



# National Financial Literacy Strategy

## The Australian Experience

Air Commodore Robert Brown AM FCA

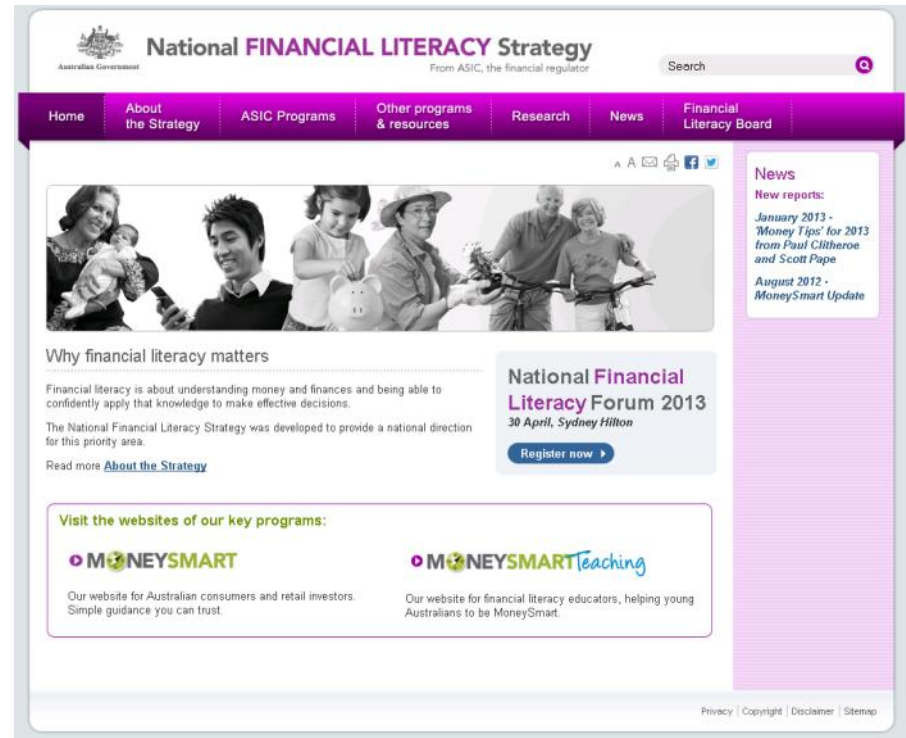
International Seminar on Financial Education and Retirement Savings  
September 2013, Kuala Lumpur, Malaysia

# Today I will cover:

- Australia's National Financial Literacy Strategy
  - progress to date
  - 2013 review
- ASIC's flagship initiatives under the Strategy:
  - MoneySmart website
  - MoneySmart Teaching

# National Financial Literacy Strategy

- Australia's National Financial Literacy Strategy
- Collaborative partnership work across many sectors
- Review in 2013



[www.financialliteracy.gov.au](http://www.financialliteracy.gov.au)



**National Financial  
Literacy Strategy**

# Financial Literacy & Behavioural Change

- Australians have differing attitudes to financial matters and varying levels of financial knowledge.
- Knowledge alone is not enough
- Best practice principles for financial literacy evaluations and measuring impact are still developing

# What do we know about Australians' Financial Literacy?

- ANZ Survey on Adult Financial Literacy in Australia
  - 2011, 2008, 2005, 2003
- Differences in financial literacy are correlated with :
  - Age
  - Financial knowledge and numeracy
  - Financial attitudes
  - Household income
  - Education
  - Occupation



# Core elements of 2011 Strategy

- Using educational pathways to build financial literacy
- Providing Australians with trusted and independent information, tools and ongoing support
- Recognising the limits of education and information and developing innovative solutions
- Working in partnership and promoting good practice

# School education:

- Financial literacy in schools, fits into new Australian Curriculum
- From ages 5 to 16
- 2 Phases; Phase 1: pilot involving 90 schools; 8,000 teachers trained so far

