having overachieving siblings is hard! Try being Sri Lankan as well — it gets harder! Being mathematically inclined should have been in my blood — or that's what people would expect of me. Fortunately for my own sanity, I wasn't. I was interested in fashion, dancing, music and art. I read fiction novels to let my imagination run wild! I was creative, and I was on a mission to do something that mattered with my creativity.

When I decided my senior year subjects in high school, I remember thinking that there was no way I would end up at university doing a course that required me to complete complex maths, science and / or accounting! I was never going to be able to do it; nor did I ever have an interest in having a career in these fields. Boy was I wrong!

Maths is everywhere. More specifically, financial maths is everywhere. Don't freak out, in real life we do use calculators to help us along the way, and no, you don't need to be the class genius to figure this stuff out — but it is going to stick to you no matter where you go and what you do! You might say, "Well I'm going to be a photographer," and I'll respond, "Oh, does that mean you'll be working for yourself? Do you know the statistics of small business failures in Australia?" Well, if you don't know, it's high!

Let's take a step back. I'm not doing this to freak you out. I just want you to have what I didn't — an open mind. An open mind about trying things you might think you are not good at, or something you might struggle with. Unfortunately, that was me and numbers, but once you can get over a few hurdles, your confidence will grow and the rest won't seem so scary.

So, let's revert back to my first finding: financial maths is everywhere. You're probably thinking that someone along the line will teach you everything that you need to know about how to be a responsible adult. That is unlikely! One big thing about being an adult is that you become financially independent. That means you now have to manage your own money, do your taxes, stick to a budget and — if you're lucky enough to have money left over — develop an investment strategy. Some of you might end up running your own business, which is great, but that can also involve you doing



Nadine Mudalige

some heavy lifting on the math front. This comes to my second finding: it's important to uphold your own livelihood.

Now that we've established that financial maths is everywhere, and is important, you're probably wondering how to get better at dealing with financial maths and financial issues. Here are some small tips and things you can do now to help yourself:

Try a leadership role at school, or volunteer at community club

There is nothing more valuable than real-world experience. Leadership experience at school, or joining a community club, can be great places to start. Once you start being responsible for something, you'll be surprised at what you can achieve. I was lucky enough to be elected as the leader

**FINANCIAL MATHS IS EVERYWHERE....
IT IS WITH YOU WHEREVER YOU GO**

of a student society at university which came with 40 student members, a \$50,000 budget to manage, expenses to pay, income to generate, and also compliance commitments to adhere to. Never did I think I could do sales, marketing, accounting, finance, human resources and legal work all in one job! It was hard work, but I gained a whole new perspective from this role. It was also a great platform for me to spring into full-time work.

Don't believe everything you see

There is nothing worse than seeing everyone in your Instagram feed with the newest and greatest things. I used to envy all the fabulous clothes worn by a sweep of Instagram influencers (and I still do). Unfortunately for us, these clothes and things are usually sponsored. You can't have everything, but there is no shame in setting a goal and working hard for what you want! My dad always told us to never spend more money than you have, and he's right! So, don't buy these things on AfterPay, you'll regret it, and if you don't have the money to repay, you might cop some nasty fees and interest charges, and end up in a perpetual cycle of bad money decisions! Don't believe everything you see, folks.

Write down your financial goals

Circling back to working hard for the things you want, make sure you write them down! Make a motivation board or just plaster the list onto your debit card so you don't make any unnecessary purchases. It's important to have a clear idea about all your goals. Maybe you want to save for your schoolies trip, or have plans to travel after school... maybe you just want a new pair of funky shoes. Write these down, prioritise your list, and change it as your priorities change.

WHEN IT COMES TO MANAGING YOUR OWN FINANCES, ASK ALL THE SILLY QUESTIONS YOU WANT.

Ask silly questions

Finally, and most important... when it comes to managing your own finances, ask all the 'silly' questions you want. I have so many friends in their late twenties who still do not understand how their mortgage works, and they've moved into their homes already! I work at a bank and deal with financial products all the time, and there is no 'silly' question — trust me. That goes for other financial products too, including insurance!

When it comes to tax, I don't think I've met many people who know what they should be doing to create better tax outcomes for themselves... apart from my accountant. So, ask all the questions you want, and never accept an unsatisfactory response or one you don't understand. Dive into the detail, and question things that look weird or simply unethical.

There is no harm in trying different things. After studying public relations and marketing at university, I ended up working in a career in finance... and I don't hate it! To be honest, I challenge myself every day.

