



45–50 mins.



Upper Secondary

The cost of cars

In this lesson students learn about car ownership in Australia and the real costs of buying and running a car.

Outcomes

Students:

- explore car ownership statistics in Australia
- understand the range of decisions people make about transport
- calculate and compare costs of transport
- make informed decisions on additional extras and insurance costs

Curriculum links v9.0

Mathematics

[AC9M9M05](#)

[AC9M9ST05](#)

[AC9M9ST03](#)

HASS

[AC9HE10K03](#)

[AC9HG10K04](#)

Technologies

[AC9TDI10P01](#)

[AC9TDI10P02](#)



General Capabilities

Digital Literacy

Locate information Level 6

Managing online safety Level 6

Numeracy

Interpreting and representing data Level 5 and 6

Understanding Money Level 10

Other resources

[eSafety checks \(pink slips\) | Service NSW](#)

[Student life and money - Moneysmart.gov.au](#)

A car is often the first big purchase someone makes. Having a car can be essential for employment and means greater independence, but there can be hidden or unfamiliar costs.

Getting Started (25 mins)

Car ownership in Australia

In small groups ask your students to use [Australian Bureau of Statistics data](#) or [NEVDIS | Austroads](#) (National Exchange of Vehicle and Driver Information System) to find out:

- How many cars are registered in Australia? How does this compare to the adult population?
- What is the most popular make of vehicle? Why is it popular?
- Which states and territories have had the biggest increase in car registrations? Why do they think some states had more registrations than others?
- How has the introduction of electric vehicles impacted Australia? How does this compare to other countries?

Students might present their findings in a graph or table.

Open a discussion about the things people might consider before buying a car:

- What would they use a car for? How often would they use it and how far would they travel each week? Why does this matter?
- Would they get a new car or a used car? What are the pros and cons of each?
- What type of car would they need (e.g., size, model, fuel type)? Why might this matter?
- What influences someone's decision to purchase a particular type of vehicle?
- What 'extras' might someone add to their car that changes the car's functionality or appearance? (The cost of these are explored further below).

Discovery (35 mins)

Exploring costs

- Give your students 60 seconds to list the initial and ongoing costs associated with owning a car. Share the longest list. This can be played as a version of the game *Scattegories*.



moneysmart
.gov.au



The cost of cars

- Have students download: [Moneysmart cars app](#). This will help them:
 - › work out the real cost of buying and running a car
 - › avoid common car buying traps and identify hidden costs
 - › find alternate ways to finance a car.
- Ask your students to complete the activity more than once, selecting a different sort of car (e.g., new or used car, electric or hybrid car, new luxury car) and compare the costs. Discussing and investigating how electric, hybrid car, luxury car, sports or modified cars might impact on costs, is a consideration for extension.
- What are some additional costs that aren't essential? What do extras like spoilers and rust proofing provide? Are the extras value for money? [Here](#) is a comprehensive list to encourage further discussion.
- From print media or online ask students to choose a real option or a dream car. Using the Moneysmart [savings goal calculator](#), ask students to work out how long it would take them to save for the car of their choice. Compare payments with a car that students might be able to more easily afford.
- Have students research the costs of alternative transport to a destination they travel to regularly. If they chose to rely on other transport, would this be cheaper over time? What would be the difference in cost? Some results are surprising. This can be prepared as a spreadsheet or table.

Extension

- Have your students investigate [insurance](#) in more detail to understand [add-on car insurance](#) costs and whether extra insurance is value for money.
- Have students review the Extras-Warning section on the [Moneysmart cars app](#) and explore loan options to understand how loans can impact costs.
- Do your students know that insurance costs vary considerably depending on age, location, model of car and modifications? (Why is this?) Research whether insurance costs also vary according to gender. What will your students pay when they begin driving their own car? Compare the insurance payments from various providers. Which was the cheapest?
- Ask your students in small groups to research:
 - › The car models that were once manufactured in Australia.
 - › Why car production was moved overseas.
 - › How this impacted Australia, economically, culturally, internationally.
 - › Which models once built in Australia are still being manufactured and why?