



AUSTRALIAN GOVERNMENT

National Financial Literacy Strategy

National Financial Literacy Strategy 2014–17: Action plan



ASIC

Australian Securities & Investments Commission

Contents

About the action plan	1
Key strategic priorities, actions and indicators	4
1. Educate the next generation, particularly through the formal education system	6
2. Increase the use of free, impartial sources of information, tools and resources	7
3. Provide quality targeted guidance and support	8
4. Strengthen co-ordination and effective partnerships	9
5. Improve research, measurement and evaluation	10
Other useful information	11

About the action plan

Framework for cross-sectoral action

This action plan is a companion document to the *National Financial Literacy Strategy 2014–17* (2014–17 Strategy) published by the Australian Securities and Investments Commission (ASIC).¹

Consistent with its statutory objective to promote the confident and informed participation of consumers and investors, ASIC is the Australian Government agency with lead responsibility for financial literacy. It is committed to raising awareness of financial literacy and its benefits and creating opportunities for Australians of all ages and backgrounds to increase their understanding of financial issues, manage financial risks and make the most of their money.

The 2014–17 Strategy aims to improve the financial wellbeing of Australians by advancing their financial literacy. The strategy recognises that all levels of government, financial institutions, large and small businesses, community organisations and the education sector have a valuable role to play in building the financial literacy of Australians. It is designed as a practical framework for action, encouraging active participation and providing scope for both new and existing initiatives.

The action plan is published, together with a list of supporting organisations, on the National Financial Literacy Strategy website at www.financialliteracy.gov.au.

The plan is designed to be flexible and may be revised at any time in response to changes in the external environment and/or to reflect progress made on specific actions.

Core principles

The 2014–17 Strategy is underpinned by the following core principles:

- ◆ **Shared responsibility:** Improving financial literacy is a shared responsibility across the Australian government, business, community and education sectors.
- ◆ **Engagement and effectiveness:** An approach tailored to life stage or personal circumstances can help motivate Australians to build financial literacy and manage their money effectively.
- ◆ **Encouragement of good practice:** Open sharing of knowledge about lessons learned from financial literacy initiatives contributes to improving evaluation and measurement capability and practice.
- ◆ **Diversity and inclusiveness:** Programs and information, tools and resources must be delivered in an accessible form, recognising the different ways people learn, so that all Australians can participate.

¹ The *National Financial Literacy Strategy 2014–17* (ASIC REP 403) is available at www.financialliteracy.gov.au.

Five strategic priorities

This plan describes indicative actions for ASIC and relevant stakeholders under the five strategic priorities set out in the 2014–17 Strategy: see Figure 1.

Figure 1: Strategic priorities 2014–17



The first three strategic priorities focus on building the capacity of individuals, families and communities. The other two provide direction to organisations involved in financial literacy research, policy development and program delivery. The context and rationale for each of the strategic priorities is outlined in the 2014–17 Strategy document.

Co-ordination and reporting

Implementation of the 2014–17 Strategy depends on a concerted approach involving many stakeholders. ASIC will work closely with the Australian Government Financial Literacy Board and liaise with relevant stakeholders to oversee implementation of the action plan and provide an annual report on progress.

Measuring progress

Financial literacy is not just about increasing knowledge of money matters and financial products, it is also about building the capabilities of individuals, families and communities to take action towards achieving greater financial wellbeing.

Behavioural economics tells us that people make financial decisions due to a wide range of behavioural, psychological, situational and environmental factors and biases. The multiple factors influencing financial behaviour and outcomes make it difficult to measure actual changes in behaviour.

The key indicators under each of the five strategic priorities represent a first step towards collecting some baseline information that will assist in measuring progress over time.

The ANZ Survey of Adult Financial Literacy in Australia (ANZ Survey) will continue to be a key reference point for observing changes in Australians' financial literacy over time against the behavioural indicators identified in 2011:

- ◆ Keeping track of finances
- ◆ Planning ahead
- ◆ Choosing financial products
- ◆ Staying informed, and
- ◆ Financial control.

