

Financial numeracy: in whose interest?

Sue Gunningham

ANZ Community Relations

This workshop dealt with some of the issues associated with financial numeracy and the impact of lack of it on groups within society..

In May 2003 ANZ conducted Australia's first national survey of adult financial literacy. The research identified a strong connection between socio-economic status and financial capability in Australia. Those groups most at risk were:

- Those with lower education levels
- People outside of employment or with lower incomes
- People with low savings
- People aged between 18-24 years and those over 70 years.

In response to these findings, ANZ has developed a range of financial literacy programs targeted primarily at improving the financial literacy of those people identified as most at risk. ANZ believes that improved financial literacy within the community, particularly for the target audience, will have long-term benefits for the community overall. In addition, an informed, empowered clientele promotes competition between financial institutions and leads to improved services for all customers.

Saver Plus

Saver Plus is a financial literacy and matched savings program that was trialed with 262 families during 2003-2004. The program was developed in partnership with community educators in non-government charity organizations. Participants undertook to save consistently for a specified period toward an identified goal. They also completed five 2-hour financial literacy workshops during the saving period. 257 families successfully completed the program and their savings were then matched on a 2:1 basis by ANZ. Over 92% of families achieved their saving goal. More than 72% showed a consistent savings pattern during the program compared to 39% prior to being accepted into the program (24% of the successful families had never saved prior to being involved in Saver Plus).

MoneyMinded (www.moneyminded.com.au)

This adult financial education program again relies on community educators and financial counsellors to deliver the program to low-income earners. It was developed by ANZ and the NSW Dept of Education & Training and an advisory committee featuring nominees from the Australian Financial Counselling & Credit Reform Association (AFCCRA) and the Aust. Securities & Investments Commission (ASIC).

The flexible program allows educators to use any or all of the 17 workshops in whatever way they see as appropriate. The workshops aim to help adults improve their financial knowledge and build their confidence in how to manage their finances. MoneyMinded is not ANZ branded and does not promote any financial services or products.

The trial of MoneyMinded commenced in 2004 and ANZ has the aspiration that 100,000 people will participate in training by the end of 2010.

ANZ is also currently sponsoring the development of a MoneyMinded for Youth package aimed at students in their final years of secondary education.