



45–50 mins.



Secondary (8–10)

Different ways to pay

In this lesson students learn about the pros and cons of various payment options, what happens to their money, different consumer products and where to go for more information.

Outcomes

Students:

- recognise payment options that suit their circumstances
- understand options when choosing financial products
- know where to go for trusted information

Curriculum links v9.0

Mathematics

AC9M8N05

AC9M8M07

AC9M9M04

AC9M9M05

AC9M10A04

HASS

AC9HE10K03

Technologies

AC9TDI10P13

AC9TDI10P14

Arts

AC9TDI10P02

General Capabilities

Digital Literacy

Locate information Level 5–6

Numeracy

Proportional thinking Level 5

Understanding money Level 9 and 10

Other resources

Video – Choosing a bank account (1.14)

Loans – Moneysmart.gov.au

Getting started (20mins)

What do I do with my money?

Open a conversation with your students:

- what do you do with your money?
- what do you spend your money on?
- what do your parents/family pay for?
- what types of accounts do they have?
- why is opening an everyday debit account AND a savings account a great way to manage your money?

Have your students watch this video - [Choosing a bank account - YouTube \(1.14\)](#).

Ask your class to recount their day and pinpoint every time they used money, a financial product, or a service. For example:

- paid cash
- used online shopping
- checked a banking app
- used a transport card
- made a transaction
- borrowed money
- received a payslip
- paid tax
- made an investment

Then watch this video: [Making money decisions - YouTube \(1.11\)](#). What decisions are your students making?

Discovery (25 - 30mins)

Know my payment options (see Worksheets below)

Exercise 1: Students match advantages to the payment type.

Exercise 2: Students match disadvantages to the payment type.

Exercise 3: Students research and match the help available depending on their issue.

Exercise 4: Students calculate best buys.



Different ways to pay

Extension (15mins)

Influences on decisions and prices

- Ask students to reflect and list the criteria they use when they buy a wanted item of clothing or footwear (e.g., cheap price/sale, brand, fit/style, quality, reputation, reviews, trend).
- Ask students to discuss what influences them to spend more on an item.
- Research one of the topics listed below and deliver a 5-10 minute presentation on how your chosen topic influences the cost of products/services.
 - › inflation
 - › the environment
 - › interest rates
 - › other (agreed by student and teacher)

NB - These discussions and activities may lead to units on advertising and marketing concepts, ethical perspectives, and consumer rights.

Discovery exercises



Do I know my payment options?

Exercise 1

Below is a list of advantages associated with different payment options. Write which one of these payment types (credit card, debit card, personal loan, cash, interest-free deal, buy now pay later, bank's mobile app) best matches each advantage.

- | | | | | | | |
|-------------|------------|---------------|------|--------------------|-------------------|-------------------|
| Credit card | Debit card | Personal loan | Cash | Interest-free deal | Buy now pay later | Bank's mobile app |
|-------------|------------|---------------|------|--------------------|-------------------|-------------------|

Advantage	Payment type
I can receive the product quickly. Instead of paying the full amount upfront, I can make regular payments to pay it off over a few weeks.	
I have instant access to funds up to a fixed limit. This is arranged through a contract with a lender like a bank. This payment option can be used to make purchases online and face-to-face.	
I can take my purchased item(s) home and not pay any interest by paying back what I spent within the interest-free period.	
I use my own money, so I don't pay any interest. It links to my bank account, and I can use it to make both online and face-to-face transactions.	
I still get to use the item immediately, but the money I use isn't mine. I sign a contract with a lender to pay back the money. The interest I pay will depend on how much I borrow and how long it takes me to pay back the loan.	
I use my own money, and as soon as I make a purchase it is clear what I have left in my account. This makes it easy to keep track of how much I have spent. I can use it in most face-to-face transactions.	
I don't have to carry around cash or cards.	

Exercise 2

Below is a list of disadvantages associated with different payment options. Write which one of these payment types (credit card, debit card, personal loan, cash, interest-free deal, buy now pay later, bank's mobile app) best matches each disadvantage.

Credit card Debit card Personal loan Cash Interest-free deal Buy now pay later Bank's mobile app

Disadvantage	Payment type
If I don't have enough money in my account I can't purchase the item, especially when buying things online.	
It can be used to pay for bigger purchases, but it takes time to apply and get approved each time.	
Useless if my phone runs out of battery.	
I could pay almost 30% interest if I don't pay the full amount within the interest-free period.	
It is untraceable, so if I lose the receipt, I have no proof of payment. I cannot use it to shop online.	
I pay a penalty fee if I don't make all repayments on time.	
Interest rates are high so if I only make the minimum repayment, it will take years to pay off my purchases.	

Exercise 3

For each of the following issues (left), match who can provide unbiased information or help (right). You may need to research this.

I am having difficulty paying off a debt	Australian Tax Office (ATO)
I don't know if I'm getting paid the right amount	Consumer protection agency in your state or territory
I need career advice	SkillsRoad
I'm not happy with a purchase and want to make a complaint	Fair Work Ombudsman
I think my employer is deducting too much tax from my pay	National Debt Helpline

List two actions you could take if you're unable to pay a bill or repay a debt?