Data drawn from a range of other sources will supplement these findings, for example:

- ◆ national household panel surveys
- ◆ evaluations of targeted financial literacy initiatives
- ◆ relevant international surveys, such as the financial literacy option in the OECD Programme for International Student Assessment (PISA)
- ◆ financial market research, and
- ◆ surveys on the financial attitudes and behaviours of specific segments in the community.

The results of such research will help deepen our collective understanding about changes in financial attitudes and behaviour. They will also contribute to strengthening approaches to delivery, measurement and evaluation of financial literacy initiatives within Australia.

Following is an overview of the five behavioural indicators of financial literacy identified in the 2011 ANZ Survey and examples of related actions: see Figure 2.

Figure 2: Overview of key indicative financial behaviours

Indicative behaviour	Example actions
Keeping track of finances	<ul style="list-style-type: none"> ◆ Tracking household expenses ◆ Checking financial transactions
Planning ahead	<ul style="list-style-type: none"> ◆ Planning for the medium and longer term, including retirement ◆ Protecting assets
Choosing financial products	<ul style="list-style-type: none"> ◆ Shopping around ◆ Understanding investment risk
Staying informed	<ul style="list-style-type: none"> ◆ Using information, tools and guidance when needed
Financial control	<ul style="list-style-type: none"> ◆ Managing debts ◆ Saving regularly

Key strategic priorities, actions and indicators

VISION: Improve the financial wellbeing of Australians by advancing their financial literacy

STRATEGIC PRIORITIES

Individuals, families and communities

- | | | |
|--|---|--|
| <p>1. Educate the next generation, particularly through the formal education system</p> | <p>2. Increase the use of free, impartial information, tools and resources</p> | <p>3. Provide quality targeted guidance and support</p> |
|--|---|--|

CORE ACTIONS

- | | | |
|--|--|--|
| <p>1.1 Continue to promote a curriculum-based approach to teaching financial literacy in schools</p> <p>1.2 Increase the number of teachers trained through ASIC's MoneySmart Teaching professional learning program</p> <p>1.3 Develop resources for teachers and students with a key focus on the Australian Curriculum for Economics and Business</p> <p>1.4 Increase the engagement and confidence of teachers to teach consumer and financial literacy through the Australian Curriculum</p> <p>1.5 Increase the number of vocational education and training (VET) students participating in financial literacy education</p> | <p>2.1 Continue to enhance ASIC's MoneySmart as a core resource for the Australian population</p> <p>2.2 Increase the number of people accessing MoneySmart and other free, impartial sources of information, tools and resources, including for example:</p> <ul style="list-style-type: none"> ◆ Indigenous Australians ◆ pre-retirees ◆ seniors, and ◆ women <p>2.3 Promote workplace-based financial literacy programs</p> | <p>3.1 Foster good practice in programs and services providing targeted guidance and support, particularly to disadvantaged and/or vulnerable groups</p> <p>3.2 Improve targeted guidance and support to better meet the needs of Indigenous people and communities</p> <p>3.3 Build the capacity of intermediaries who deliver financial literacy programs to disadvantaged and/or vulnerable individuals, families and communities</p> |
|--|--|--|

KEY INDICATORS

- | | | |
|--|--|--|
| <ul style="list-style-type: none"> ◆ Number of schools engaging in financial literacy education ◆ Number of teachers participating in ASIC's MoneySmart Teaching professional learning program ◆ Number of VET students participating in financial literacy education | <ul style="list-style-type: none"> ◆ Number of people accessing ASIC's MoneySmart website and print materials ◆ Number of people accessing other free, impartial sources of information, tools and resources ◆ Outcomes of research studies and evaluations show changes in financial wellbeing | <ul style="list-style-type: none"> ◆ Number of people assisted by national targeted guidance and support programs ◆ Feedback from intermediaries about guidance and support provided ◆ Outcomes of research studies and evaluations show changes in financial wellbeing |
|--|--|--|

VISION: Improve the financial wellbeing of Australians by advancing their financial literacy

