

Rundheersing Bheenick: Bank of Mauritius – improving financial literacy

Transcript of impromptu remarks by Mr Rundheersing Bheenick, Governor of the Bank of Mauritius, at the prize-giving ceremony to reward record-setters and champions of the 2011 Inter-Youth Championship as well as winners of the Monetary Policy Challenge and Essay Competition, Port Louis, 20 December 2011.

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Thank you all for honouring us with your presence here this afternoon.

I can safely say that when I came here five years ago, this kind of event would not have taken place. You would probably never have been invited to the central bank, for the central bank was a very closed institution. It dealt only with banks and not with anything else.

For our 40th anniversary in 2007, we decided to open up gradually. Part of that opening up was to reach out to other operators in the economy beyond bankers. We thus started the dialogue with private sector operators and real sector operators. While we were doing that, we thought we should also reach out to the younger generation. We launched several initiatives. We opened up the Bank to financial education and financial literacy and to many things which the Bank had never done before, for example the creation of a Bamboo garden. I am happy to say that gradually, staff started embracing the concept of Corporate Social Responsibility (CSR) within the Bank itself. And what we are doing today, guiding the tentative steps of the young in the direction of a brighter future, is precisely in the context of CSR.

We believe strongly in what we are doing. We believe that inspecting banks, keeping them well-capitalized and well-supervised, is not enough. We must educate you and inform you of what we are trying to do – we must have informed citizens.

Most people have not even heard of the central bank and when they happen to hear about it they hear bad things. When the press expects the central bank people to reduce rates, they are hiking up rates; when commentators on radios expect them to do one particular thing, they are doing the opposite. But when you look back over the years you find that the economy and the financial sector have been quite stable, and inflation is more or less tamed. So, the central bank people have not been doing things so badly after all. We are not as bad as you might tend to believe if you only read the press or the boohoos all day long on the different radio stations.

We hope that you, young people who participate in our Monetary Policy Challenge will help us to get our message across much better and in a more efficient manner.

I understand that the Monetary Policy Challenge, now in its fifth year, has been attracting more and more participation. Originally, we were not very sensitive to the academic year and the claims that having to sit for exams had on your time. Gradually, we learnt to live with your programme, hence the wider participation. We are glad to see so many of you and I want to congratulate all the winning teams. This year, on the boys' side the two Royal Colleges have doubled the top prizes and on the girls' side, it's all Loreto and nothing else. So I look forward to more competition for both the boys' side and the girls' side.

Competition is what keeps us going. Competition is what makes the country more efficient. Competition is what makes our bankers more efficient. A more informed citizen, a more financially-literate customer base is what is required in our country to make sure that our banks do not make what I call "supernormal profits".

We also welcome the young athletes who participated in the Interclub Youth Championships – the other part of our CSR outreach. Our athletes have been doing very well. Some of the early winners in the first year have actually made the whole country proud by turning in an excellent performance at the last *Jeux des Iles*¹. And I understand from my good friend Vivian Gungaram² that we have high hopes for a few who are present here. He even mentioned one to me as a future Buckland³. I hope that those dreams will be realized and we at the central bank are very happy to accompany you for part of that journey.

We have a record number of records established this year. The year before we had 10 records established. This year I understand 14 records have been established. That's what I mean when I tell you that you must become more efficient and more competitive.

So, thank you very much Mauritius Athletics Federation for the work that you are doing and for which I encourage you. We hope that we have still better performance, bringing a rich harvest of gold medals next time not just bronze.

Good luck therefore to our young athletes who are here, to your parents and your mentors. I say bravo, well done and wish you to persevere in your sporting career. And you can rest assured that your Bank will continue to take care of its major business which is to take care of the value of the rupee. I think we have taken a fairly good approach to it so far – the rupee has been quite stable and I see no reason why it should not continue on that track.

I would like to thank all those who have participated in these competitions, all those who made the competitions possible, all those who marked the papers, Deputy Governors and my colleagues from the Bank who participated in the different activities that led up to making all this possible.

Let me wish you all – the teams, parents, teachers, everybody dear to you, a very merry Christmas and a happy new year.

Thank you for your attention.

¹ The *Jeux des Iles* (games of the islands) of the Indian Ocean is a multi-sport competition whereby athletes from the various islands of the Indian Ocean meet since 1979. They are held every four years and are currently gathering seven delegations: Mauritius, Seychelles, Comoros, Madagascar, Mayotte, Reunion Island and the Maldives.

² Mr Vivian Gungaram is the Secretary of the Mauritius Athletics Association.

³ Stephan Buckland is a retired Mauritian track and field athlete who competed in the 100 and 200 metres. In 2001, Buckland became the first athlete in history to win the 100m, 200m and the 4x100m relay at the Francophone Games in Ottawa, Canada.