

SPEECH BY RADM (NS) LUI TUCK YEW, MINISTER OF STATE, MINISTRY OF EDUCATION, AT THE CLOSING OF THE CPF-MONEYSENSE ITE EDUCATION OUTREACH ON 1 NOVEMBER 2007 AT 2.30 PM AT ITE COLLEGE EAST SIMEI

Mr Bruce Poh, Director & CEO, ITE,

Distinguished Guests,

Ladies and Gentlemen,

Good afternoon.

INTRODUCTION

1. I am pleased to join you at the closing event of the CPF-MoneySENSE ITE Financial Education Outreach programme. I am heartened to see so many young adults here today.

2. I met some of the students manning the booths at the foyer and they told me how much they have learnt and benefited from the programme. I would like to commend CPF, MoneySENSE and ITE for collaborating on this meaningful project to educate our ITE students on managing their personal finance.

IMPORTANCE OF FINANCIAL EDUCATION FOR YOUTHS

3. I know that many of you here are presently working part time. Some of you do so to fund your education, others to earn extra allowance and others to supplement your family's income.

4. You are already taking your first steps towards financial independence. However, with this comes greater responsibility. You will need to develop sound financial habits and manage your spending well.

5. The key issue is not whether you think your salary is enough. Human nature, personal aspiration, our own sense of self-worth all combine to tell us that we should be earning more. Rather, it is how you decide what to do with your salary. It is not how much you earn, but how much you save and invest that makes a difference to how sound your financial position is. The more careful we are with our spending, the earlier you start saving, the stronger our eventual position.

6. In a year or two, most of you will enter the workforce or be enlisted for National Service where you will be earning a salary. It is not uncommon to hear of young people who have spent beyond their means after they have received their pay cheques. When I was in the Navy, I used to work with many young adults like you. I have seen young adults spend well beyond their means. Sometimes to acquire material possessions, at other times because they are tempted to bet on the outcome of soccer matches. Some resort to 'maxing' out their credit limits to support a lifestyle that is financially unsound, borrowing money that subsequently land themselves in financial and emotional difficulty. These situations can be avoided if we all take a more mature approach towards managing our monies.

BRINGING FINANCIAL LITERACY TO STUDENTS IN CREATIVE WAYS

7. I understand that ITE has been taking steps to enhance the financial literacy of its students. For example, the topic on personal financial management was introduced formally into the ITE curriculum in 2005. This has become an important component in the ITE's Lifeskills modules which is available to students from all the three colleges. In addition, this year, over 7,000 ITE students participated in the CPF-MoneySENSE programme. Together these measures will better prepare all of you both before and when you enter the workforce.

8. Financial education, however, need not be confined only to the classrooms. In today's carnival, the *my cpf* Voyage of Life online game competition and the sharing by practitioners in the financial sector are also various innovative means of teaching financial concepts to our students. At this juncture, I would like to commend the three ITE Colleges for coming together to spearhead this innovative programme.

9. I am also pleased to hear that this programme does not end here. ITE will strive to sustain this effort and explore further collaborations with MoneySENSE and CPF to create a more experiential learning journey for students. This could be done via online materials and games to complement the teaching of Lifeskills in ITE.

STEPPING OUT TO SHARE FINANCIAL EDUCATION MESSAGES

10. I am also happy to learn that ITE students will be helping to spread financial education messages to the masses. They will set up a few MoneySENSE game booths at the coming Active Ageing Carnival, organized by the Council for Third Age, on 18 November at Dhoby Ghaut. This will be a good opportunity for ITE students to share what you have learnt about money matters with members of the public.

CONCLUSION

11. In conclusion, I would like to encourage all of you to take proactive steps to learn more about managing your own finances and to take control of your financial future. More importantly, let's all start using the tips and lessons that we have learnt from this event in our daily lives.

12. Thank you.