



Papua New Guinea Centre for Judicial Excellence
Supreme & National Courts of Justice



PROVINCIAL FINANCIAL LITERACY TRAINING PROGRAM

Province Mt. Hagen – WHP

Venue: Highlander Hotel

Region: Highlands

Date 19-20 August 2021

Training Code: FLT0221

REPORT



30 September 2021

Peter Michael
Program Officer, NJSS

INTRODUCTION/OVERVIEW

Establishing a feeling of control over the available scarce financial resources at disposal is the genesis of alleviating poverty and achieving financial freedom. Financial literacy gives the benefit of making a choice that builds greater life satisfaction and eases financial stress. It is a tool that can empower the local economy if financial literacy concepts are well grasped and seriously executed

The PNG Centre for Judicial Excellence Board under the leadership of the Chief Justice has approved this Financial Literacy Training (FLT) to be delivered in all 22 provinces of Papua New Guinea within a 12-month period commencing in late July 2021.

The Financial Literacy Training is designed to assist NJSS Officers and officers from Magisterial Services (MS) and Department of Justice and Attorney General (DJAG) who are the stakeholders of PNGCJE. This short training is designed and intended to help officers of especially the stakeholders of PNGCJE to better manage their financial resource (fortnightly salary) and to reduce the habit of living on borrowed (loan) money year in year out. The program was developed upon observations on the lack of proper financial management skills exhibited by officers. Personal testimonies received from officers and the HRD records on staff loans with financial lenders/institutions had prompted the design and delivery of this training.

It is anticipated that this training will relieve staff from the yearly routine of embarking on trips to financial institutions for loans, and over a period of time will produce and build financial capability of staff in the organization (s) through tapping into investment and SMEs.

ABOUT THE COURSE

The Financial Literacy Training (FLT) delivered through the centre is entirely a PNGCJE product developed and delivered by the Finance Manager, Mr. Gitu Lago. A course book/material for this training has been developed and is in the process of editing and printing to go along with the delivery of this program. The program is currently developed to be delivered in one whole day, but this approach of delivery may change to include additional days as demanded or desired

TRAINING OBJECTIVES

The overarching aim of the FLT training is to assist the NJSS and MS Officers to carefully and confidently manage scarce financial resources at their disposal and loans for maximum benefit without financial stress.

Identifying the different types of loans and techniques of using debt/loan to generate income are emotionally stimulating objectives which participants highly value and appreciate. Tips for proper budgeting of fortnightly salary is an important focus and emphasized as the basis and road to financial freedom.

Personal finance budgeting techniques and exploring the simple financial tricks in obtaining loans from lending financial institutions are complimentary to the main objective.

OUTCOME (s)

The participants are expected to appreciate the content and delivery of the training in the following manner:

- a) Do proper budget of their fortnightly salary;
- b) Save up money from salaries for tuition fees, traditional obligations, etc. instead of running to the financial institutions for loans for such events year in year out;
- c) Proper management of existing (if any) small SMEs, like trade store and other sales outlets;
- d) Venture into mini-SME opportunities to earn extra money;
- e) Make investments/buy shares in already existing companies; and
- f) Get more loans to fund economic activities without it affecting the fortnightly salary

DESIGN & DELIVERY

The program is designed to accommodate 3 segments into one day which previously had been delivered in phases. Segment one covers the financial education and awareness component. It deliberates on the personal financial budgeting techniques and types of loans offered by financial institutions and calculation method for each loan type.

The second phase explores the different types of legal income that officers can consider to service their financial obligations whilst still working as employees of their organizations - an overview of transcending into a business owner, a self-employer or an investor.

The third segment comprises of a practical group project to ensure the concepts covered theoretically are implemented and materialized on the basis of their available financial capacity.

Education and awareness of prudent financial management either for personal or corporate viability is vital for a sound economy.

BACKGROUND INFORMATION

Observations have indicated that most court officers, if not all, had tough challenges in proper management of financial resources at their disposal. The loan applications submitted to financial institutions each year are a testament that calls for such intervention. Upon realizing the need for staff financial management skills within the organization (NJSS), the PNGCJE Finance Manager developed the course and called for interested officers to attend a one-day FLT training. The impressive feedback received supported the continuity of the training. But it was all done in Waigani, until the PNGCJE Board in July 2021 approved and directed this training be delivered in all 22 provinces of PNG and had to be done within 12 months from the time approval was given.

The PNGCJE Board noted the inclusion of Magisterial Services and DJAG staff located in the provincial centres where NJSS was located to be considered for this training where necessary. Hence, first provincial FLT training commenced in August 2021 covering Wabag followed by Mt. Hagen.

DATES AND VENUE

The Mt. Hagen FLT training was delivered in two days (19-20 Aug. 2021) with participants divided into two groups. One group attended on the first day (19/08/21) and the other group on the second day (20/08/21). Each day the training was scheduled to start at 8: 30am and finish at 4:00pm. The Start-of-art conference room in the newly refurbished Highlander Hotel was the host of Mt. Hagen training.

