

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Sixteenth Congress
First Regular Session

HOUSE BILL NO. 4482



Introduced by
HON. ROMERO "MIRO" S. QUIMBO, HON. MARIA LEONOR GERONA-ROBREDO, HON. RODEL M. BATOCABE, HON. JOSE CHRISTOPHER Y. BELMONTE, HON. ALFREDO D. VARGAS III, and HON. ROMAN T. ROMULO

EXPLANATORY NOTE

This proposed measure seeks to develop national consciousness on economic and financial literacy by establishing the second week of November of every year as Economic and Financial Literacy Week. The initiatives and activities for the Economic and Financial Literacy Week shall be spearheaded by government agencies, secondary schools under DepEd, higher education institutions, and relevant professional societies.

The value of economics and finance in the people's lives is one which is commonly disregarded. More often than not, people tend to deviate from discussions on economics and finance due to its scholarly and technical reputation. What people fail to recognize, however, is its indispensability in their daily lives.

Economics and finance are almost always involved as people go about their daily routine. From deliberations on food choices and prices, to making transportation decisions in consideration of prevailing fare rates, to talking about tariffs and why even high-profile celebrities should pay taxes – all of these are economic in nature. On the other hand, the fulfillment of our personal obligations involve financial decisions, such as plans on where and when to buy a house after marriage, choices on which job offer to take, which business venture to enter into, where you would invest for your children's education and more. Without both economic and financial literacy, we tend to decide blindly on these simple choices, because we did not have the capacity to entertain all the available options from the start.

Financial literacy makes the individual more aware of the repercussions of savings and investments. Financially literate people are more equipped to make informed decisions, thus increasing their financial security. The financial security and achievements of each citizen in turn help in the economic stability of a country, as it stimulates efficient markets and competition. Economic literacy, on the other hand, helps people understand the country's macroeconomic landscape, as well as the workings of government and markets, resulting in a better capacity to make financial decisions.

As an intertwined concept, economic and financial literacy underpins more successful citizen engagement in this environment of transparency and accountability. Open data alone is not enough if citizens have no appreciation of their use and relevance. Together with data and process transparency, economic policy appreciation and financial literacy will help in the empowerment of citizens. Accordingly, the citizenry will be stimulated to engage in public issues and contribute ideas on improving policies and programs on economics and finance. With such knowledge, citizens are also better equipped to enjoy the fruits of overall increases in national income, thus promoting inclusive economic growth.

Economic and financial literacy is even more important for public servants as they directly formulate the policies and implement programs that affect the environment in which the citizenry operates. The activities for the Economic and Financial Literacy Week in government agencies will also give a government employee a sensible appreciation of how economics and finance affect his/her daily work and vice versa. Such understanding of how a government employee fits as a cog in the large economic and financial machine transforms the abstract concepts to practical application. This gives the public sector a better grasp of the implications of their actions or inactions on matters related to our economy.

Above all, economic and financial literacy is an imperative for the youth. Other countries have mobilized movements towards economic and financial literacy for the youth. Financial literacy has in fact been recognized to be as important as mathematics and science, that the Organization for Economic Co-operation and Development (OECD) has included it in its Programme for International Student Assessment (PISA), a test administered to fifteen year olds in different countries to evaluate education systems worldwide.

In the Philippines, few initiatives have been done to introduce economic and financial literacy. Some of these include the campaign for financial literacy, particularly for the youth, of the Bangko Sentral ng Pilipinas (BSP) and Philippine Deposit Insurance Corporation (PDIC). Inculcating interest and appreciation of economics and finance at a young age helps them make sound financial decisions and understand the economic landscape and policies, which accordingly affect their finances. To this end, initiatives such as these should be strengthened in the Philippines, especially as a developing country with a considerable potential for economic growth.

The Philippine Economic Society (PES) shall lead and encourage the participation of the private sector and civil society for the Economic and Financial Literacy Week. Today, the PES is at the forefront of advancing the field of economics in the country, enabled by its diverse membership of technocrats from the academe, government, and business sector. The PES, having a network of experts and stakeholders within itself, can properly represent and mobilize the private sector and civil society, thus the purposes of this Act will be more effectively achieved.

As the country's premier socioeconomic planning body, and core of economic forecasting and policy analysis and research, the National Economic and Development Authority (NEDA), will spearhead the initiatives in the public sector. It shall also coordinate with the educational institutions and the PES, thus harmonizing all efforts for the Economic and Financial Literacy Week.

In view whereof, the expedient approval of this bill is requested.



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Marikina City, 2nd District



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HON. ROMAN T. ROMULO
Pasig City, Lone District

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**AN ACT TO DECLARE THE SECOND WEEK OF NOVEMBER OF EVERY YEAR
AS ECONOMIC AND FINANCIAL LITERACY WEEK**

Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:

SECTION 1. To develop national consciousness on economic and financial literacy, the Second Week of November of every year is hereby declared as "Economic and Financial Literacy Week".

SECTION 2. To ensure meaningful observance of the Economic and Financial Literacy Week as herein declared, the National Economic Development Authority (NEDA) shall lead the participation of government agencies and instrumentalities during the Economic and Financial Literacy Week. The National Economic Development Authority shall plan, initiate, and encourage knowledge-expanding activities on economic and financial literacy, which may be adopted by government agencies and instrumentalities, including local government units and educational institutions.

All heads of government agencies and instrumentalities, including local government units, shall encourage and afford sufficient time and opportunities for their employees to engage and participate in any activity conducted within the premises of their respective offices or institutions to celebrate the Economic and Financial Literacy Week.

SECTION 3. To improve the economic and financial literacy of the youth, all secondary schools under the Department of Education (DepEd) and all higher education institutions (HEIs), in coordination with the National Economic Development Authority, are hereby mandated to conduct consciousness-raising and knowledge-expanding activities on economic and financial literacy including but not limited to conducting basic economic and financial management classes, setting up literature corners on economics and finance, and organizing fora and trainings.

ECONOMIC AND FINANCIAL LITERACY WEEK

SECTION 4. The Philippine Information Agency (PIA) is hereby mandated to allot airtime for programs raising awareness on economic and financial literacy. The PIA is further mandated to produce and disseminate printed and online materials for economic and financial literacy enhancement.

SECTION 5. The Philippine Economic Society (PES), in partnership with other academic and professional institutions, and in coordination with the National Economic Development Authority (NEDA), shall lead and encourage the participation of the private sector and civil society during the Economic and Financial Literacy Week. The Philippine Economic Society shall plan, initiate, and encourage knowledge-expanding activities on economic and financial literacy, which may be adopted by the private sector and civil society in their respective offices.

SECTION 6. If any provision or part hereof, is held invalid or unconstitutional, the remainder of the law or the provision not otherwise affected shall remain valid and subsisting.

SECTION 7. Repealing Clause - All laws, issuances or any part thereof inconsistent with this Act are hereby repealed or modified accordingly.

SECTION 8. This Act shall take effect fifteen (15) days following its publication in the Official Gazette or in two (2) newspapers of general circulation.

Approved,