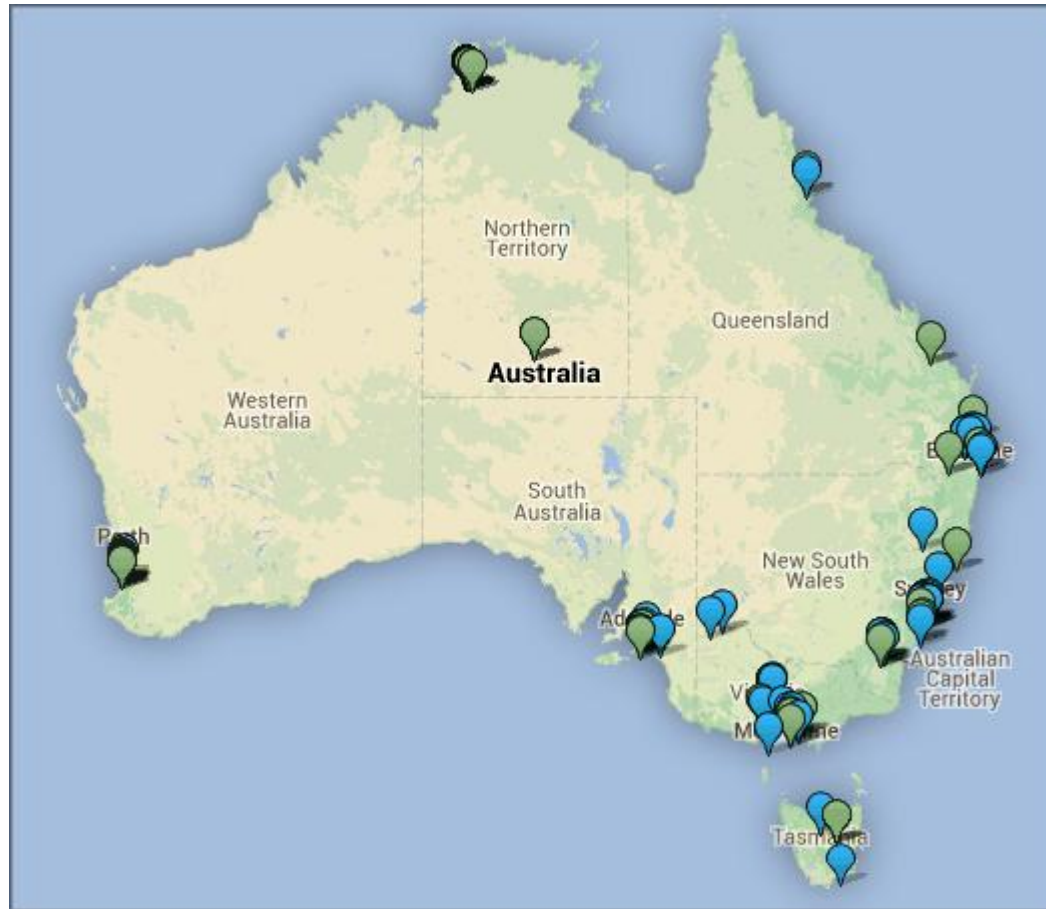


The screenshot shows the MONEYSMART Teaching website. At the top left are the Australian Government and ASIC (Australian Securities & Investments Commission) logos. The MONEYSMART Teaching logo is prominently displayed. To the right are links for 'About us' and 'Contact us', and a search bar. Below the header is a blue navigation bar with links for 'Home', 'Background', 'Professional learning', and 'Resource centre'. The main content area features a banner with a photo of a teacher and two children, with the text 'Helping young people be MoneySmart'. To the right of the banner is a 'Resources for' section with a list of categories: Primary teachers, Secondary teachers, Aboriginal and Torres Strait Islander students, Gifted and talented students, Parents, and Community educators. At the bottom right of the screenshot is the Australian Government logo.

# Financial literacy in the curriculum

AGE	SUBJECT	Description
5 – 16	Mathematics (Money and Financial Mathematics)	Core content - mathematical foundations of financial literacy
5 – 16	English, Science	Optional - Cross-curriculum approach
10 – 13	Economics & Business (compulsory)	Consumer and financial literacy – core content
15 +	Economics & Business (elective)	Consumer and financial literacy – a core content

# Phase 1: Pilot in 2012



# Professional learning

- Face-to-face workshops using 'train the trainer model'
- Interactive online modules as an alternative
- Trained 8,000 teachers so far
- Ideal objective: to reach 40,000 teachers over next 4 years





# website

- Teaching and learning hub
- Lesson plans
- 20 digital learning objects
- 23 videos
- Links to other key resources

The screenshot shows the MoneySmart Teaching website homepage. At the top, there are logos for the Australian Government, ASIC (Australian Securities & Investments Commission), and MoneySmart Teaching. A search bar is located in the top right corner. Below the logos is a navigation menu with links for Home, Background, Professional learning, and Resource centre. The main content area features a large banner with the text "Helping young people be MoneySmart" and an image of a teacher and two students. Below the banner are several sections: "Hot topics" with links to "Primary teaching package" and "MoneySmart Schools"; "Australian curriculum" with a link to "This website includes resources to support Phase 1 of the new Australian Curriculum"; "Welcome educators" with a link to "Greg Medcraft, Chairman, Australian Securities and Investments Commission, welcomes educators in a keynote address to ASIC's MoneySmart Schools Teacher Training Conference held in Adelaide August 8 and 9."; and "Calculators & tools" with a link to "Includes loan calculators and planning tools". On the right side, there is a "Resources for" sidebar with links for Primary teachers, Secondary teachers, Aboriginal and Torres Strait Islander students, Gifted and talented students, and Parents.

