Tharman Shanmugaratnam: MoneySENSE launches new programmes to reach more Singaporeans

Speech by Mr Tharman Shanmugaratnam, Deputy Chairman of the Monetary Authority of Singapore, at the launch of the MoneySENSE 2006 Roadshow, Singapore, 31 March 2006.

Distinguished Guests
Friends from NTUC and various community organizations
Ladies and Gentlemen
Boys and Girls

Introduction
1. I am pleased to launch the inaugural MoneySENSE 2006 Roadshow, which seeks to bring financial education to Singaporeans from all walks of life.

MoneySENSE has done well
2. MoneySENSE is on a roll. Since its launch in October 2003, it has seen over 140 talks, seminars and workshops on financial education, attracting over 15,000 participants. It has also published 16 consumer guides with a total circulation exceeding one million.

3. These achievements are results of collaboration between government, industry, community groups and our media partners. I encourage MoneySENSE to build on and expand these strong partnerships, and bring financial education to even more Singaporeans.

4. Let me now touch on a few new programmes that MoneySENSE has lined up this year.

MoneySENSE launches new programmes to reach more Singaporeans

MoneySENSE 2006 Roadshow
5. Today’s MoneySENSE 2006 Roadshow presents simple financial education messages and tips to adults and children through fun activities. A simple game of shooting basketballs into nets from different distances is used to highlight risk-return tradeoffs. There is also a supermarket contest to illustrate the importance of spending within your budget, plus a chef to show you how you can cook up a storm without spending a bomb.

6. There are plans to bring these activities to other parts of Singapore, and several community centres are in discussions with MoneySENSE.

Important Role of Media
7. The media is still the most effective channel for financial education. In the national financial literacy survey conducted by MoneySENSE, 54% of the respondents said they were interested to learn about financial education through mass media.

8. I am glad the local newspapers have been very supportive in running MoneySENSE articles on a regular basis. The Straits Times, Lianhe Zaobao and Berita Harian have been doing so regularly for more than two years. Other publications like Today and Smart Investor have also begun to run regular MoneySENSE columns. I would like to thank all of you for partnering us in this important effort, and I would like to see this continue.

9. MoneySENSE will soon launch a TV game show requiring participants to make financial decisions such as on whether to purchase certain items, whether to take on more credit, whether to take up insurance and whether to invest in certain financial products. A preview of this new TV game show will be staged at this Roadshow on Sunday. So look out for this sneak preview.
10. These are all good initiatives. But our financial education outreach can progress faster, and reach many more people, if we make the most of our collaborations with the unions, community centres and other organisations are here today. I encourage all of you to work with MoneySENSE to bring financial education to residents in your neighbourhoods, to your workplaces, and to your members. In this regard, I am happy to know that NTUC is planning to organise MoneySENSE programmes for its members.

MoneySENSE encourages students to be ambassadors of financial education

11. It is also important to begin young. The Ministry of Education (MOE) has promoted financial literacy in schools so that students get a basic sense of money matters and of the need to save and spend wisely, from young. Financial education messages are taught through subjects such as Social Studies and Civics and Moral Education at the primary and secondary levels. Our teachers have also been given resources and training to enable them to deliver financial literacy lessons effectively. (One of the resources well-received by teachers is a CD-ROM entitled ‘Promoting Financial Literacy in Schools’ which comprises illustrations and case-studies to facilitate class discussions on financial literacy matters and issues. Workshops focusing on hands-on activities are also conducted annually to enhance teachers’ competency in financial literacy.)

12. About 30 schools, through MoneySENSE, have enhanced their financial literacy programmes by conducting enrichment activities. These include interactive board games on prudent money management, workshops on financial matters such as debt, insurance and financial planning and inter-school financial literacy competitions. To date, over 4,000 students had participated in such activities.

13. Today, I'm pleased to announce a new programme to encourage students who have attended MoneySENSE activities arranged by their schools to be "MoneySENSE Ambassadors". This includes the many students here today for the inter-school MoneySENSE games competition.

14. Having learnt some basic money management skills through the workshops, I hope you will use these skills and pass them on to your friends. An important step towards good money management is to plan your expenditure and savings. As "MoneySENSE Ambassadors", you will first draw up your own pocket money budget. You can do so with the MoneySENSE pocket money budget available on the MoneySENSE website. Encourage your friends to also take the first step in managing their money and draw up their own pocket money budgets.

15. Of course, it is not only about drawing up a budget. After you have drawn up your budgets, remember to monitor your expenses and spend within your means. It is a simple discipline that's really worth putting into practice from young.

The MoneySENSible Awards

16. Some may think that financial planning is only for the rich. This is a big misperception. Regardless of our backgrounds and jobs, it is important to set our financial goals and map out how we intend to achieve them. The earlier we start, as individuals and as families, the easier it is to achieve our financial goals.

17. This Roadshow features posters of Singaporeans, from celebrities to the man-in-the-street, who share how they manage their money. It's worth reading the tips and messages they share and see how they can be applied in your lives.

18. I am also pleased to announce that in the coming weeks, MoneySENSE will launch a series of MoneySENSible awards. MoneySENSE will partner with the media on this. We will ask all of you to nominate people you know whom you think are doing a good job in managing their money. The awards will recognize individuals who have good and sensible habits in each of the three tiers of financial literacy: in basic money management: in financial planning, and in investments. Details will be announced in the next few weeks.

Consumers need to take the initiative too

19. Each of us as individuals have to take responsibility for our own financial well being, and that of our family. We can start by getting basic knowledge on money matters. Lack of knowledge often
results in bad decisions, which can hurt your financial situation. So we are bringing knowledge to more people. I understand that several financial planning associations, the Securities Investors Association of Singapore (SIAS) and Singapore College of Insurance (SCI) are working with MoneySENSE to deliver talks at various community centres. MoneySENSE is also partnering the Association of Banks (ABS) to run talks on credit management, the Life Insurance Association (LIA) and General Insurance Association (GIA) to deliver seminars on insurance, and the Investment Management Association of Singapore (IMAS) and the Singapore Exchange (SGX) to present talks on the basics of personal investing.

20. You can also find a wide range of tools to for self-learning. For instance, the CPF Board has several online calculators to help you plan for your retirement and housing needs. MoneySENSE has worksheets to help you draw up your family budget and assess your debt commitments. There is also a MoneySENSE guidebook to explain commonly used terms in financial documents that you may encounter.

Conclusion

21. I wish you an enjoyable time at the roadshow. Enjoy the activities. Most important of all, let’s all use the tips and lessons we learn in your daily lives.