FACILITATOR (S) AND PARTICIPANTS

The training was an initiative of the facilitator and PngCJE Finance Manager, Mr. Gitu Lago and NJSS Program Officer, Mr. Peter Michael.

The participants ranged from NJSS and District Court Officers of Wabag, Enga Province. A total of 21 NJSS Officers and 16 MS Officers attended the Mt. Hagen FLT training, including 3 District Court Magistrates.

The table below highlights details of participants.

MT HAGEN FLT TRAINING: 19 – 20 AUGUST 2021			
NJSS	Male	Female	Total
	13	6	19
MS	4	10	14
	17	16	33
Total			

TRAINING COSTS

The FLT is a program entirely funded by PNGCJE with the exception to the cost of two MS training officers that accompanied the trainers to Wabag and Mt. Hagen which was met by Magisterial Services. Apart from the cost of the two MS training officers, below is the break down of the budget for Mt. Hagen FLT training

No	Particulars	Amount	Supplier
1			
2	Venue hire & catering package	K15, 936. 30	Highlander Hotel
3	Accommodation	K2, 972.70	Highlander Hotel
Total		K18, 909. 00	
Note: Funds for Air fares, vehicle hire, TA, etc. are covered in the report for Wabag FLT			

HIGHLIGHTS OF SESSIONS

A. Types of Loans and methods of calculations

Loan is a borrowed money that is expected to be repaid with interest within a specified period of time and is referred to as DEBT or LIABILITY = OBLIGATION

Different loan interest rates, such as unsecured personal loan rate, secured personal loan rate, fixed rate loans and etc., are available and individuals have to choose the best rate. Further, it is wiser to negotiate and to repay at the earliest time possible then to complete the entire loan package in an extended timeframe only to be financially exhausted at the end.

Differentiation and prioritization of needs from wants is an important starting point for a proper budget. If a loan is to be considered, it must be carefully planned so that at least part of the loan is invested in an income generating activity.

Two commonly used methods of loan interest and repayment calculation namely '*simple interest*,' and '*compounded interest*' were explained with examples.

B. Budgeting Fortnightly Income

Fortnightly salary has to be carefully managed as most of the employees may not have additional income generating activities. Listing and budgeting for needs is vital but wants equally play an important role in the economy. Additionally, some wants turn out to be needs at times – *careful consideration is paramount*

In budgeting, it is a bad idea to divert funds to an unbudgeted activity, unless it is economically viable and done with in-depth consultation with financial experts.

Returns from investments in economic areas come after a lengthy period through proper budget and does not have to be a one-off payment unless enough funds are available

A sample of a facilitator's fortnightly budget was demonstrated to provide an in-depth understanding and a clearer picture of the importance of budgeting personal fortnight salary.

C. Six Words of Financial Intelligence

The six words of financial intelligence that all financial institutions use universally are Assets, Liabilities, Income, Expenses, Cash and Flow. The total amount of money being transferred into and out of a business, especially as affecting liquidity is cashflow.

Further clarifications with demonstrations were made to show how these six financial terms are used and work in an economy.

D. Using Debt to Generate Income Without Financial Stress

The main concept behind this session was that loans be obtained and used to acquire assets that can generate money rather than it being only a liability.

E. Seven Types of Income and examples

- 1) Earned Income: *Employee salary*
- 2) Profit Income: *Moving from employee to entrepreneur (sales)*
- 3) Interest Income: *Lending money (treasury bills & bonds for government)*
- 4) Dividend Income: *Buying Stock (become shareholder)*
- 5) Rental Income: *Rent from properties*
- 6) Residual and Royalty Income: *Sales of books, videos on you-tube, etc.*
- 7) Capital Gain Income: *Real Estate (sales of vehicle purchased through internet)*

The facilitator indicated that his intention was to take the participants through to become self-employed, business owners and investors upon completion of the one-day intensive training. It is obvious that at least a handful of the training participants have been motivated

to venture into mini-SMEs with resources available at their disposal. It is anticipated that some good news will follow suit on the success of their mini-SMEs.

LESSONS LEARNT

1) Duration of training

Time frame for the training seemed too short to grasp the valuable information shared. If the course book is completed, approved and printed, it would be desirable to run a second series of training with use of the financial resource book.

2) Medium of communication

It was also noted that a handful of participants could not read and write well, especially security officers and groundsmen. Tok Pisin was used as the medium of communication for explanation in the training. The turn-out of completed training evaluations were not impressive due to this reason (*some cannot write*) but we assumed that similar thoughts would have been expressed as these feedbacks received. It is wiser to be considerate and accept the commonly used medium of communication.

CERTIFICATE

Certificates signed by the Executive Director and the facilitator were issued to participants after successful completion of the training at the end of each day. Participants were informed of the importance of the certificate as a bank requirement for SME loans.

