



## Simpan SSPN: Promoting Saving And Education for a Brighter Future



Start saving with PTPTN from a young age to secure your future

World Savings Day was established on Oct 31, 1924, during the inaugural International Bank Congress held in Milan, Italy. This day is devoted to emphasising the significance of saving money and fostering a culture of thriftiness among the broader public. The first official celebration took place in 1925 and it has continued as an annual tradition, with observance on Oct 31 each year. In 2023, World Savings Day commemorates its 99th year, reminding us of the enduring importance of saving in our lives.

In celebration of World Savings Day, the National Higher Education Fund Corporation (PTPTN) is hosting the Bulan Menabung Simpan SSPN (BMS) 2023, a flagship initiative that underscores the importance of saving and promotes Simpan SSPN as the preferred savings product among Malaysians.

BMS 2023 carries the theme “Robotics: Towards the Transformation of the Digital World” with the tagline “Jom Jadi Superhero Anak Anda”. This theme is particularly significant because science and robotics technology are closely

intertwined with progress and require knowledge about the latest technological advancements. This aligns with PTPTN's digitalisation agenda, which places a strong emphasis on promoting the use of the myPTPTN application for borrowers and Simpan SSPN depositors, making it easier, faster and safer for them to manage their finances.



Saving activities should continue to be nurtured to become a family culture. To ensure that the savings culture endures, parents need to become superheroes by starting to save for their children's current and future needs from an early age. On World Savings Day this year, I hope that the Malaysian community continues to enhance the culture and practice of saving through Simpan SSPN for a more secure future." — **Datuk Norliza Abdul Rahim**

Datuk Norliza Abdul Rahim, the chairman of PTPTN, noted that this marks the sixth year that PTPTN has organised this programme for the Malaysian community. What sets this year's event apart is that, for the first time, a roadshow is being conducted at selected locations throughout the country for the entire month of October.

"I always encourage parents to instil a culture of saving and to start saving as early as their child's first day, even if it's with small amounts, and to maintain consistency in their savings habits. As parents who care about their children's education and future, you become a superhero in their eyes. Being a superhero means consistently making financial plans from the very beginning to guarantee that your children receive the best education possible. Education plays a pivotal role, not only in producing capable human capital but also in driving progress and economic development within a country," said Norliza.

"Hence, this BMS 2023 programme serves as a token of appreciation to the loyal Malaysians who have chosen Simpan SSPN as their primary savings option. Additionally, it aims to attract new users to myPTPTN while educating the community about online transactions. It is a way to reward existing users and encourage more people to embrace online financial management," she added.

In an effort to improve financial literacy among children from an early age, PTPTN has also introduced the Educational Savings Club module under the Primary School Student Finance Club curriculum to foster awareness of the importance of saving for the future. Through this club, it is able to cultivate the name Simpan SSPN so that it is synonymous among school students and cultivate saving starting from school.

She added, "Saving activities should continue to be nurtured to become a family culture. To ensure that the savings culture endures, parents need to become superheroes by starting to save for their children's current and future needs from an early age. On World Savings Day this year, I hope that the Malaysian community continues to enhance the culture and practice of saving through Simpan SSPN for a more secure future."

Empowering young minds: The Importance of early financial literacy education

The early introduction of financial literacy education is crucial for children, as it lays the foundation for a strong understanding of financial concepts from a young age. This early education helps them develop a clear concept of the value of money, which will guide their future financial decisions. Good parenting practices in financial habits are essential, as parents serve as role models for their children, acting as their initial financial educators.



Whether it is a viable option for future education funding, it all depends on their personal financial goals and circumstances; however, such initiatives certainly contribute to community well-being by promoting good habits in regular long-term education savings and investing.” — **Phang Kar Yew**

Phang, a financial expert from Harveston Financial Advisory Sdn Bhd, said teaching age-appropriate financial concepts is crucial for children’s financial literacy. Key concepts at different stages include recognising the value of coins and basic bills, explaining needs versus wants and differentiating essential needs from discretionary wants, guiding financial goal setting for specific objectives, teaching needs-based budgeting and introducing saving for investment, such as understanding investment basics, risk-return relationships and diversification.

BMS 2023, aimed at promoting regular savings for children’s education, is undoubtedly a valuable programme for the community, he said. Simpan SSPN can

assist families in saving for their children's future educational expenses, alleviating the financial burden and ensuring access to quality education.

"Whether it is a viable option for future education funding, it all depends on their personal financial goals and circumstances; however, such initiatives certainly contribute to community well-being by promoting good habits in regular long-term education savings and investing," he said.



Awareness of prudent money management needs to be taught from an early age. Parents are the best role models. They should start a savings plan for their children's education. Do it consistently. If you are unable to discipline yourself to save voluntarily, you can use the concept of forced savings. The fact is, there are no excuses to avoid saving." — **Dr Leylawati Joremi**

The Department of Statistics Malaysia's 2022 report revealed that the income limit for the B40 group is approximately RM5,249, whereas the M40 group falls within the income range of RM5,250 to RM11,819. Given these income limits, many

individuals are facing challenges when it comes to saving, as noted by Dr Leylawati Joremi, senior lecturer at the department of economics and financial studies at UiTM Shah Alam.

“Children’s education is not just an investment; it requires sacrifice. This borderless world has many challenges. Without education, children not only fall behind academically, but they may also lose career opportunities and a better income. Most worrisome is being burdened with debt problems as the effect of insufficiency to the point of being exposed to mental stress. Thus, parents should think about the future of their children. Give them a chance to live a better life than what we have today,” she said.

Furthermore, between 2020 and 2022, the Insolvency Department reported that those with a bankrupt status included a total of 3,171 individuals aged 25 to 34 as well as 46 individuals under the age of 25. This concerning trend highlights the need for improved financial education and management. Despite numerous government-led initiatives in collaboration with various organisations aimed at enhancing financial literacy within the community, it appears that the desired outcomes have not been fully realised.

“Awareness of prudent money management needs to be taught from an early age. Parents are the best role models. They should start a savings plan for their children’s education. Do it consistently. If you are unable to discipline yourself to save voluntarily, you can use the concept of forced savings. The fact is, there are no excuses to avoid saving.

“Then it needs to continue in nursery, primary school, secondary school and higher education as well as in the workplace. Wise money management allows young people to live a simple life and be free from bad debt in the short term. In the long term, it enables a more comfortable, calm and peaceful life. In conclusion, prudent financial management is the roadmap to better well-being and financial freedom in old age. I believe that BMS 2023 is a smart platform suitable to create awareness among parents about the importance of saving for their children’s education for a brighter future,” the lecturer added.

To find out more, please visit [www.ptptn.gov.my](http://www.ptptn.gov.my) or download myPTPTN apps for easier, faster and safer information.

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