



FINANCIAL EDUCATION TEACHES CHILDREN TO SAVE

It's a simple action. The act of not spending all of the money you have. This small change in behaviour can lead to bigger things like having money for unexpected events, saving towards a specific goal and investing. Things that can lead to a more financially secure future.

For rural primary school head teacher, Mr Johnson Rura, in Lomaivuna, Naitasiri, it is seeing this small change in his young students that gives him hope for their future. Using simple classroom exercises, Rura teaches Year 3 students at Lomaivuna Settlement School about the value of money, saving, spending wisely, setting financial goals and managing financial risks.

Eight-year-old Jone Veibataki, is one of Mr Rura's students. His favourite subject is Mathematics and he wants to be a pilot when he grows up. Since learning about saving at school, Jone has been putting aside some of the pocket money he receives, towards school materials and airfares for a trip to Australia. Jone has an aunt in Suva who also gives him pocket money when he helps with chores at her home, "Saving will help me with my needs and school materials for next year."

Rishika Chand, also eight, is Jone's classmate. Her father works on the family farm while her mother looks after the home. Rishika has been saving a portion of her pocket money and putting it in a moneybox at home. So far she has managed to save \$50. Rishika's grandmother taught her how to count change but not all of the students at Lomaivuna Settlement School come equipped with basic money handling skills.

Since 2013, primary and secondary school students all over Fiji have been learning about personal money management and investment through a Financial Education (FinEd) programme, which has been integrated into the Fiji school curriculum. Funded by the Australian government, the main goal of FinEd is financial competency, not just knowledge generation but behavioural change, which Jone, Rishika and their peers (as well as their families) are beginning to demonstrate.

Mr Rura has observed a change in his students. Where they would previously spend all of their money at the school canteen, after learning about saving in class, the students now put some of their spending money aside. "They've slowly gotten into the habit of saving," he says, adding that collectively the students saved and donated \$245 towards relief efforts for victims of the recent cyclone Winston.

Financial Education in schools is also having a positive flow-on effect on teachers and parents. Mr Rura says teaching Financial Education has made him better manage his own money. After thinking about it for years, he has been able to save up and buy a new vehicle. "It's changed my mindset," he says. "To not only spend because we are into the culture of spend, spend, spend, but now we also have the culture of saving."

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Since learning about saving in school, eleven-year-old Yash Singh, a Year 6 student at Gram Sangathan School in Tailevu, has been encouraging his father, a secondary school teacher, to quit smoking. The link? Yash believes his father could save quite a bit of money by year's end if he gives up the costly habit. Of course, there are the obvious health benefits associated with not smoking as well.

So far Yash has managed to save \$36. In addition, he has started growing okra, pumpkins and beans to sell to teachers at school. What may be a small amount to an adult is a large one for a child. More than the amount, what's more significant is the shift in behaviour it's brought about in Yash, who's gone from spending his whole daily allowance and constantly asking his parents to buy things for him, to now consciously saving every day, taking up activities to earn extra money, setting financial goals for the things he wants and slowly working towards them. These critical skills will serve him well now and in years to come.

Seeing the change in her son has inspired Mrs Singh to save towards her family's future as well. Together, she and Yash are raising ducks to sell, the proceeds of which they will share, she says, "What Yash learns at school is reinforced at home. We try to help him identify the good and the bad aspects of spending money. We encourage him to use his money wisely and save".

Thanks to Financial Education, primary and secondary school students all over Fiji are developing the habit of planning ahead, saving and investing wisely. According to a Ministry of Education report, the total value of junior secondary school students' savings alone, increased to \$628,398 in 2014, a 38.6% increase from \$453,302.87 in the previous year. This progressive change in the students' behaviour bodes well for their collective futures.

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 behaviour 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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