TRAINING EVALUATIONS

Training evaluation questionnaires were prepared and distributed to gauge participants' views on the concept and method of delivery. The feedbacks received have been analyzed and used as rectifying tools to improve future trainings (*refer to analysis in the next few pages*).

CONCLUSION

The proper use and management of available finance is a life skill one has to master, as they say *'time is money and money is life.'* Offering those much-needed knowledge and skills free is a bonus for the participants and the organization at large. It is a matter of discipline and commitment towards the financial plan/budget that can live up to one's desire for financial freedom.

As a Chinese proverb states, *'teach him how to fish instead of giving him the fish to eat,'* the FLT training has the motivational force to convert aspiring entrepreneurs to realize their potentials and can become millionaires in the near future if they can put their minds to it - only time will tell.

The completed training evaluation analysis indicates training information disseminated was highly commendable with strong motivation to grasp the details of training a bit deeper and in-depth only if more time was allowed.

A follow up training of this FLT would likely consider some technical aspects including processes in SME registrations with IPA, functions of IRC and etc.

RECOMMENDATIONS

The recommendations contained here were either proposed during the discussion or expressed on the evaluation questionnaire.

Comments and suggestions raised were analyzed and commonalities in the recommendations were noted. This FLT training in Wabag recommended that;

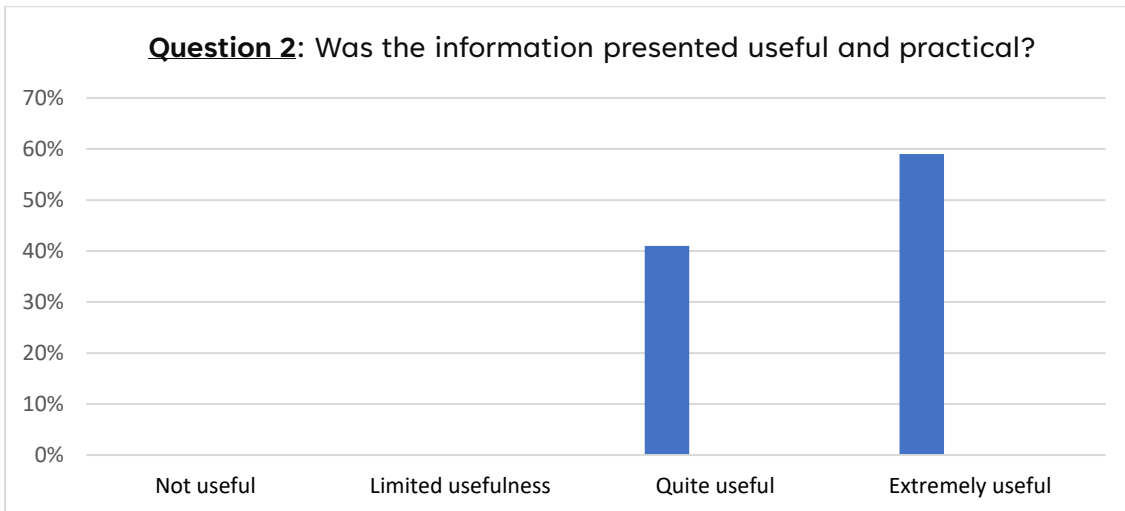
- 1. A refresher FLT be considered to check on the participants achievements and progress and to use that to clarify on areas of struggle;*
- 2. FLT Training time be increased to at least two or three days to cover everything in detail and to accommodate more practical scenarios;*
- 3. FLT be considered for all provinces to cover all staff and should be factored in the yearly induction program for the department*

