

For Immediate Release



Teach Children to Save South Africa™

Financial Literacy Campaign is Teaching Children to Save

Financial literacy, the possession of knowledge and understanding of financial matters is a skill that can be learnt. This is the fundamental principle behind the successful Teach Children to Save South Africa™ campaign, first piloted in 2008 and now in its fourth annual national roll-out by The Banking Association South Africa and the broader financial sector.

Knowing how to save is the cornerstone of future financial success, and so primary school children in Grades 4 to 7 all over the country are being exposed to this campaign which takes its inspiration from the Zulu saying, *Ligotshwa lise manzi*, meaning, "best shape a stick while it is still moist".

The programme objectives are to teach children to save and to promote volunteerism in the financial sector. TCTS SA™ covers the basic concepts of saving:

- reasons to save, budgeting to save,
- understanding the difference between needs and wants
- and where to save.

The programme is integrated within the Economic Management Science (EMS) learning area of the national school curriculum. The campaign aims to foster a culture of saving among children, promote volunteerism, create awareness about the value of money and promote financial literacy while assisting learners to appreciate the power of choice.

South Africa's low savings rate and low levels of financial literacy are well known. Poor savings levels impact not only the financial stability of individual households, but also impact on the country's economic growth. The household savings rate has declined since 1980, and in 2009 was just 1,5% of GDP.

"Without financial literacy the full and informed participation of individuals in economic life is more challenging. Developing a culture of saving amongst children is a critical tool in promoting financial literacy of future generations – and as recent events on the world economy demonstrated, saving is essential in surviving the fluctuations that our economy is subjected to" explains Fikile Kuhlase, Senior General Manager of The Banking Association South Africa. "With the Teach Children to Save South Africa™ programme, our intention is to instil – indeed, popularize - the notion of saving as a smart, savvy choice amongst children. We are excited to be working with our volunteer bankers and financial sector professionals from various banks and financial institutions who take

time out of their considerably hectic schedules to dedicate an hour to imparting useful and practical saving skills to South Africa's children."

It is estimated that over 65% of South African adults do not save at all – an alarming statistic when one considers the economic instability that many South Africans face at one time or another in their lives.

Since 2008, volunteer bankers and financial sector professionals have swapped the boardroom for the classroom to deliver a one-hour savings lesson to more than 250,000 learners in Grades 4 to 7 in over 1000 schools nationwide through the participation of 15 banks and 28 financial institutions. The programme is also endorsed by the SADC Banking Association.

In July 2009, the Islamic Finance chapter of Teach Children to Save South Africa™ was piloted, and it has been rolled out annually since then. **"With the inclusion of the Islamic Finance chapter of the programme, we've succeeded in making the savings programme relevant to all South Africans,"** continues Kuhlase **"the Islamic chapter lesson plan is tailor-made to reflect the concept of money in Islam."**

KZN Finance MEC Ina Cronjé will deliver the keynote address at this year's national programme launch on Monday, 18 July (Mandela Day) at Sondelani Combined School in the township of Ntuzuma, Durban, KwaZulu-Natal. The school caters for 807 students from the surrounding community and is piloting inclusive education. The TCTS SA™ 2011 programme roll-out will run from 18 to 29 July nationwide. The Islamic Finance chapter of the programme will launch on the 19th of July at Al-Falaah College, in Durban, KwaZulu-Natal.

ENDS

Notes to Editors:

About Teach Children to Save South Africa (TCTS SA™)

TCTS SA™ is a generic financial literacy programme whose objective is to teach children to save. 2011 marks the 4th annual roll-out of the programme. TCTS SA™ also comprises of an Islamic Finance Chapter. The custodians of TCTS SA™ are The Banking Association South Africa and South African Savings Institute (SASI). The programme is coordinated by The Banking Association South Africa which is an industry body representing all registered banks in South Africa, both local and international. The Association currently has 34 member banks. Financial literacy is one of the strategic objectives of the Association.

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