



THE NATIONAL FINANCIAL LITERACY SURVEY RESULTS AND PLANNED INTERVENTIONS

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OUTLINE



The Methodology



Key Findings



The Way Forward



THE PURPOSE OF THE SURVEY

To assess the impact of NFLP interventions

To evaluate the current state of financial literacy

To inform the strategic direction of the NFLP

To gauge public attitude to digital financial services

To make an initial assessment of the public's experience with financial fraud

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METHODOLOGY

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DIFFERENT METHODOLOGY TO PREVIOUS SURVEYS

PREVIOUS SURVEYS

Knowledge of financial products and services

Ability to make ends meet

Planning ahead for the financial future

CURRENT SURVEYS

Knowledge of financial products and services

Ability to make ends meet

Planning ahead for the financial future



THE METHODOLOGY

PREVIOUS SURVEYS

Face to face interviews

Positive growth, low unemployment

UK based (modified) Toolkit

No pandemic

CURRENT SURVEYS

Mixed method survey (online & telephone interviews)

Negative growth, high unemployment

OECD/INFE (modified) Toolkit

Covid-19 Pandemic

SAMPLE SIZE

PREVIOUS SURVEYS

2007

- 994 persons 16+ years old

2013

- Adults – 800
- Primary School – 450
- Secondary School – 350
- SMEs - 600

CURRENT SURVEYS

2021/22

- Adults – 1090
- Students – 151
- SMEs - 160

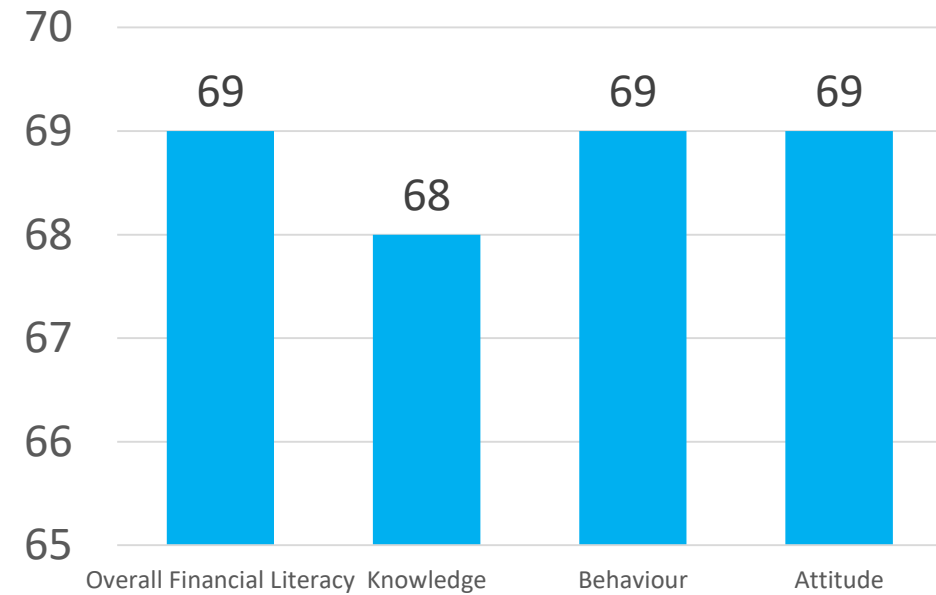


KEY FINDINGS

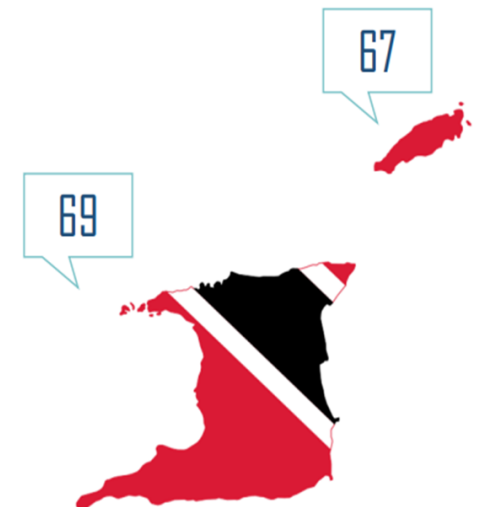


KEY FINDINGS

FINANCIAL LITERACY SCORE: TRINIDAD AND TOBAGO

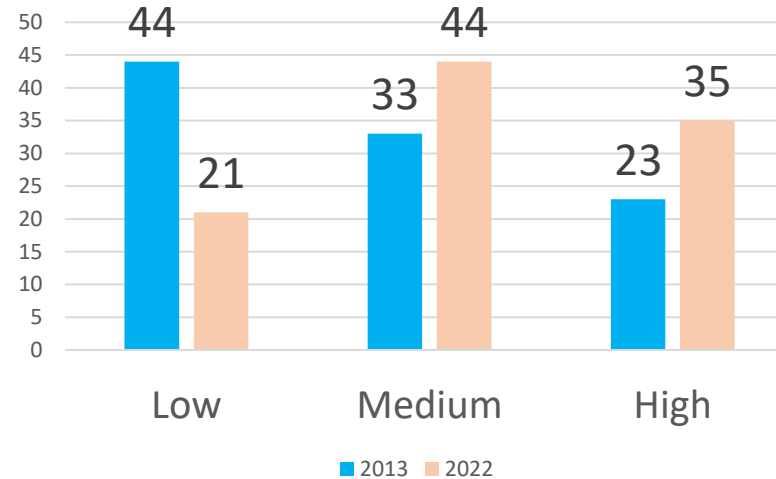


FINANCIAL LITERACY SCORE: TRINIDAD COMPARED TO TOBAGO

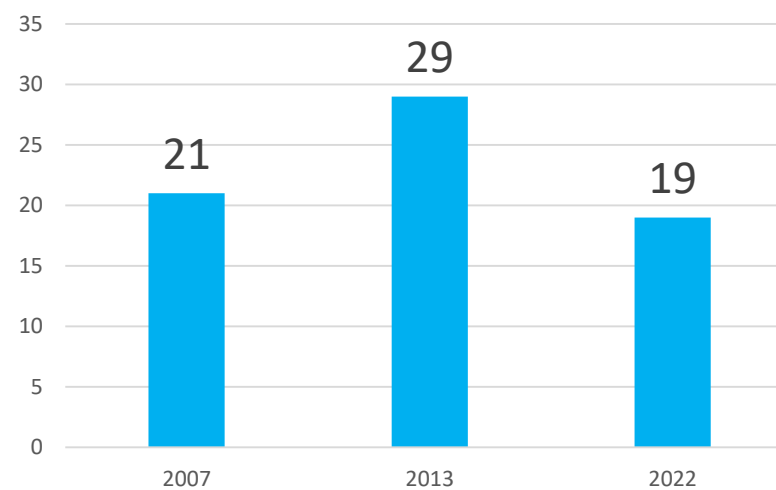


KEY FINDINGS

Level of Financial Literacy (%)

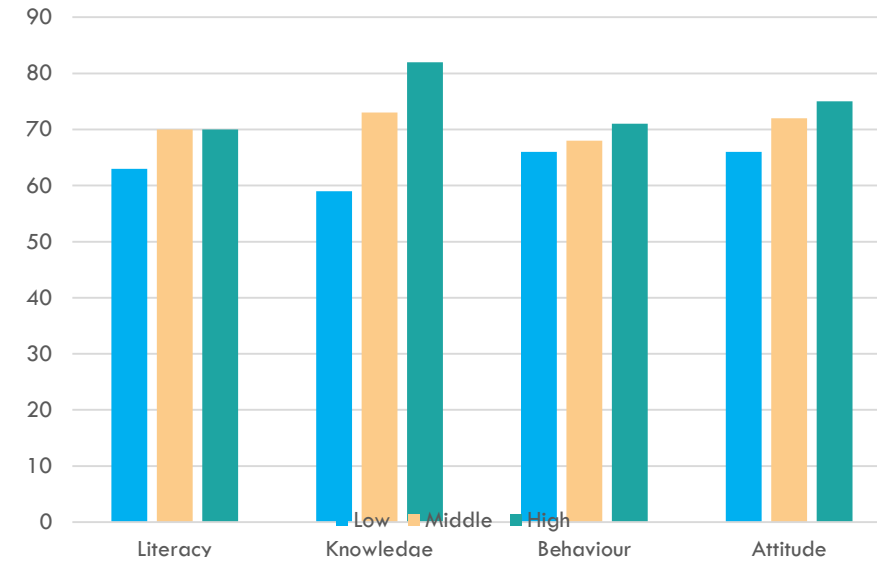


Unbanked Adults (%)

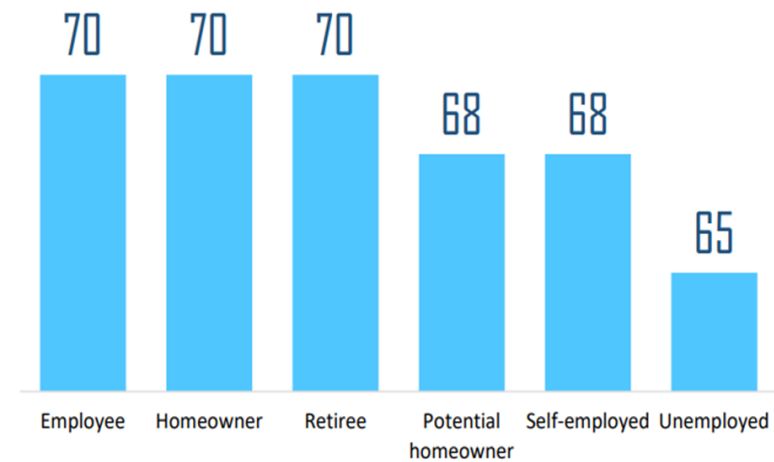


KEY FINDINGS

Socio Economic Status



Main Economic Activity





KEY FINDINGS

Persons with lowest financial literacy scores:

Between 18 and 24 years old

Highest level of education - Form
3

Generally of the lower
socioeconomic group



KEY FINDINGS

Persons with highest financial literacy scores:

Over 35 years of age

Fell into a higher socioeconomic group

Had a tertiary level education



KEY FINDINGS

Of the components (knowledge, behaviours and attitude), the lowest scores were obtained for knowledge of financial products and services.



KEY FINDINGS – PANDEMIC IMPACT

2 out of 3 household
earnings were negatively
affected by the pandemic

Reduced
Earnings 39%

Temporary Job
Loss 24%

Permanent Job
loss 20%

Unaffected by
Pandemic 45%

KEY FINDINGS

MAKING ENDS MEET

I am not satisfied with my present financial situation	50%
I have too much debt right now	27%
Because of my financial situation, I will never have the things I want	20%
I am just getting by financially	29%
I tend to worry about paying my normal living expenses	34%
I do not have money left over at the end of the month	29%



KEY FINDINGS - DRIVERS OF FINANCIAL LITERACY

DRIVERS OF FINANCIAL LITERACY

Financial knowledge (0.640) and financial attitude (0.637) are the strongest drivers of financial literacy

Making ends meet (0.756) is a substantial driver of financial behaviour

Higher concerns over making ends meet lead to more positive financial behaviour

Improving financial knowledge can have a positive impact on financial attitude.



KEY FINDINGS – PANDEMIC IMPACT

Financial Fraud

35% of adult respondents
have fallen victim to financial
fraud

19% have participated in
what turned out to be a
pyramid scheme

43% have never experienced
financial fraud



KEY FINDINGS – PANDEMIC IMPACT

Use of Digital Products

62% adult respondents use at least one digital financial service (e.g. online banking, mobile app, digital wallet or payment service such as WiPay, SurePay etc.)

Digital adopters were typically under 45 years old, predominantly from the West and Central regions, and were holders of a first degree or higher

69% were aware of crypto assets (e.g. bitcoin) but only 5% are currently invested in this type of asset



KEY FINDINGS – PANDEMIC IMPACT

SMEs

Only 40% of SMEs prepare financial statements annually

32% agreed that their business objectives were reasonably on target while 37% felt that it was not on target

52% of business persons have negative sentiments about the state of the economy in the last 5 years

At least 4 in 10 business persons hold positive sentiments of their businesses and for the future of their businesses



KEY FINDINGS – PANDEMIC IMPACT

Students 10-17 Years Old

Parents decide how younger children (10-14 years) spend their money, while older students (15-17 years) tend to make money decisions for themselves

70% of students spend their money on snacks

33% of students make a list of items they wish to purchase. Females are more likely to do so and stick to it

Comparing prices before buying and doing online price checks are practices done by just about 6 in 10 students in the 15-17 age bracket



THE WAY FORWARD





THE WAY FORWARD

Building capacity internally by having staff certified as financial advisors

Transition from inbound request to client targeting

Comprehensive overhaul of NFLP content resources to include modules on:

Using digital financial products and services

Detecting and avoiding financial fraud

Maintain modules on budgeting, planning and saving, but extended to explicitly include coping strategies in response to the pandemic



THE WAY FORWARD

Conduct at least one(1) entrepreneurial workshop per quarter to assist existing and potential small businesses

Develop and disseminate content specifically designed to treat with choosing appropriate credit products and debt coping strategies

Target parents and other non traditional stakeholders (e.g. teachers, TTUTA, PTAs) to support the student population with appropriate financial knowledge

Liaise with Chief Education Officer to work out the longer term objective of having financial literacy embedded in the curriculum



THE WAY FORWARD

Initiate discussions with the Inspector of Financial Institutions regarding **minimum mandatory disclosure** in the issuing of financial product/service agreements

Coordinate with NFEC members to accurately measure the number and characteristics of all financial literacy sessions within Trinidad and Tobago

Implement a more structured programme of advertising and promotion to increase awareness of the NFLP

Develop additional interactive tools (budgeting, investing, risk management) for use by target population segments



THE WAY FORWARD

Work along with government agencies that provide social support to ensure that recipients have access to and make use of the services offered by the NFLP

Develop financial consumer protection content within OFSO to support the offerings of NFLP

Establish a game series with appropriate incentives to promote awareness and interest in NFLP

Develop a policy to govern use of NFLP services to ensure that resources are assigned to target groups and avoid indiscriminate use of the services

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THANK YOU FOR YOUR ATTENTION