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2008

## Financial literacy among university students: an Australian case study

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# **Financial literacy among university students: An Australian case study**

A thesis submitted in partial fulfilment of the requirements for the award of  
the degree:

**MASTER OF FINANCE – RESEARCH**

From the

**UNIVERSITY OF WOLLONGONG**

by

**SONIA BIRD**

Bachelor of Mathematics with a double major in Applied Statistics and  
Finance (University of Wollongong)

School of Accounting and Finance

2008

# **Certificate**

I, Sonia Bird, certify that this thesis has not been submitted previously as part of the requirements of another degree and that it is the product of my own independent research.

# Dedication

For Benjamin

I would not have achieved this without your eternal love, support and  
encouragement.

# Acknowledgement

I am sincerely grateful for the love, patience, understanding and encouragement of my husband Benjamin and my parents, Lavinia and Jim. Without their support, I would not be the person I am today and this thesis would not have been possible.

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# **Abstract**

Financial literacy has been defined by the National Foundation for Education Research as ‘the ability to make informed judgments and to take effective decisions regarding the use and management of money’ (Noctor, Stoney and Stradling, 1992, p. 4). This study investigates the financial literacy levels of Australian university students, using students studying at the University of Wollongong (UOW) as a case study.

An online financial literacy survey was distributed to all UOW students and was designed to collect extensive details regarding study characteristics, demographic characteristics, attitudes and perceptions, as well as testing knowledge and skills across a range of specific areas of financial literacy. In addition, the survey enabled a comparison between student’s own perceptions of their knowledge and/or skills and their actual demonstrated level of knowledge and/or skills.

From the survey results, it is concluded that while Australian university students have a satisfactory level of general financial literacy, there are particular areas where they scored low which need to be addressed. It is also found that low financial literacy is associated with students with certain demographic characteristics.

This research is extensive in both length and scope and attempted to fill in gaps in the current literature. It provides a valuable contribution to ongoing financial literacy research which can only continue to grow as a result of the increasing importance of personal financial literacy skills and knowledge in modern societies.



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