

Written by Administrator

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Kuala Lumpur, 19 October 2013: Perbadanan Insurans Deposit Malaysia (PIDM) today launched its MoneySmart 123 Advocacy Campaign in collaboration with the Federation of Malaysian Consumers Associations (FOMCA) Financial Literacy Month, at a ceremony held at the Multipurpose Community Hall at Kampung Tunku in Petaling Jaya.

The ceremony was jointly officiated by PIDM Chief Executive Officer Mr JP Sabourin and FOMCA President Datuk Dr Marimuthu Nadason. Over 100 grassroots members of the local community were present at the event.

“As a financial consumer protection authority responsible for administering the Deposit Insurance System (DIS) and the Takaful and Insurance Benefits Protection System (TIPS), as well as maintaining public confidence in the stability of the financial system in Malaysia, PIDM is committed towards enhancing financial literacy among the general public,” said Mr Sabourin.

“In 2010, together with the Ministry of Education, we established the PIDM Money Smart Programme with the objective to promote awareness and literacy among students, teachers, parents and communities in schools, colleges and universities by teaching them prudent financial management skills. The PIDM MoneySmart 123 is another effort of ours which aims to further educate the general public to become smarter financial consumers,” he pointed out.

“We have heard of many Malaysians losing their life savings to various scams and other get-rich-quick schemes. By being financially smart, we hope that consumers will not be so easily duped by such schemes and are better able to manage their finances,” said Mr Sabourin.

With the theme “I am a smart financial consumer with PIDM MoneySmart 123”, the campaign aims to create smarter financial consumers with three easy steps. We hope to encourage good habits among financial consumers when making financial decisions, such as understanding the financial products before placing their funds, knowing the risks associated with these products and also their rights as financial consumers.

“We have been working together with FOMCA since 2011 and today, we are happy to once

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again collaborate with FOMCA to hold various roadshows, briefings and exhibitions to reach out to the grassroots communities. PIDM also has collaborative arrangements with a number of our member institutions, the Malaysian Insurance Institute (MII) and the Federation of Chinese Associations Malaysia (Hua Zong),” he added.

Meanwhile Datuk Dr Marimuthu said this was the third year that FOMCA was holding its Financial Literacy Month, first launched in October 2011. With the theme ‘Financial Responsibility Begins with Me’, the programme aims to educate Malaysians on how to develop and maintain healthy financial behaviours and habits for financial wellbeing.

“Malaysia has the highest debt rate in the region at 182 per cent of income. According to the Department of Insolvency statistics, between 2005 and June 2012, a total of 243,823 people have been declared bankrupt, of which 57% of bankrupts are below the age of 45 and 50% of credit card holders who have been declared bankrupt are below the age of 30,” he said.

He further pointed out that key findings in a survey by ERA Consumer, an affiliate of FOMCA have indicated that many Malaysians are living beyond their means, spending more than what they earn, with 47% of young people in Malaysia in serious debt, 15% having no savings and 37% who never think about retirement.

“These figures are very alarming and highlight the urgent need to educate the public and ensure that we practice smart financial management. The Financial Literacy Month provides the perfect opportunity for each of us to set some personal financial goals and make a commitment towards improving our financial habits,” he added.

“We have been working with PIDM for the past several years to enhance financial literacy among consumers and are indeed grateful for its support in all our efforts. We are pleased to collaborate with PIDM in this advocacy campaign and look forward to other joint efforts towards the development of a financially literate nation,” said Datuk Dr Marimuthu.

Mohd Yusof Abdul Rahman