[teaching.moneysmart.gov.au](http://teaching.moneysmart.gov.au)



## Phase 2 : National roll out

- Train 6,000+ more teachers per year
- More classroom resources for teachers
- Promotion to stimulate demand



# Evaluation

## *MoneySmart Teaching*

ASIC has contracted the Australian Council of Education Research (ACER) to:

- evaluate the pilot phase
- recommend how we might track long term behavioural change

## PISA

- Australia is also participating in PISA financial literacy testing in 2012 & 2015

# MONEYSMART website

- ASIC's consumer website launched March 2011
  - [www.moneySMART.gov.au](http://www.moneySMART.gov.au)
- A central part of Australia's National Strategy
- User-focused, practical and interactive
- Information presented in different ways: case studies, videos, calculators
- Makes the behaviour change easy





**ASIC**  
Australian Securities &  
Investments Commission

**MONEYSMART**  
Simple guidance you can trust

My account [Sign up](#)

Search

- Home
- Managing my money
- Borrowing & credit
- Superannuation & retirement
- Investing
- Scams
- Tools & resources

A A



# New rules for credit cards

[Find out more](#) ▶

## Hot topics

**Credit card calculator**

Find out how much you can save in interest

▶

**Avoiding scams**

Our top tips to beat the scammers

▶

**Car loans**

Test drive your options

▶

**Investment seminars**

How to see beyond the hype

▶

## What's new

### ▶ **Paying for your funeral**

Thinking about [paying for your funeral](#)? We explain the options.

### ▶ **New report on investment fraud**

Read the Australian Crime Commission's [new report on investment fraud](#). Find out more about [investment scams](#).

### ▶ **Scott Pape explains credit card rules**

Watch the [videos of Scott Pape](#) explaining how the new credit card rules give you more control of your card and help you compare cards.



## Calculators

- ▶ Budget planner
- ▶ Money health check
- ▶ Mortgage calculator
- ▶ Superannuation
- ▶ Retirement planner
- more calculators...

## Quick links

- ▶ Unclaimed money
- ▶ Publications
- ▶ Financial counselling
- ▶ Unlicensed companies list
- ▶ Report a scam
- ▶ Check ASIC lists
- ▶ Other languages
- ▶ eNewsletter

## Information for:

- ▶ Under 25s
- ▶ Over 55s
- ▶ Families



# MONEYSMART use and user surveys

- Reaches over 500,000 people in an average month
- 6.25 million unique visitors since launch (March 2011)

	January 2013
Awareness (among adult Australian internet users)	25%
Visited MoneySmart website (among adult Australian internet users)	8.5%
Took action after visiting MoneySmart	88%

# Actions after visiting MONEYSMART

- 9 in 10 visitors say they took a positive action to improve their finances

Kept a closer eye on spending	39%
Shopped around for a better deal	31%
Prepared or updated a budget	29%
Increased the amount I saved	29%
Became more alert about or avoided scams	25%
Reviewed my financial situation	23%

## Is your super on target?

### Got enough super?

Get MoneySmart and work out if you have enough super.

Here's what you can do.

- ↳ [Use our retirement planner](#)
- ↳ [Boost your super savings](#)
- ↳ [Work out how much income you need](#)
- ↳ [Think about your life expectancy](#)
- ↳ [Get advice](#)



### Use our retirement planner

Whatever your age and no matter how much money you have, now is the time to start building your super. Make a few small changes and watch your super money grow.

[Retirement planner ▶](#)

The retirement planner shows you:

- How to look at your situation and make improvements
- What income you're heading for in retirement
- How to boost your super savings

# MONEYSMART retirement planner

First name (optional)

Sex  Male  Female

Age

Retirement age

Annual income (before tax)  \$70,000

Current super balance  \$100,000

Employer contributions  
(If self employed choose 0%)

Do you make extra super contributions?  Yes  No

Are you a home owner?  Yes  No

Do you have a partner?  Yes  No

Next >

# Changes you can make



# Action checklist

## Katie and scott's action checklist

### Summary

Income goal: \$94,000  
Estimated income: \$43,519  
**Gap: \$50,481**



The changes you made:

- Contribute more to your super
- Check fees
- Check investment options



New goal: \$70,000  
Potential income: \$63,045  
**New gap: \$6,955**

### Action checklist

#### Contribute more to your super

- Contact your payroll office to setup your super contributions. The following smart mix of payments will give your super the biggest boost:

**You contribute:**

\$152 per fortnight before tax (salary sacrifice)  
\$0 per fortnight after tax

**Scott contributes:**

\$0 per fortnight before tax (salary sacrifice)  
\$0 per fortnight after tax

- Use the 'how to' steps on setting up super contributions for help on how to make this happen

#### Check fees

# MoneySmart's other programs

- Facebook, Twitter, YouTube
- 75 publications
- Key supporter of MoneySmart Week: early September each year



# 2013 Review of the 2011 Strategy

- Consultation process April – end July
  - National Forum
  - Consultation paper
  - Stock take survey.
- Aiming for a refreshed Strategy to be released in early 2014.

# 2014-16 National Strategy

- Strengthening partnerships (within and across sectors)
- Strong themes:
  - Educating the next generation – scaling up efforts
  - Extending access to unbiased information, tools and resources
  - Providing targeted guidance and support
  - Improving research, measurement and evaluation to guide good practice and support innovation.

# Any questions?



[feedback@financialliteracy.gov.au](mailto:feedback@financialliteracy.gov.au)



# National Financial Literacy Strategy

## The Australian Experience

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