- 1.
- 2.

Exercise 4

3. Which of the following should NOT be done before purchasing a mobile phone on contract?
 - a. Read the terms and conditions
 - b. Check that the plan meets your monthly calls, messages, and data needs
 - c. Ignore the information about the costs if you go over the limit for calls, messages, and data
 - d. Compare the plan with other providers to check that you are getting the best deal
4. You want to buy a special gift for your three friends for Christmas. Which of the following deals offers the cheapest option to buy your three gifts?
 - a. \$74 each – no other special offer
 - b. \$90 each – pay for two, get the third one free
 - c. \$95 each – 20% off marked prices till Sunday
 - d. \$86 each – buy one get one half price
5. Which one of the following offers the cheapest price per can of soft drink?
 - a. 24 cans for \$15.90
 - b. 10 cans for \$6.95
 - c. 30 cans for \$19.90
 - d. 1 can for \$2.80



Do I know my payment options?

Exercise 1

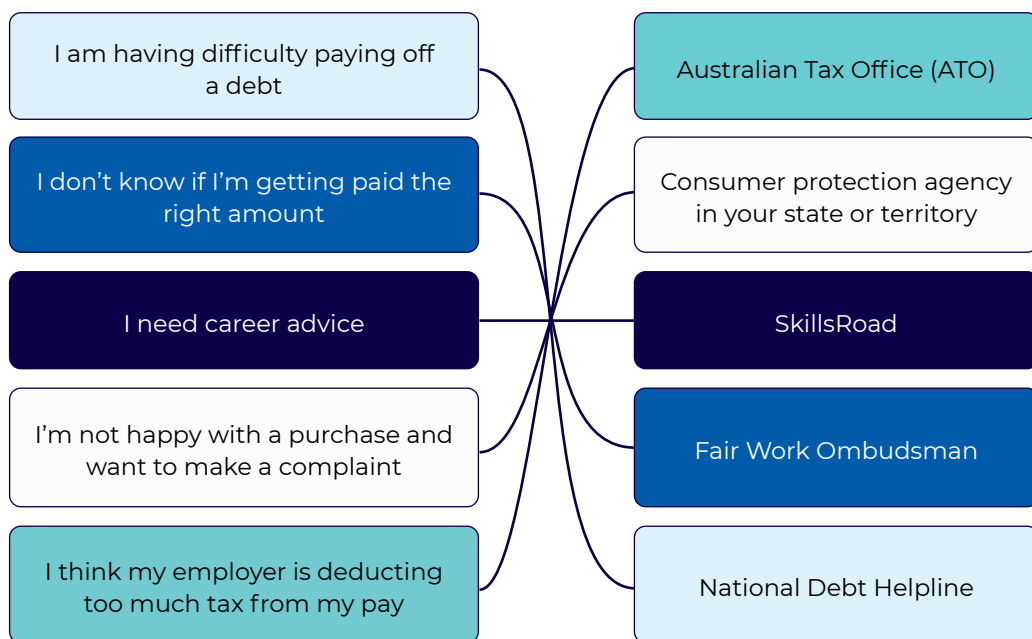
Advantage	Payment type
I can receive the product quickly. Instead of paying the full amount upfront, I can make regular payments to pay it off over a few weeks.	Buy now pay later
I have instant access to funds up to a fixed limit. This is arranged through a contract with a lender like a bank. This payment option can be used to make purchases online and face-to-face.	Credit card
I can take my purchased item(s) home and not pay any interest by paying back what I spent within the interest-free period.	Interest-free deal
I use my own money, so I don't pay any interest. It links to my bank account, and I can use it to make both online and face-to-face transactions.	Debit card
I still get to use the item immediately, but the money I use isn't mine. I sign a contract with a lender to pay back the money. The interest I pay will depend on how much I borrow and how long it takes me to pay back the loan.	Personal loan
I use my own money, and as soon as I make a purchase it is clear what I have left in my account. This makes it easy to keep track of how much I have spent. I can use it in most face-to-face transactions.	Cash
I don't have to carry around cash or cards.	Bank's mobile app

Exercise 2

Disadvantage	Payment type
If I don't have enough money in my account I can't purchase the item, especially when buying things online.	Debit card
It can be used to pay for bigger purchases, but it takes time to apply and get approved each time.	Personal loan
Useless if my phone runs out of battery.	Bank's mobile app
I could pay almost 30% interest if I don't pay the full amount within the interest-free period.	Interest-free deal

Disadvantage	Payment type
It is untraceable, so if I lose the receipt, I have no proof of payment. I cannot use it to shop online.	Cash
I pay a penalty fee if I don't make all repayments on time.	Buy now pay later
Interest rates are high so if I only make the minimum repayment, it will take years to pay off my purchases.	Credit card

Exercise 3



Exercise 4

- Which of the following should NOT be done before purchasing a mobile phone on contract?
 - Ignore the information about the costs if you go over the limit for calls, messages, and data
- You want to buy a special gift for your three friends for Christmas. Which of the following deals offers the cheapest option to buy your three gifts?
 - \$86 each – buy one get one half price
- Which one of the following offers the cheapest price per can of soft drink?
 - 24 cans for \$15.90