STRATEGIC PRIORITIES

Policy and program development

4. Strengthen co-ordination and effective partnerships

5. Improve research, measurement and evaluation

CORE ACTIONS

- 4.1 Facilitate implementation of the 2014–17 Strategy action plan
- 4.2 Improve co-ordination between relevant government-funded programs and service providers
- 4.3 Increase opportunities to build links and share good practice within and across sectors, nationally and internationally

- 5.1 Participate in relevant international research
- 5.2 Conduct national research to contribute to the understanding of Australians' financial literacy levels, and the influencing factors
- 5.3 Increase access to tools and resources to support good practice in evaluation
- 5.4 Foster good practice by increasing access to experts in the field and sharing what works
- 5.5 Foster research on enhancing the effectiveness and impact of financial literacy programs

KEY INDICATORS

- ◆ *Enhanced co-operation and partnership between relevant government departments*
- ◆ *Feedback from members of ASIC's national Financial Literacy Community of Practice network*
- ◆ *Feedback from attendees at national forums and workshops*

- ◆ *ANZ Survey of Adult Financial Literacy in Australia*
- ◆ *Number of financial literacy programs being evaluated*
- ◆ *Feedback from financial literacy stakeholders on opportunities to share information and recognise good practice*

Individuals, families and communities

1. Educate the next generation, particularly through the formal education system

Core actions	Indicative actions for ASIC and relevant stakeholders
1.1 Continue to promote a curriculum-based approach to teaching financial literacy in schools	<ul style="list-style-type: none"> ◆ Respond to relevant draft Australian Curriculum documents during consultation periods ◆ Encourage extension of the National Consumer and Financial Literacy Framework to include Year 11 and 12 outcomes ◆ Work collaboratively with state and territory education departments and sectors (including Catholic and Independent)
1.2 Increase the number of teachers trained through ASIC's MoneySmart Teaching professional learning program	<ul style="list-style-type: none"> ◆ Train a minimum of 20,000 teachers and pre-service teachers through ASIC's MoneySmart Teaching program (face-to-face and online)
1.3 Develop resources for teachers and students with a key focus on the Australian Curriculum for Economics and Business	<ul style="list-style-type: none"> ◆ Develop online and print resources to support implementation of the Economics and Business curriculum ◆ Continue to enhance MoneySmart Teaching online resources as a financial literacy portal for educators
1.4 Increase the engagement and confidence of teachers to teach consumer and financial literacy through the Australian Curriculum	<ul style="list-style-type: none"> ◆ Deliver free workshops to school students to help them learn about money ◆ Create opportunities for teachers to come together to share resources, learnings from partnership programs and successful teaching strategies, including for special needs students (for example, CALD, disability, Indigenous) ◆ Offer awards to recognise and reward teachers who build their students' financial literacy
1.5 Increase the number of vocational education and training (VET) students participating in financial literacy education	<ul style="list-style-type: none"> ◆ Develop modules to support <i>Cert III: Be MoneySmart</i> competencies and <i>Cert IV: Be MoneySmart in Small Business</i> competencies ◆ Develop and promote resources for VET students and teachers to support competencies in financial literacy ◆ Deliver free workshops to help VET students learn about money

Key indicators

- ◆ *Number of schools engaging in financial literacy education*
- ◆ *Number of teachers participating in ASIC's MoneySmart Teaching professional learning program*
- ◆ *Number of VET students participating in financial literacy education*