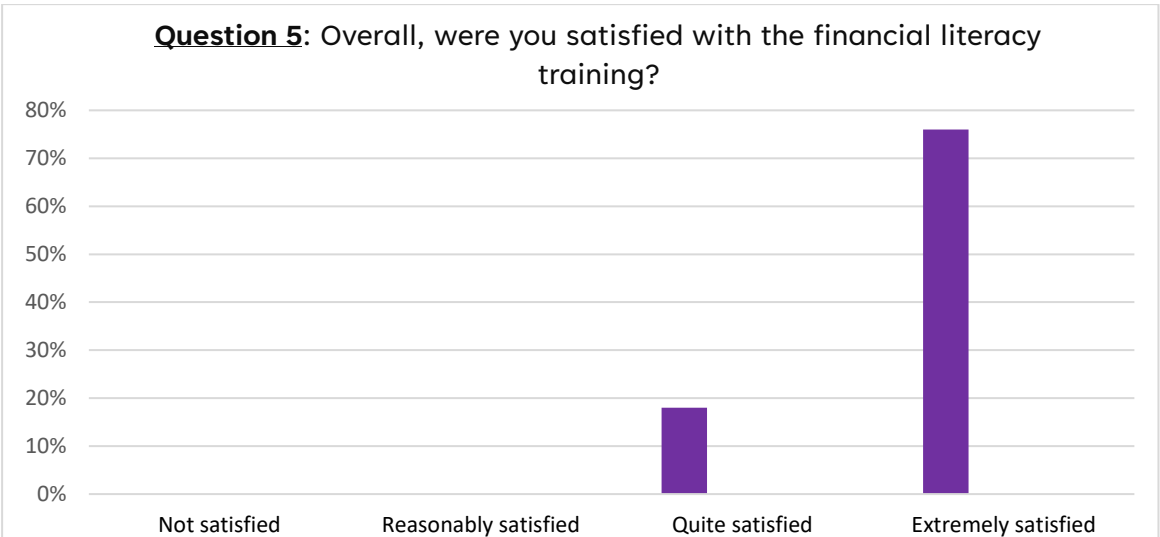
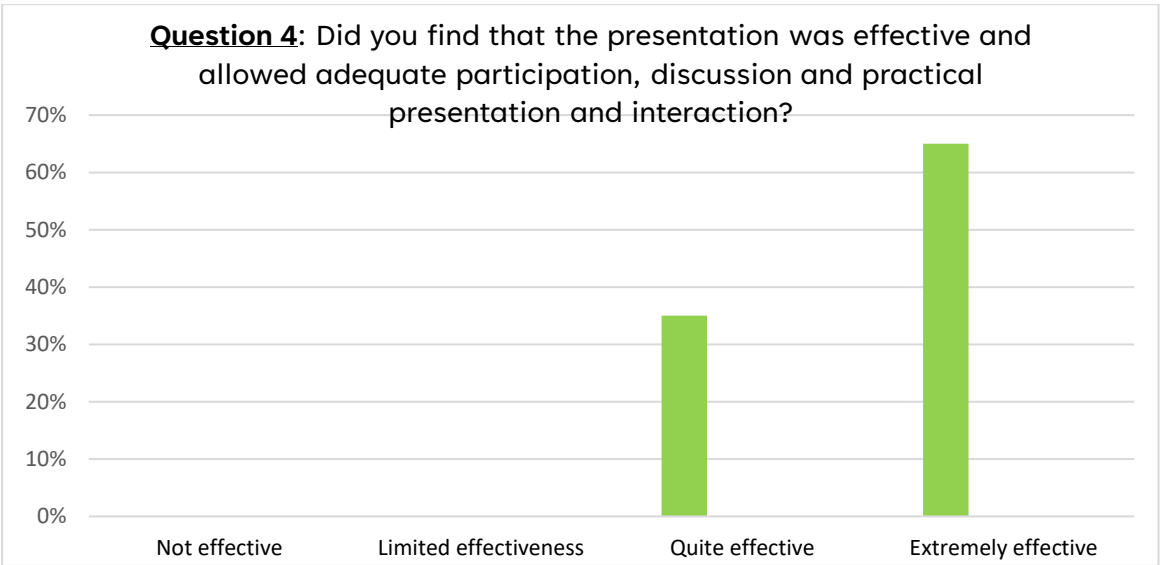
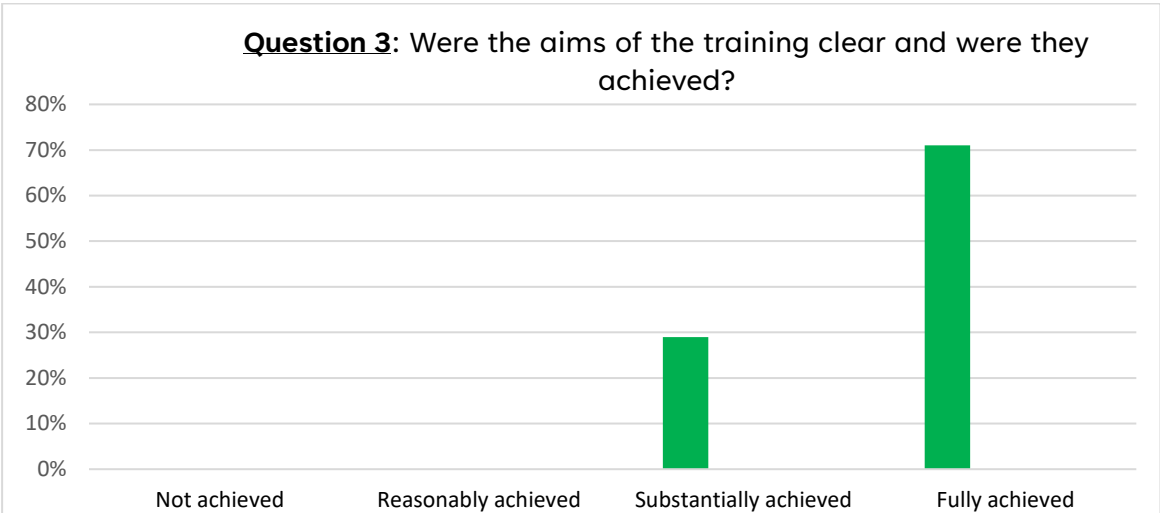
ATTACHMENTS