Who would have thought? I can still be creative — in my own way, and the work is so meaningful! Every day we're helping ordinary Australians buy their first or next home, get a new car, or support their business and staff. If you're like me, just remember — financial institutions need people like us to make things a little more interesting!

You might find a career in finance actually suits you perfectly. **T**

The opinions expressed in these articles are those of the author. Thank you Nadine.



**The professional
excellence pathway**

ONLINE COURSES

The Wealth Academy will soon make available to subscribed schools and the general community a series of online courses. While many courses will be available to access through the course website for the full year, most courses will only be made available for short durations of 1-2 months at a time.

Subscribed schools

A selection of courses will be made available free to subscribed schools. This will include:

- teacher or facilitator led mini-courses for each year level from Year 6 to Year 12. Each of these courses will have 10 topics.
- student self-education courses from Year 6 to Year 12. (Students do the course at their own pace and perhaps in their own time.)

These courses will have alignment to Australia's curriculum.

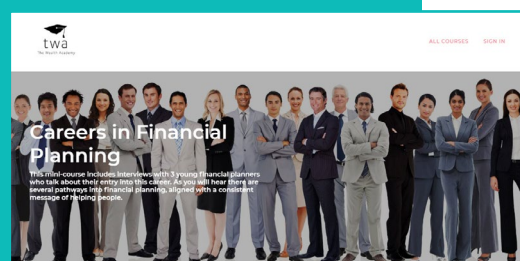


Career courses

The financial services industry is the largest employer in Australia, yet there are few resources for teachers to use to introduce students to the industry.

The Wealth Academy's industry partners have encouraged members to share their career steps and interests in financial services.

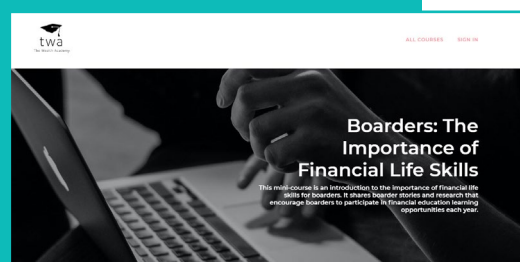
We will be including online course materials related to some of these industries -



Boarding houses

Boarding houses subscribed to our resource library will have free access to the online resources available to subscribed schools, as well as boarding specific courses.

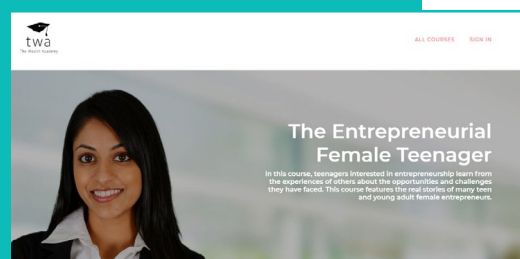
These will be made available from term 3, 2020.



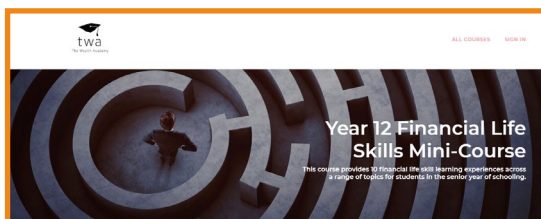
Special interest courses

We are committed to providing courses to match the needs for youth with various needs, backgrounds and interests.

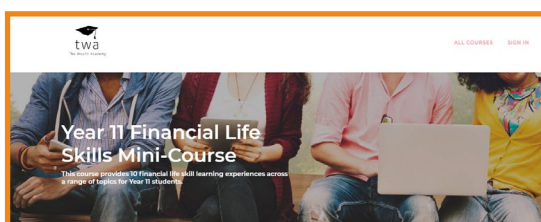
Here is one course with a specific focus we are currently building.



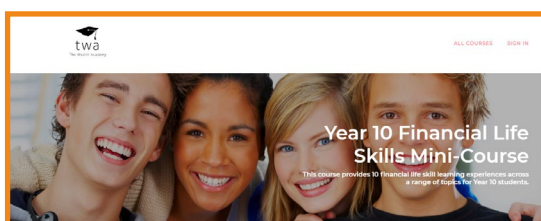
SUBSCRIBE TO THE E-NEWSLETTER TO KEEP UP TO DATE ON OUR SCHEDULED RELEASE OF ONLINE COURSES.



