

Financial Literacy for Young People in Ireland

Financial literacy is a crucial skill that everyone should develop early in life. In Ireland, young people have an excellent opportunity to learn about money management through their local credit unions. These member-owned financial cooperatives offer a range of services that can help young people understand and manage their finances better. One of the most effective ways to kickstart this learning journey is by parents opening credit union accounts for their children from a young age.

The Importance of Financial Literacy

Financial literacy encompasses a broad range of skills, including budgeting, saving, investing, and understanding credit. For young people, mastering these skills early can lead to better financial decisions in adulthood. Here's why it's important:

- 1. Building Good Habits:** Learning to save and budget from a young age helps establish good financial habits that can last a lifetime.
- 2. Avoiding Debt:** Understanding how credit works can prevent young people from falling into the trap of excessive debt.
- 3. Making Informed Decisions:** Financial literacy enables young people to make informed decisions about their money, such as when to buy, when to save, and when to invest.

How Credit Unions Can Help

Credit unions in Ireland are well-positioned to support financial literacy for young people. They offer a variety of services and educational resources tailored to young members.

- 1. Youth Accounts:** Many credit unions offer special savings accounts for children and teenagers. These accounts come with no fees and if over the age of 12 a current account which also comes with no fees attached.
- 2. Student Loans:** When the time comes that you are looking for a loan credit Unions offer loan interest rate Student Loans along side, all of the other standard loan rates.
- 3. Community Focus:** Being community-oriented, credit unions provide a personal touch that large banks often lack. This community focus can make financial education more relatable and engaging for young people.

Benefits of Opening a Credit Union Account for Your Child

Parents play a pivotal role in fostering financial literacy in their children. By opening a credit union account for your child, you can provide them with practical, hands-on experience in managing money. Here are some benefits:

- 1. Early Savings Habit:** With their own savings account, children learn the value of setting aside money regularly.
- 2. Understanding Money Management:** Handling their account helps children understand basic financial concepts such as deposits, withdrawals, and loan repayments.
- 3. Financial Independence:** As they grow older, having a credit union account can help children transition to managing their own finances independently.

Steps to Open a Credit Union Account for Your Child

Opening a Progressive Credit Union account for your child is a straightforward process:

- To open an account for a minor under 16 you need to call to any of the branches with the following:
 - **Passport** or **birth certificate** for the child.
 - The **child's P.P.S. number** on an official document.
 - €10.00 to lodge into the account.
- Plus the regular documentation for the parent opening the account.
 - **Photo ID** - valid passport or driver's licence.
 - **Proof of Address** - utility bill , bank statement or Government document dated within the last six months.

Please note: if your surname is different from your child's, their birth certificate WILL be required.

Conclusion

Financial literacy is a key life skill that can significantly impact a young person's future. In Ireland, local credit unions are valuable allies in teaching children and teenagers how to manage their finances wisely. By opening a credit union account for your child, you're not only helping them develop good financial habits but also setting them up for a secure and prosperous future. Start today and watch as your child grows into a financially savvy adult.

By incorporating these practices and resources, parents in Ireland can ensure their children are well-prepared to face the financial challenges of adulthood with confidence and competence. Your local credit union is here to help every step of the way.