A) EVALUATION ANALYSIS

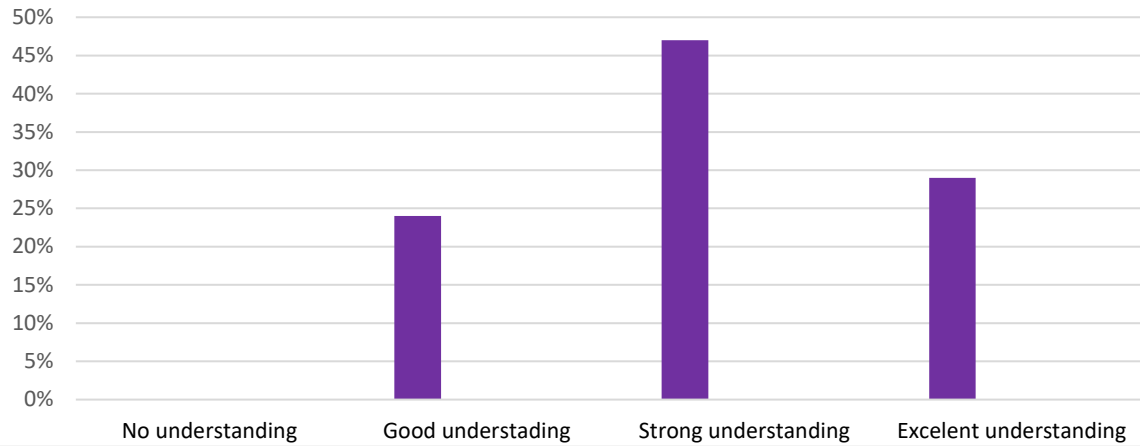
Of the 33 total number of participants from Mt. Hagen FLT training, only 17 had completed and submitted their evaluation forms. The workshop evaluations and results have been collected and analysed in the following graph.

Response to Questions

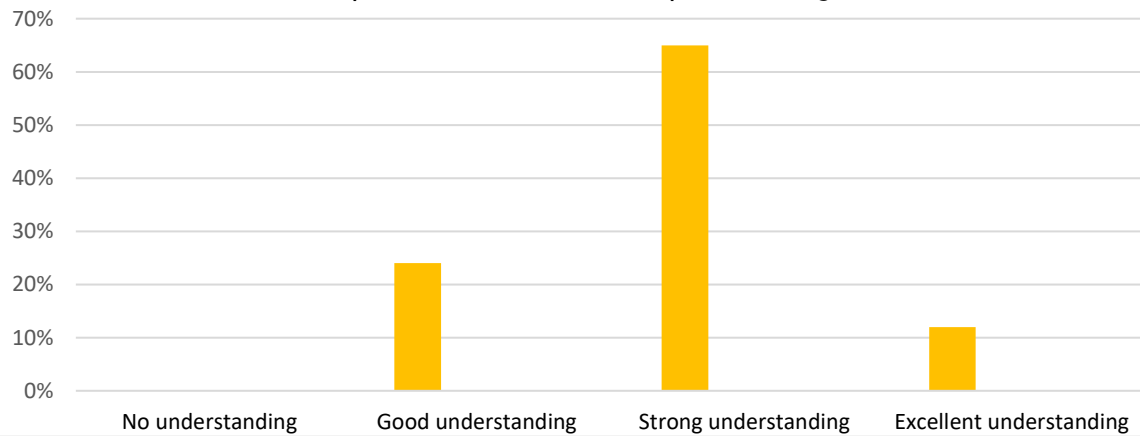




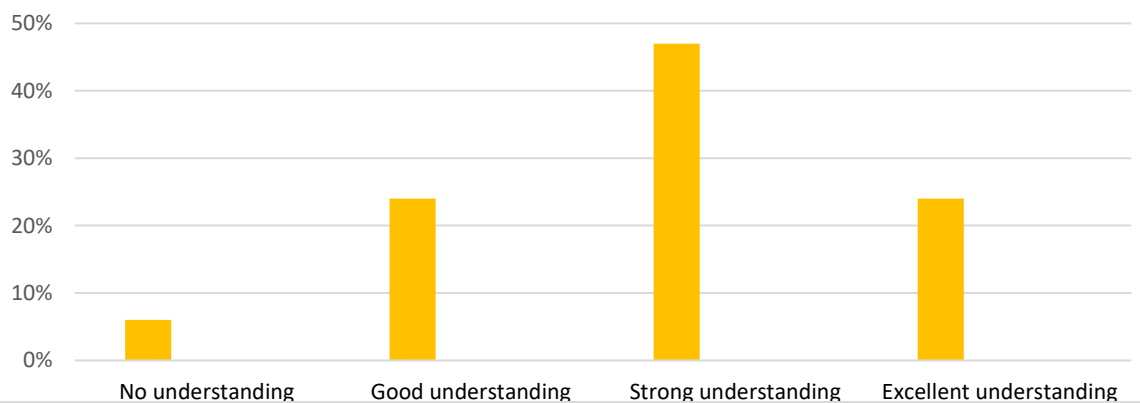
Question 6: indicate your understanding on the cash-flow quadrant