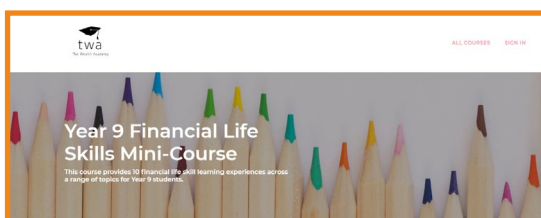
1. A question of trust
2. The cost of a new or used car
3. No place to be (Youth debt)
4. Importance of financial life skills
5. Your financial future
6. Teenagers and contracts
7. Develop your networks
8. Scenarios
9. Online shopping
10. Intelligence and wealth



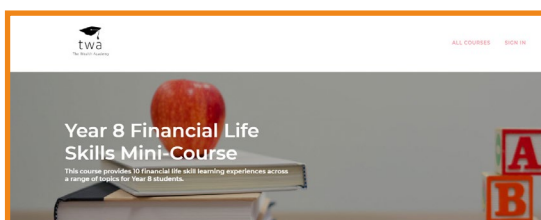
1. Asking questions is the secret to managing money
2. How do I prepare a budget?
3. 'Tap and go' cards: Stop and think
4. Costs and benefits
5. Solving problems through entrepreneurial behaviour
6. We all should have a financial license
7. Insurance: Theft, viruses and rock n roll
8. How could I invest \$2000 (2)
9. What is tax?
10. It's super to know about 'super'



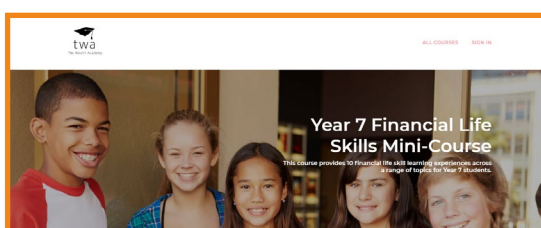
1. Managing money is worth celebrating
2. Choices: Using a budget
3. Credit or debit cards: The choice
4. The economics of 'today'
5. Benefits of entrepreneurial behaviour
6. Teenagers want to learn financial life skills
7. Goal setting is future thinking
8. How could I invest \$2000?
9. Wealth does not mean having a lot of money
10. Mobile 'phone shock'



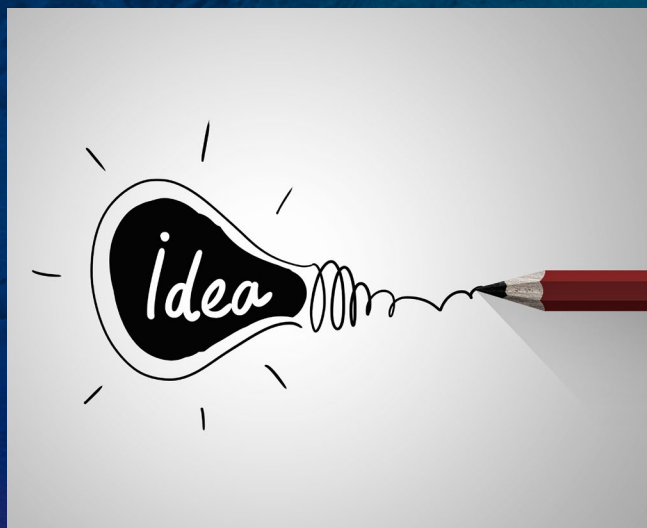
1. Your habits make a difference
2. How do I prepare a budget?
3. You will be a 'business', like it or not!
4. Young entrepreneurs
5. Decisions have consequences
6. Self-directed learning matters
7. Teenagers, saving and spending
8. Money can cause problems
9. A gambling problem – Gaming machines
10. Gaining and keeping work



1. Attitudes make a difference
2. Future financial capability
3. In tune with money
4. Jobs: do's and don'ts
5. My financial learning
6. On the street, off the street
7. Self-made millionaire
8. Using a budget
9. What is wealth?
10. Yes, no, maybe



1. Seven deadly money sins
2. Budget 50-20-30
3. Choices: Financial decisions
4. Financial learning is watering the tree
5. Hard work makes a difference
6. Invest in good saving habits
7. How to make money as a teen
8. Everyone needs mentors, including financial mentors
9. Starting your own business
10. Yes, no, maybe



LET'S COLLABORATE!

SEND US YOUR IDEAS

OFFER SOME PERSONAL STORIES

WANT TO DEVELOP A FINANCIAL GROWTH
MINDSET IN YOUR COMMUNITY?

TALK TO US

ONLINE COURSES

Subscribe to our monthly newsletter on our website homepage.

This is the best ways to keep up to date with our online course schedule and offering for students, parents, teachers and the financial service community.

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