

FinLit targets workplaces

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Despite all the focus on school programs, its workplaces are leading the charge towards financial literacy across Australia, said Paul Clitheroe, chair of the Financial Literacy Foundation.

Businesses such as Flight Centre and Australia Post are leaders in their field, he said. Flight Centre provides compulsory financial planning for every staff member. The enterprise policy was introduced after they found financially secure workers were more productive.

Other companies following suit are ANZ, Unilever, Westpac and the Commonwealth Bank in offering staff education programs.

Clitheroe said companies now see financial literacy as a matter of corporate responsibility. He said it is pleasing to see such an attitude turn around as the old managerial attitude of "Financial literacy is not our problem – it's our employees' problem" no longer applied.

Reinforcing this workplace drive, Linda Elkins, director of retirement services at Russell Investment Group, said even their staff had to undergo regular financial literacy training after the company found many were looking for such education.

But the biggest challenge for



Paul Clitheroe

financial literacy advocates is that financial complexity is growing faster than consumers and educators can keep up with it, "Aussies today are 100 per cent better with money than they were 20 years ago ... [but] the financial system is 500 per cent more complicated."

The Foundation began developing its workplace programs mid-last year to implement industry standards but industry focus is still overweight on schools initiatives. It produced a corporate financial literacy booklet and online resources, like its Master Builders Association program to implement a pilot financial literacy program for their Canberra members and apprentices.

In comments sure to be welcomed by education professionals who are being bombarded by

interest groups trying to influence curriculum development, often with little awareness of modern educational benchmarks and best practice, Clitheroe said childhood financial literacy was not just a scholastic responsibility.

This much broader focus is why the Foundation is now carrying out its own survey of 7,500 people, aged between 12 and 75, to more accurately determine Australia's levels of general financial literacy and their attitudes towards money.

Nonetheless, the Foundation has scored a major coup in its agreement with Federal, State and Territory education departments to introduce an integrated financial literacy program for all school children from years three to nine, starting next year.

The program will embed financial literacy programs into existing subjects such as mathematics and possibly English as well. People in the financial sector "speak a different language", said Clitheroe.

Will Morony, executive officer of the Australian Association of Mathematics Teachers, said, "Financial literacy will always be multi-dimensional, and achieving these goals of course requires cross-curricular and collaborative approaches." The Foundation, however, needs to liaise more closely with professional teaching associations, he said.

Meanwhile, school curriculum policy development is becoming a hot political issue as even the Australian Chamber of Commerce and Industry has advised the Government in a recent submission "that there needs to be a concentration on the basics of English, reading, writing and maths for every child in order for them to achieve their optimal progress in their primary years."

The Foundation's focus on financial literacy as being about encouraging sensible financial decision making among consumers confirms that superannuation should be seen as only one of its many topic areas. The Foundation's website lists 11 major areas. Retirement planning is topic number 11. ■