



Older Women & Financial Literacy
Bridging the Income Gap

NICE

National Initiative for the Care of the Elderly
Initiative nationale pour le soin des personnes âgées

Collaborations between the Federal Government and Local Organizations

Improving the Financial Literacy of Older Women



**Status of Women
Canada**

**Condition féminine
Canada**

National Initiative for the Care of the Elderly

- Funded from 2005-2010 through Networks of Centres of Excellence – New Initiative Grant
- Incorporated Canadian non-profit, 2006
- Housed at Institute for Life Course and Aging, University of Toronto
- One of only 3 networks awarded International Partnership Initiative grant (2007)
- Established *International Collaboration for the Care of the Elderly (ICCE)*
- Over 2000 members
- Distributed over 700,000 pocket tools

NICE's Older Women and Financial Literacy: Bridging the Income Gap Project

- National two-year participatory project
- Goal to improve the financial literacy of low-income older, unattached and/or immigrant women in Toronto, Montréal and Vancouver
- Developed 8 financial literacy pocket tools and delivered financial literacy workshops using a peer education model
- Tools developed and piloted with with 15 peer women educators across Canada
- Funded by **Status of Women Canada**

Older Women and Financial Literacy in Canada

- About 9 percent of older unattached women live below the Low Income Cut-offs for Canada (LICO)
- 24.9 Visible minority women live below the LICO
- High level of poverty and the low level of financial literacy among older women in Canada (e.g., Lusardi & Mitchell, 2008; NPWE, 1998; WIRE, 2007)
- Unique project targeted most economically vulnerable – unattached and immigrant older women at the LICOs from Canada

Income and Women

- The research on financial literacy is weak but we do know that:
- Income is an important determinant of health: it helps maintain independence, to access housing, transportation, and various social services and supports
- Financial security is also crucial to an older woman's sense of dignity, self-esteem and empowerment, as well as to the extent of her social inclusion

Addressing the Needs

- Most financial literacy programs in Canada remain small in scale
- There are only a few for older women
- Programs are delivered by professionals and are not run by older women themselves
- Policy-making in Canada is now: participant driven, results oriented, sustainable and integrative

Why Partner?

- Partnerships increase the pool of knowledge, skills and resources available
- Collaboration can increase the scope and scale of the initiative
- Current programming initiatives for older women and financial literacy in Canada are few
- Very few resources to reflect the complex and unique needs of low-income *older* women requiring greater exposure to financial literacy at the community level

Canadian Partners

- BMO Retirement Institute
- Canadian Association on Gerontology
- Canadian Centre for Financial Literacy (CCFL)
- Credit Canada
- Older Women's Network (OWN)
- YMCA of Greater Toronto
- Institute for Life Course and Aging, University of Toronto
- Social and Enterprise Development Innovations (SEDI)
- JVS Toronto
- St. Christopher House
- Baycrest
- Unison Health and Community Services (Toronto)
- National Council of Women of Canada (NCWC)
- YWCA Montreal
- United Way of Lower Mainland

Canadian Partners Continued

- Senior Peoples' Resources in North Toronto (SPRINT)
- St. Paul's L'Amoreaux Centre
- North York Seniors Centre
- Anne Johnston Health Station
- Toronto Police Service
- Carefirst Seniors & Community Services Association
- Providence Healthcare
- Working Women Community Centre
- UJA Federation of Greater Toronto
- Fédération des aînées et aînés francophones du Canada
- The Cummings Jewish Centre for Seniors in Montréal
- S.U.C.C.E.S.S. in Vancouver
- Centre for Healthy Aging at Providence in Vancouver

Pocket Tools and Workshop Topics

1. Developing a Personalized Financial Plan
2. Retirement & Savings Options
3. Understanding Income Tax
4. Adopting Effective Banking Practices
5. Credit & Debt Management
6. Accessing & Optimizing Pensions and Public Benefits
7. Understanding the Legal Dimensions of Financial Literacy: Power of Attorney
8. Preventing and Intervening in Situations of Financial Abuse

Distribution

- 1000+ financial literacy pocket tools for older adults distributed to various organizations in Toronto, Vancouver and Montréal; (workshops)
- Tools available in various languages and regionally tailored for Ontario, Quebec and British Columbia
 - Ontario and British Columbia = English, French, Mandarin
 - Quebec = French, English, Spanish

Participant Inclusion Criteria

- 55 or over
- Low income, as defined by Statistics Canada (\leq \$20,778)
- Unattached (i.e. single, divorced, widowed) and/or immigrant woman
- Able to read and write in English or French (for Quebec participants only)

participants

- ▣ 470 older women participated in nineteen English and French financial literacy workshops based on the content of the eight financial literacy pocket tools
- ▣ The workshops were two days long
- ▣ Peer educators, experts and researchers ran the workshops together

methods

- Pre and post tests of financial literacy following workshops and 3 months later
- Evaluation of workshops
- Evaluation of peer teaching
- Evaluation of partnerships

Results

- **94.2%** women agreed that they had a better understanding of basic financial literacy (i.e., the topics covered in the workshop: financial planning, public pensions, banking, etc.)
- **89.4%** women indicated that they will be able to use what they learned from the workshop in their daily life (e.g., open a new bank account, create a power of attorney)
- **84.9%** women indicated that they learned what they were expecting from the workshop

Women's Views

- Greater awareness of what resources are available (i.e., through Service Canada)
- A positive aspect: being able to use the information sheets and practice budgets with the assistance of peer educators and experts in the field (i.e., government representatives) during workshops allowed participants to have questions and concerns addressed immediately
- *“Being a new immigrant to Canada, I was totally ignorant of all these programs. But after attending the workshop, I feel a lot relieved because of the information provided”*

Workshop Evaluation by Women

- Program was effective (90%)
- Workshops had positive impact on older women's ability to manage their money
- Older women reported workshops increased their understanding of basic financial literacy and raised their awareness of services and resources available to them
- Workshops provided opportunity to interact, in a social setting, with their peers to share their experiences with
- Workshop attendees also reported benefits of doing "hands on" work during the interactive workshop sessions on budgeting and financial planning activities, which led to improvements in their daily money management skills

Peer Process

- Peer participatory process had positive impact for peer educators
- Peer educators reported being motivated by the project's objectives and the importance and relevance of financial literacy for older low-income women
- Peer educators reported:
 - their intentions to continue to lead financial literacy sessions,
 - to distribute the pocket tools, and they felt better equipped, resource and knowledge wise,
 - to direct community members/peers that they interacted with to suitable service providers

Peer problems

- They did not want to do workshops alone
- The peer educators said that they felt more knowledgeable running the workshops with the experts and the project coordinator
- The possibility was raised of partnering together in future

Effectiveness of partnership

- A participatory approach allowed for local decision making to influence policy making and the delivery of social services
- Partnership allowed government to be more aware of and responsive to results: part of the process at stages
- Government Stewardship: monitoring, continued engagement and communication, efficient resolution of problems
- Local partners were involved more in their own communities but t a national level as well

Lessons Learned

- Demand to continue the program by partners
- Financial literacy programs should target younger women, so savings and investing can be applied to retirement planning
- Financial literacy tools were perceived as very useful by all stakeholders and the demand for them continues
- Solo seniors need realistic support as peer educators
- Program and tool content needs to match the straighten circumstances of the women
- Men also want to take the program (agencies view))

Financial Literacy, NICE

Thank you

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