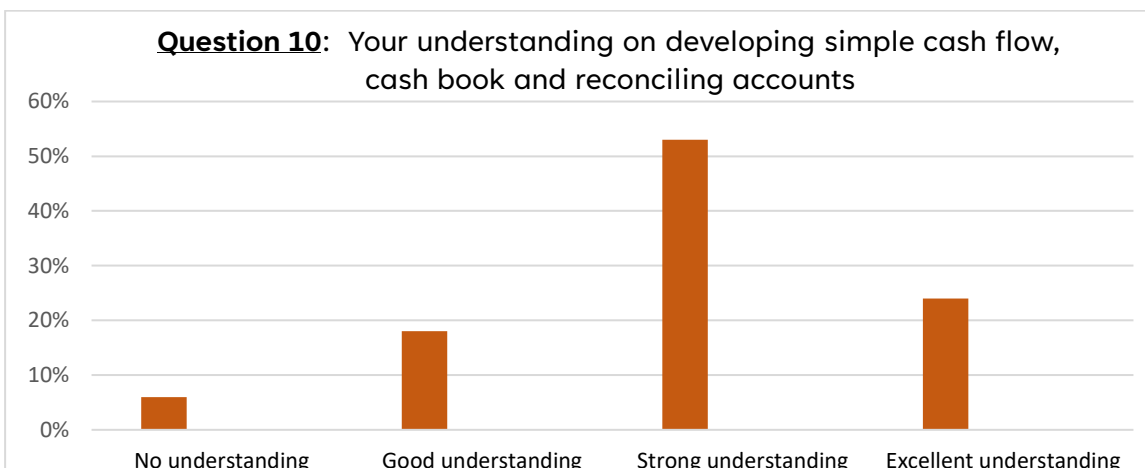
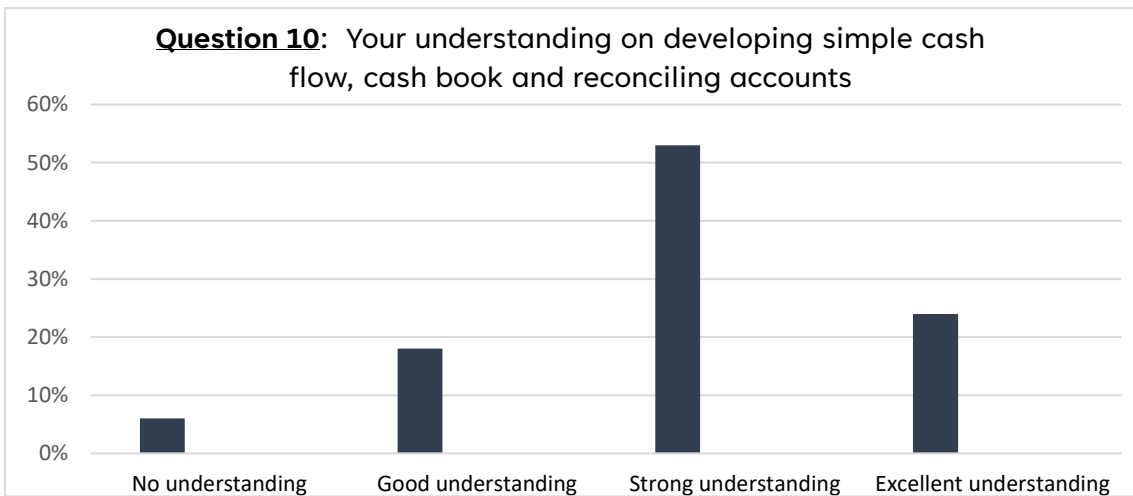
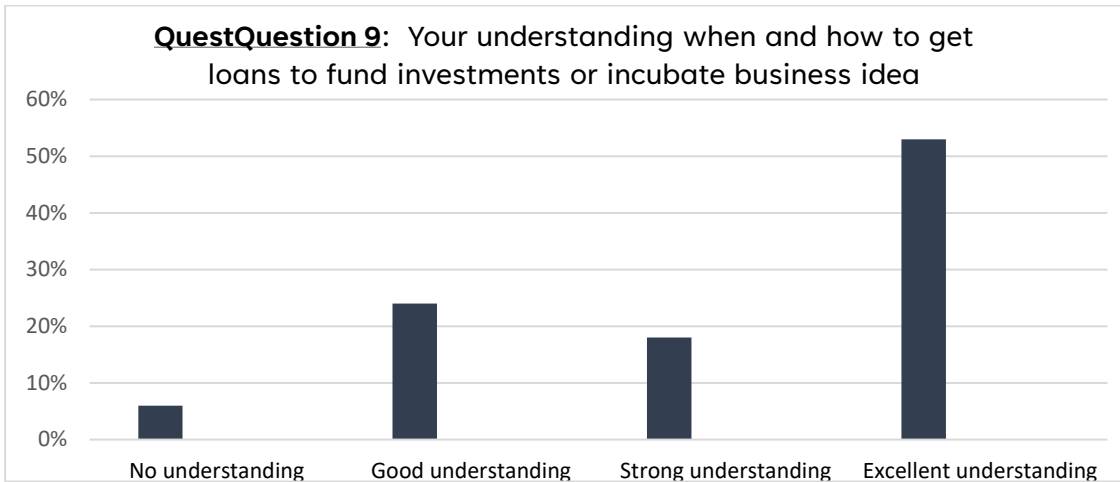