2. Increase the use of free, impartial information, tools and resources

Core actions	Indicative actions for ASIC and relevant stakeholders
<p>2.1 Continue to enhance ASIC's MoneySmart as a core resource for the Australian population</p>	<ul style="list-style-type: none"> ◆ Increase the number of tools and resources available on mobile platforms ◆ Multiply the number of direct referral points from relevant government, community and business organisations
<p>2.2 Increase the number of people accessing MoneySmart and other free, impartial sources of information, tools and resources, including for example:</p> <ul style="list-style-type: none"> ◆ Indigenous Australians ◆ pre-retirees ◆ seniors, and ◆ women 	<ul style="list-style-type: none"> ◆ Develop and implement multi-sector communication plans to: <ul style="list-style-type: none"> ◆ promote free, impartial sources of information to Australians at key financial decision points ◆ help parents and carers to talk with their children about money ◆ promote use of appropriate resources through established community programs, networks and outreach services for key audiences such as: Indigenous Australians, pre-retirees, seniors and women ◆ Promote MoneySmart Week each year to broaden awareness of financial literacy and motivate Australians to take positive steps to improve their financial situation ◆ Support investors, particularly pre-retirees and seniors, to better understand investment risk and make wise financial decisions ◆ Broaden the availability of sophisticated and easy-to-use budgeting tools that link to consumers' bank transaction data ◆ Promote resources aimed at parents through relevant community groups and workplaces
<p>2.3 Promote workplace-based financial literacy programs</p>	<ul style="list-style-type: none"> ◆ Develop and promote resources for use by large and small businesses to build employee financial literacy ◆ Encourage employers to deliver structured workplace financial literacy programs free to their employees

Key indicators

- ◆ *Number of people accessing ASIC's MoneySmart website and print materials*
- ◆ *Number of people accessing other free, impartial sources of information, tools and resources*
- ◆ *Outcomes of research studies and evaluations show changes in financial wellbeing*

3. Provide quality targeted guidance and support*

Core actions	Indicative actions for ASIC and relevant stakeholders
<p>3.1. Foster good practice in programs and services providing targeted guidance and support, particularly to disadvantaged and/or vulnerable groups</p>	<ul style="list-style-type: none"> ◆ Deliver national matched savings programs ◆ Promote financial literacy education as part of no- or low-interest loans and other microfinance programs to meet the needs of those on low incomes ◆ Deliver Commonwealth and state-funded financial counselling programs and services ◆ Provide practical guidance and support for those in financial crisis; and disadvantaged and/or vulnerable groups, particularly Indigenous people and communities ◆ Develop and pilot innovative programs to foster financial self-reliance ◆ Develop and promote a practical tool to help Australians struggling with debt ◆ Promote sources of free, impartial guidance to those who are not in crisis
<p>3.2. Improve targeted guidance and support to better meet the needs of Indigenous people and communities</p>	<ul style="list-style-type: none"> ◆ Provide financial literacy initiatives that better meet the needs of Indigenous people living and working in remote and regional locations ◆ Build sustainable relationships with local employers, government and Indigenous Land Councils
<p>3.3. Build the capacity of intermediaries who deliver financial literacy programs to disadvantaged and/or vulnerable individuals, families and communities</p>	<ul style="list-style-type: none"> ◆ Develop and promote resources for intermediaries to use with their target audiences ◆ Provide opportunities for intermediaries to come together and share effective strategies

Key indicators

- ◆ *Number of people assisted by national targeted guidance and support programs*
- ◆ *Feedback from intermediaries about guidance and support provided*
- ◆ *Outcomes of research studies and evaluations show changes in financial wellbeing*

* Note: This part of the 2014–17 Strategy largely reflects the work of cross-sectoral partnerships between the community, business and/or government sectors.

Policy and program development

4. Strengthen co-ordination and effective partnerships

Core actions	Indicative actions for ASIC and relevant stakeholders
4.1 Facilitate implementation of the 2014-17 Strategy action plan	<ul style="list-style-type: none"> ◆ Establish arrangements for overseeing and reporting on progress of the 2014–17 Strategy
4.2 Improve co-ordination between relevant government-funded programs and service providers	<ul style="list-style-type: none"> ◆ Foster linkages across relevant government-funded programs and service providers
4.3 Increase opportunities to build links and share good practice within and across sectors, nationally and internationally	<ul style="list-style-type: none"> ◆ Continue to enhance ASIC’s national Financial Literacy Community of Practice network so that stakeholders can share presentations, information about programs and activities, and links to evaluations and good practice tools ◆ Promote MoneySmart Week each year to broaden awareness of financial literacy, grow the financial literacy community and recognise good practice ◆ Conduct a biennial National Financial Literacy Conference ◆ Foster strategic alliances and partnerships through relevant national networks, forums and workshops ◆ Actively participate in relevant international forums

