



Welcome to the Reserve Bank of Fiji's Public Awareness column. Over the next few weeks we will cover a series of articles on financial education in Fiji and how it contributes to financial inclusion.



FINANCIAL EDUCATION EMPOWERS GIRL STUDENTS

In an affluent urban school like Yat Sen Secondary School, students Tegumailagi Toganivalu and Ca Kie Zhong are the exception, not the rule. Many of their peers come from families with businesses and are given substantial amounts of pocket money. Not so for these two.

Tegu and Ca Kie have been helping out at home and doing little odd jobs in their spare time to earn spending money, and are managing to save a fair chunk of it. Tegu, a year 10 student, has been banking \$1000 every six months from babysitting, baking and tutoring. Ca Kie, a Year 11 student, has managed to save \$300 from the money she earns through her family's vegetable garden.

But this wasn't always the case. Since 2013, an Australian government funded Financial Education (FinEd) programme in Fiji schools has been empowering students like Tegu and Ca Kie to become more financially competent.

Rather than be taught as a standalone subject, FinEd has been integrated into English, Mathematics, Social Studies, Commercial Studies, Accounting and Economics. It teaches students how to be financially competent by showing them how to manage their money and invest. Recent interviews of primary and secondary school students in Viti Levu and Vanua Levu showed that a significant number of female students are developing critical financial skills and showing a particular aptitude for entrepreneurialism.

At the secondary school level, students learn about income and money management, managing risk, financial planning, and wealth creation. For example, Year 9 students learn the benefits of spending money wisely in great detail, looking at how to construct budgets and develop more awareness around the factors influencing spending, purchasing and saving as well as the opportunity costs associated with each.



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Using what she has learnt in class, Tegu now sets a weekly budget each Monday, which helps her stay on track with her financial goals, one of which is to visit her aunt in Vanuatu. She tries to save at least \$3 a day. It's not always smooth sailing, she says. "If I see the money jar getting full, I have the urge to spend. But prioritising my needs and wants comes in really handy."

Similarly, Ca Kie also sets a weekly budget that she tries to stick to. "I hardly change it unless there is something I have to do, for example, we had a cooking practical for Home Economics last year where we had to pay for our own ingredients. I had to use money from my budget, so I had to adjust it a bit." While she struggles with impulse buying, Ca Kie recently achieved a short-term goal to save up for a new calculator for school. She says: "Through Financial Education, we've learnt how to manage our finances and earn little bits of money to help ourselves and our families."

It's no secret that there are fewer women in formal employment in Fiji. A 2012 survey examining the financial competency of low income households in Fiji confirmed this, finding "significantly fewer women than men receive wage or salary income (33% of women versus 55% of men). The study also found that there is a gender difference in respect to perceptions of who is responsible for the management of household income.

Women appear to consider they have a less active role in the management of household income, whereas only 54% of women stated that they or their spouse were responsible for the management of household income.

Despite this, the study found that women were significantly more likely to state they tried to put money aside for their household's regular expenses. Women also performed better at financial competency than men. The practical skills such as saving, income generation and financial goal setting that female students like Tegu and Ca Kie are picking up in Financial Education should help improve the overall financial competency of themselves, their families, and their communities in years to come.

FinEd is an initiative under the Pacific Financial Inclusion Programme, a regional effort helping low-income households gain access to sustainable financial services and to empower consumers through Financial Education. In Fiji, FinEd is led by the Reserve Bank and implemented by the Ministry of Education, who believe that through improved financial competency, young women and men will leave school with the necessary skills, knowledge and behaviours to enable them to interact confidently with the financial economy and to contribute positively to their families, the community and the country.

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