Question 7: Your understanding on developing personal strategic plan for income and capital raising



Question 8: Your understanding on types (7) of income





Comments on questions 12 – 14 were summarized here

Question 12. List two interesting things you learned out of this training and explain why	
<ul style="list-style-type: none"> • <i>Preparing personal budget because it's a fail area x12</i> • <i>Dividend income</i> • <i>7 types of income x2</i> • 	<ul style="list-style-type: none"> • <i>Earned income: gives me opportunity to know more</i> • <i>Loan determinant: helps on how loan calculations x4</i> • <i>Investment – very interesting x9</i> • <i>Employee to business owner x3</i>
Question 13. List two <u>least</u> interesting things you learned out of this training and explain why	
<ul style="list-style-type: none"> • <i>All things learnt are interesting and nothing is least interesting</i> • <i>Needs & wants</i> • <i>Quadrant – interesting topic</i> • <i>Using debt to generate income</i> • <i>Very interesting and powerful</i> • <i>Know your limits before getting credits</i> • <i>After training I learnt a lot to start small business x3</i> 	
Question 14. Do you wish to offer any other comments or suggestions for improvements of this training?	
<ul style="list-style-type: none"> ▪ <i>Need more of this training in the future to help make proper budget and start small business x3</i> ▪ <i>Very informative and enlightening – thank you x3</i> ▪ <i>Powerful presentation given for free – appreciate it x2</i> ▪ <i>Very useful training - Department may divert more funding for this training in the future</i> ▪ <i>Training is unsatisfactory due to time limitation – a week training would be sufficient</i> ▪ <i>I've learnt a lot</i> ▪ <i>Make it yearly activity</i> 	

B) WORKSHOPS IN PICTURES



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C) Program – FLT Wabag



Papua New Guinea Centre for Judicial Excellence
Supreme & National Courts of Justice



FINANCIAL LITERACY TRAINING for PROVINCIAL MS and NJSS OFFICERS

Location: **Wabag**

Venue: **Ribito Hotel**

Date: **16 – 17 August 2021**

Program Objective: Participants will be able to *manage scarce financial resources and loans for maximum benefit without financial stress*

Session	Time	Topic	Facilitator
	8:00 – 8: 30	Arrival of participants	All
	8: 30 – 8:45am	Opening remarks	Peter Michael A/R Wabag National Court
1	8:45 – 10:30	FINANCIAL LITERACY SERIES ONE <ul style="list-style-type: none"> - Financial Liabilities - Types of loans - Interest calculation methods - Needs & Wants 	Mr. Gitu Lago
	10:30 – 10:45am	Morning Tea	All
2	10:45 – 12:30am	FINANCIAL LITERACY SERIES TWO <ul style="list-style-type: none"> - Quadrants - Financial Intelligent & how 6 words of financial intelligent work - 7 types of supplement income you can generation - Regulatory & appropriate records 	Mr. Gitu Lago
	12:30 – 1:30pm	Lunch	All
3	1: 30 – 2:45pm	FINANCIAL LITERACY SERIES THREE 1) Developing Strategic Business Plan <ul style="list-style-type: none"> - Creating pool of assets - Investing in opportunities - Create Business (<i>Business Owner</i>) - Create wealth (<i>investment</i>) - Leverage Business (<i>loans</i>) 	Mr. Gitu Lago
	2:45 – 3: 00pm	Afternoon Tea	All
4	3:00 – 3: 15pm	Wrap – up and Evaluation	Mr. Gitu Lago & Peter Michael
5	3: 15 – 3:30pm	Closing Remarks & Issue of Certificates	A/R Wabag National Court and Clerk of District Court
	3:30pm	The End!	

