

**Extracts from the speech delivered by the MEC for Finance North  
West Province at the Launch of “Culture of Saving” at the  
Mmabatho Convention on the 25 July 2008**

The role of educating children is – despite the myriad of challenges it faces - especially crucial to cultivating the behavioural characteristics, like thrift, productivity, discipline and entrepreneurship which are closely linked to lifetime welfare (and wealth) enhancing savings and investment activities.

Financial literacy and financial education is a national priority. Societies which invest in children’s financial education and literacy programmes stand to reap meaningful long-term economic and social welfare gains.

The consequences of a poor savings culture has dire implications for the future: Low (and negative) savings impede the process of asset and wealth accumulation; it makes households and individuals vulnerable to financial crises – that would result from loss of income, illness, or some other catastrophic life event; it contributes to poverty and lowers living standards in the long run; and it prevents other investments in education, training and home ownership