



ASIC

Australian Securities & Investments Commission

MoneySmart Rookie campaign launch

*A speech by Peter Kell, Deputy Chairman,
Australian Securities and Investments Commission*

University of Technology, Sydney

18 June 2013

CHECK AGAINST DELIVERY

Opening remarks

Thanks, Aldi, for that introduction.

And thank you Uncle Chicka Madden for your warm welcome to country. I acknowledge that we have gathered today on Aboriginal land – the land of the Gadigal clan of the Eora nation – and I pay my respects to their elders past and present.

As Aldi just noted, I have devoted a great deal of my professional life to consumer protection. ASIC's commitment to financial literacy reflects our goal of creating confident and informed consumers and investors. Promoting financial literacy has been an Australian Government priority for more than eight years, one that is shared by all political parties.

One result of this commitment to financial literacy is MoneySmart, ASIC's brand for helping people with their personal money issues. Starting in 2011, MoneySmart has delivered:

- an award-winning consumer website;
- a website for educators known as 'MoneySmart Teaching'; and
- a broad set of publications.

For years, we have worked hard to reach a wide range of Australians, young and old; rich and poor; metropolitan, rural and remote. Already, a quarter of adult Australians have heard of MoneySmart.

To build on this, I am very pleased to launch MoneySmart Rookie, ASIC's financial literacy initiative for young people aged 16 to 25.

Young Australians are savvy consumers. They are highly engaged with technology, they prefer direct and friendly communication and do not respond well to fear-based messages.

Our research tells us that young people often have difficulty knowing the difference between 'needs' and 'wants' – sometimes we all struggle with that! They do not necessarily know how to save money. In other words, they often lack basic money management and budgeting skills. They access credit, but do not understand their rights and responsibilities when they do. What does a contract mean? What do they do if they have problems repaying debt? Where do they seek help? Who can they trust to give proper advice?

As much as we want to help them, most young people do not think of government as the first place to get information and advice.

When making decisions with financial implications, young people are vulnerable to making beginner – or ‘rookie’ –errors. This is completely understandable, because most knowledge comes from the experience of having done something before.

When young people experience ‘transition moments’ along the path to adulthood, they are open to seeking and accepting advice.

With MoneySmart Rookie, our goal is to help young people make smart financial decisions. We not only want to raise their awareness, we want to motivate them to manage their money with confidence. That is why ASIC has produced this array of tools and resources geared to the first time financial events that young people experience:

- Getting a credit card
- Buying a car
- Moving out of home
- Buying a mobile phone
- Starting a job
- Shopping or banking online.

When young people do these things for the first time, that’s when they can use some help.

There are almost 3.3 million young Australians aged between 16 and 25, and no single organisation or communications channel can reach all or even most of them. That’s why we have created materials for three channels.

For young people, we have tips on the MoneySmart consumer website ‘under 25s’ section that they can use directly.

For people who work with under 25s – youth and community workers, mentors, student advisers and others – we have a comprehensive set of educator resources. These are on the MoneySmart Teaching website, with some in print.

For teachers of Years 9 and 10 students, we are creating lesson plans and resources that align with the national curriculum. These will be available next month.

MoneySmart Rookie has been a massive undertaking, involving 22 educational videos, an enhanced section on ASIC’s MoneySmart website, six community educator guides, six teacher lesson plans and six interactive audio learning tools. We are also publishing the community educator guides and the DVDs, to be available for situations where internet access is limited.

That, ladies and gentlemen, is MoneySmart Rookie. After the conclusion of today's formal proceedings, you will have the chance to view these materials and talk with the ASIC staff who helped to create them.

Before I introduce one of our educational videos, I want to acknowledge the presence today of a number of people and organisations that have worked closely with ASIC over the years and including on this project:

- Members of the Australian Government Financial Literacy Board
- Australian Defence Force Financial Services Consumer Council
- Australian Automobile Association
- Australian Youth Mentoring Network
- Beacon Foundation
- Australian Youth Affairs Coalition
- NSW Department of Education and a number of the 'MoneySmart schools', and
- Today's host institution, the University of Technology, Sydney.

I am also particularly pleased to welcome a number of representatives of 'Youth off the Streets', one of the many community organisations that assisted us in piloting the MoneySmart Rookie materials.

Now, have a look at the MoneySmart Rookie video on credit and debt, subtitled 'Credit Hangover'.