D) Participants Attendance Checklist

Papua New Guinea Centre for Judicial Excellence Supreme & National Courts of Justice		FINANCIAL LITERACY TRAINING: NJSS & MS STAFF WABAG Mt Hagen		
Participants List				
VENUE:		HIGHLANDER HOTEL		DATE: 19 - 20 AUG 2021
No	Name	Designation	Dept/Division	Sign: 19 Aug
TEAM A: 19 AUGUST 2021				
1	Maia Tobe	Judge's Private Sec.	Mt. Hagen Nat. Court	<i>[Signature]</i> 19/08/21
2	Nohu Worarur	Judge's Associate	Mt. Hagen Nat. Court	Not available
3	Beverlyn Wandakang	Admin. Assist (casual)	Mt. Hagen Nat. Court	<i>[Signature]</i>
4	John Pila	Interpreter	Mt. Hagen Nat. Court	<i>[Signature]</i>
5	Emma Mathew	Court Attendant	Mt. Hagen Nat. Court	<i>[Signature]</i>
6	Regina Pepna	Appeal Clerk	Mt. Hagen Nat. Court	<i>[Signature]</i>
7	Gilbert Som	Criminal Clerk	Mt. Hagen Nat. Court	?
8	Wali Kinga Kinga	Civil/Motion Clerk	Mt. Hagen Nat. Court	<i>[Signature]</i>
9	Emmanuel Paul	Security Officer	Mt. Hagen Nat. Court	Not available
10	Felix Ken	Security Officer	Mt. Hagen Nat. Court	<i>[Signature]</i>
11	Pora Poki	Security Officer	Mt. Hagen Nat. Court	<i>[Signature]</i>
12	Maria Piakon	D/Clerk of Court	Mt. Hagen District Court	<i>[Signature]</i>
13	Janet Yalu	Registry Clerk	Mt. Hagen District Court	<i>[Signature]</i>
14	Joseph Raip	Registry Clerk	Mt. Hagen District Court	<i>[Signature]</i>
15	Bob Essena	Civil Court Track	Mt. Hagen District Court	<i>[Signature]</i>
16	Elvisda MckUP	Juvenile Court Clerk	Mt. Hagen District Court	Not available
17	REBECCA NAPIL Johnny Tolipao	Registry Clerk Criminal Court Clerk	Mt. Hagen District Court	Wabag Participants
18	Elizabeth Wemen	Clerk of Court	Mt. Hagen District Court	
Facilitating Team				
19	Gitu Lago	Finance Manager	PNGCJE	
20	Peter Michael	Program Officer	PNGCJE	
21	Elling Namean		MS	
22	Emily Iga		MS	
23	SUSAN KEI A/ REGISTRAR	MS H/LANDES		<i>[Signature]</i> available
24	REBECCA NAPIL			

REBECCA NAPIL - *[Signature]*



Papua New Guinea Centre for Judicial Excellence
Supreme & National Courts of Justice



FINANCIAL LITERACY TRAINING: NJSS & MS STAFF WABAG

Participants List

VENUE: HIGHLANDER HOTEL

DATE: 19 - 20 AUG 2021

Sign: 20 Aug

No	Name	Designation	Dept/Division	Sign: 20 Aug
TEAM B: 20 AUGUST 2021				
19	Jennet Frank	Security Officer	Mt. Hagen Nat. Court	<i>[Signature]</i>
20	Robert Londary	Security Officer	Mt. Hagen Nat. Court	<i>[Signature]</i>
21	Rosa Roimp	NCPIP/Admin Assist	Mt. Hagen Nat. Court	<i>[Signature]</i>
22	Linda Perry	Admin. Officer	Mt. Hagen Nat. Court	<i>[Signature]</i>
23	Cathy Kulowa	Judge's Private Sec.	Mt. Hagen Nat. Court	<i>[Signature]</i>
24	Thompton Yapra	Security Officer	Mt. Hagen Nat. Court	<i>[Signature]</i>
25	Michael Raima	Casual interpreter	Mt. Hagen Nat. Court	<i>[Signature]</i>
26	Bill Kange Security	Security Officer	Mt. Hagen Nat. Court	<i>[Signature]</i>
27	Steven McKay	Security Officer	Mt. Hagen Nat. Court	<i>[Signature]</i>
28	Shedrick Moka	NCPIP Officer	Mt. Hagen Nat. Court	<i>[Signature]</i>
29	Rebecca Napil	Secretary/KBO-SPM	Mt. Hagen District Court	
30	Timothy Rank	Driver	Mt. Hagen District Court	<i>[Signature]</i>
31	Jacklyn Wus	Office Assist/Grounds	Mt. Hagen District Court	<i>[Signature]</i>
32	Susan Kai	Assistant Registrar	Mt. Hagen District Court	
33	Sandra Pora	Registry/ Librarian	Mt. Hagen District Court	<i>[Signature]</i>
34	Charlie Wama		Mt. Hagen District Court	
Facilitating				
35	Gitu Lago	Finance Manager	PNGCJE	
36	Peter Michael	Program Officer	PNGCJE	
37	Elling Namean		MS	
38	Emily Iga		MS	

1. ELIZABETH WEMEN - CDC - Mt. Hagen *[Signature]*
 10. ELVISDA MCKUP - Juvenile Clerk - Mt Hagen District Court.
 11. BETTY JACOBS - SPM (MT. HGN) MAGISTERIAL SERVICES
 12. LEONARD MESMIN - MAGISTRATE (MT. HGN) - MS
 13. SATHISHAR LANE - MAGISTRATE (MT. HGN) - MS