



RESERVE BANK OF FIJI



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.

Building better futures, a cent at a time

For school teacher Mr Sosiceni Nawaqaliva, teaching iTaukei secondary school students about personal money management hits close to home. As the Head of Commerce at Nasikawa Vision College in Korolevu, Nawaqaliva is reminded of his own upbringing in Lautoka and the lessons he learned from his mother about the value of money, when he is teaching his students Financial Education.

Founded in 1995 by the Korean Methodist Church, Nasikawa started off as a bible and vocational school for local youth and to aid the local community and became a secondary school in 1997. Today, there are a total of 162 students enrolled through Years 9 to 13, of which 156 are iTaukei and hail from villages along the Western coast of Viti Levu.

Mr Nawaqaliva has been teaching Financial Education (FinEd) to Nasikawa students since 2013 as part of an Australian government funded programme in collaboration with the National Financial Inclusion Taskforce that focuses on learning around personal money management and investment. The main goal of the FinEd programme is financial competency, meaning that through the programme, Mr Nawaqaliva's students will gain both skills and knowledge around money and its management.

"My own Financial Education started at home with my mum," he says, "who ran a household of seven people on \$70 a week. But the funny thing was that everyone came to borrow at our house. They were earning more but they were borrowing from us."

He notes that the Financial Education being taught in Fiji classrooms (as part of English, Mathematics, Social Studies, Commercial Studies, Accounting and Economics rather than as a standalone subject) is already having an impact on students and their village communities. "Being across from Navola Village, FinEd has made us look at our communal spending habits, when money is spent and what it is spent on," he says. Based on this, students have been learning about prioritisation, differentiating between needs and wants, spending income wisely and maximising their income through savings and investments for the benefit of their families and their communities. This has been particularly valuable, given that FinEd learning is delivered over 12 years of schooling from Year 1.

For many students, savings is an easy entry point to learning more about money management. Mr Nawaqaliva says the savings activity has also sparked a competitive spirit in students who try and outdo each other through the amounts they save. It also encourages his students to identify possible income generating projects to enhance their savings. He has noted a shift in behaviour from spending towards saving, with



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one of his students being able to save \$224 in a single term, after never having saved before in his life.

At Nasikawa Vision College, students are encouraged to keep their savings at school for a whole term, at the end of which their money is returned to them. When this happens, what Mr. Nawaqaliva has found is that the students spend a small amount at the school canteen then give the bulk of their money to their parents.

A few of the students have put their savings towards income generating activities such as buying saddles for horse-riding tours for tourists in the area. “We won’t see the effects right away but in years to come,” says Mr Nawaqaliva. “We’ll see a rise in the quality of houses that are here and we’ll see people with cars. My students know that saving and planning their finances can help them achieve all these things after setting short term and long term goals. These children carry whatever skills we have taught them back into their villages,” he says.

Studies conducted on financial competency between 2009 and 2012, have found strong links between financial competency and household wellbeing. They also found that of all the various ethnic groups in Fiji, iTaukei in particular, struggle with managing their money. However, children such as those at Nasikawa Vision College have the ability to change this status quo and are demonstrating that this change is slowly beginning to happen.

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 literacy. In Fiji, it is implemented by the Reserve Bank and 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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