Key indicators

- ◆ *Enhanced co-operation and partnership between relevant government departments*
- ◆ *Feedback from members of ASIC’s national Financial Literacy Community of Practice network*
- ◆ *Feedback from attendees at national forums and workshops*

5. Improve research, measurement and evaluation

Core actions	Indicative actions for ASIC and relevant stakeholders
5.1 Participate in relevant international research	<ul style="list-style-type: none"> ◆ Participate in the 2015 Financial Literacy assessment as part of the OECD's Programme for International Student Assessment (PISA)
5.2 Conduct national research to contribute to the understanding of Australians' financial literacy levels, and the influencing factors	<ul style="list-style-type: none"> ◆ Conduct the <i>ANZ Survey of Adult Financial Literacy in Australia</i> ◆ Conduct NAB research <i>Measuring Financial Exclusion in Australia</i> ◆ Explore ways to assess changes in Australians' financial behaviour over time ◆ Collect information to monitor the progress of the 2014–17 Strategy
5.3 Increase access to tools and resources to support good practice in evaluation	<ul style="list-style-type: none"> ◆ Share OECD resources and templates to guide good practice in program evaluation ◆ Contribute to and promote other international best practice materials ◆ Conduct a National Financial Literacy Stocktake Survey to assess improvements in evaluation
5.4 Foster good practice by increasing access to experts in the field and sharing what works	<ul style="list-style-type: none"> ◆ Conduct capacity building workshops for financial literacy stakeholders, linked to the strategic priorities in the 2014–17 Strategy
5.5 Foster research on enhancing the effectiveness and impact of financial literacy programs	<ul style="list-style-type: none"> ◆ Foster collaboration by researchers to better understand the factors that contribute to successful program outcomes

Key indicators

- ◆ *ANZ Survey of Adult Financial Literacy in Australia*
- ◆ *Number of financial literacy programs being evaluated*
- ◆ *Feedback from financial literacy stakeholders on opportunities to share information and recognise good practice*

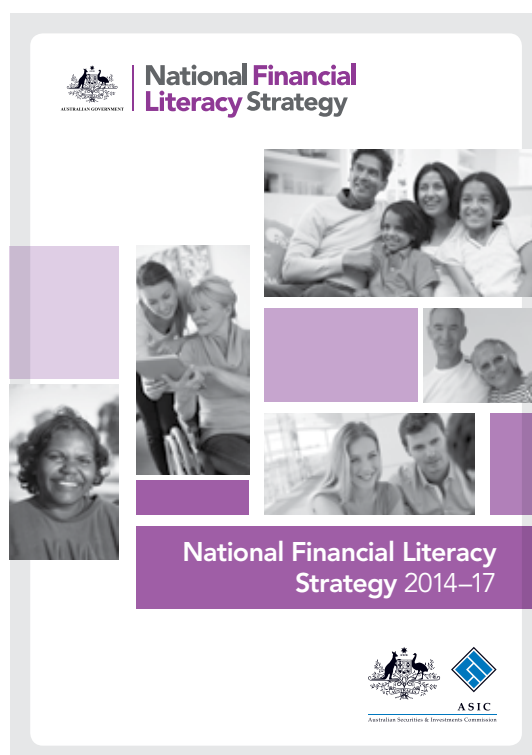
Other useful information

National Strategy website

The 2014–17 Strategy is published on the National Financial Literacy Strategy website at www.financialliteracy.gov.au together with a list of supporting organisations.

You will also find the following ASIC reports on the website:

- ◆ *National Financial Literacy Strategy* (REP 229), 2011
- ◆ *Financial literacy and behavioural change* (REP 230), 2011
- ◆ *Review of the National Financial Literacy Strategy: Background report* (REP 339), 2013
- ◆ *Shaping a National Financial Literacy Strategy for 2014–17: Consultation feedback report* (REP 374), 2013
- ◆ *National Financial Literacy Stocktake Survey* (REP 375), 2013





National Financial Literacy Strategy

www.financialliteracy.gov.au

© Australian Securities and Investments Commission 2014
ISBN 978-0-9806482-4-9 | August 2014 |



ASIC

Australian Securities & Investments Commission