
Can we blame parents, gender-role attitudes, or both for the financial literacy gender-gap? Exploring evidence of gendered socialisation and transmission of financial skills

Paul Gerrans*¹ and Ingebjorg Kristoffersen²

¹University of Western Australia – Australia

²The University of Western Australia (UWA) – Crawley, WA, Australia

Abstract

Financial literacy among young adults is low, with evidence suggesting it is declining, with the largest decline for young adults. Studies have also pointed to a significant, and persistent, gender-gap in financial literacy. The gender gap is also largest for younger age-groups, possibly due to gender stereotypes. An important source of both is parents. We use Australian data to investigate whether financial literacy transmission, as observed via parent-child associations, is gendered. We find it is, with young women's financial literacy more strongly associated with that of their mothers, and similarly for young men with their fathers. Further, we find parents' gender-role attitudes moderate gendered associations. Mother-daughter financial literacy associations are significantly stronger when mothers hold progressive gender-role attitudes. Conversely, father-son associations are stronger when fathers hold traditional gender-role attitudes. We find significant efficiencies in transmission where both parents have high financial literacy. Alignment in gender-role attitudes enhances mother-daughter associations but weakens mother-son associations.

*Speaker