Teaching children how to manage money

TEENAGERS will soon get a leg-up in learning how to manage their pocket money with the launch yesterday of a new financial literacy education programme aimed at 14 to 18-year-olds.

Called Practical Money Skills for Life, the programme was jointly introduced by the Association of Banks in Singapore (ABS), Visa International and the Singapore Management University (SMU), and is supported by the national financial education initiative MoneySENSE.

The pilot programme consists of a two-day workshop conducted by SMU to train 44 teachers from 23 junior colleges, centralised institutes and Integrated Programme schools.

The teachers can then conduct lessons for the programme at their schools.

"The programme is timely as it provides the resources for teachers to guide students, the future consumers, to be financial savvy and disciplined," said Ong Ang Al Boon, director of ABS. "Students will now have the added knowledge and skills to manage their personal finances and plan for their long-term needs after they enter the workforce."

The programme was originally developed and taught in US schools where it has reached more than 37 million students through 2.5 million educators.

It includes lessons on budgeting, use of credit cards, loans and consumer awareness.

"This programme is designed to start every individual thinking about financial planning from a young age," said Annie Koh, associate professor of finance, dean of executive education and associate dean of SMU's School of Business.

"Our youth must no longer depend on their parents, school or country to be responsible for these aspects of their life."