FINANCIAL LITERACY: TO TEACH OR NOT TO TEACH

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In the society we are living, it is essential to have knowledge when it comes to practical and pragmatic way of living since nowadays a slight movement has a cost in this world. It is important to have understanding about taking care and using the fund in a more useful way because money is not like a stone that you can pick along your way. Teachers are the second greatest provider of knowledge to children followed by the parents. And most likely elementary teachers are also holding the most crucial stage in the learning process because in this stage of learning and development the children have fully absorbed what the teacher has given to them since they are considered taburasa or blank slate and the elementary teacher is one of the first person to provide wisdom to them.

It is important to early learners to be taught at an early age on the basic learnings to be able for them to be equipped with the world they are living. One of the basic learning that every child must learned is how to spend and save money. This basic skill once learned by the children will greatly change the thinking of the pupils about using their money wisely. Republic Act no. 10922 which is known as Economic and Financial Literacy Act that Declares the Second Week of November of Every Year as Economic and Financial Literacy Week (Congress of the Philippines). Section 4 of the republic act entitled Economic and Financial Literacy of Students and the Youth highlighted it aims which is to improve the economic and financial literacy of students and the youth, all public and private elementary and secondary schools under the DepEd. Basic but an essential knowledge for the children in preparing them for the future.
Financial literacy is the education and understanding of various financial areas including topics related to managing personal finance, money and investing. This topic focuses on the ability to manage personal finance matters in an efficient manner, and it includes the knowledge of making appropriate decisions about personal finance such as investing, insurance, real estate, paying for college, budgeting, retirement and tax planning.

Education Secretary Leonor Briones, Bangko Sental ng Pilipinas (BSP) Gov. Nestor Espenilla Jr. and BDO Foundation (BDOF) President Mario Deriquito signed the memorandum of agreement in Pasig City to boost the financial literacy among learners by providing learning materials to students to be used in for classroom instruction. Also, financial literacy has already been integrated in several subjects under the basic education system, with financial and entrepreneurial concepts included in the curricula of both elementary and secondary students in the Technology and Livelihood Education and “Edukasyong Pangkabuhayan at Pantahanan” subjects. (Philippine Daily Inquirer)

Teachers are the front liners in educating the youth to about this concept must also be knowledgeable in this topic. This provides conflict to the teacher’s ability in teaching financial literacy from their practice.

It is not a secret to everyone that most of the Public Schools Teachers struggles economically. Public school teachers owe a combined debt of at least Php 319 billion, an increase of Php 18 billion in just over two years according to the Department of Education (Inquirer.Net). In the whole Philippines, the teachers’ loan combined is amounting to billions which are one of the highest debts in the field of the government employees. The question is how a teacher can teach financial literacy if they themselves cannot manage their own income.

In most cases, teachers are engaged in the Salary loan from different lending institutions. Salary Loan or Payday loan is a monetary loan provided to borrowers that must be paid in full or installments when the borrowers receive their next pay check.
Most of the teachers avail this kind of loan because it is way more convenient and less hassle.

Citing a study of the Philippine Institute from Developmental Studies (PIDS) on households, Deped Secretary Leonor Briones noted that the propensity of public school teachers to borrow is 50 percent higher compared to other employees of the government such as police and nurses.

From this research, it showed that there is a large amount of money that the teachers are borrowing from different lending institutions. Thus, the question that puzzled the Department of Education is that what is the root cause of this practice some will typically raise their eyebrows on teachers because probably they will think where they spend the money since most of the teachers’ stays low profile.

Almost every public-school teacher is engaged in the salary loans. At least once in their lives, they have experienced borrowing money from different lending institutions. They are also subjected to financial literacy because they are facilitating the children in the basic education. Often, they are being influencing to borrow some amount to other lending companies.

In other hand, to help the teachers to control their wanting to have more loans, DepEd issued an order which is D.O. 05, 2018 – Implementation of Php 5,000.00 net take home pay for department of educational personnel. This is the DepEd’s way to suppress and control the teachers and other educational personnel in their loans to provide a clear amount to be used for their family and other matters.

Somehow this helps the teachers to be more practical when it comes to spending the salary they have been hardly work on. Financial literacy, two words that seems to be complicated and hard to understand but on the contrary, it is handy and usually comes in our everyday routine. All we just need is to give a little more attention to this so-called
financial literacy because we can appreciate more the money we earned if it fulfills its purpose rather than just holding it for a second and eventually flew away.

References:


My Financial Coach What is a Salary/Payday Loan? http://myfinancialcoach.ph/article/salary-loan
