

ABLE: Cross-sector community of practice working to reduce poverty through financial empowerment



Financial Empowerment

Interventions proven to measurably improve financial outcomes for people living in poverty

FINANCIAL EMPOWERMENT FRAMEWORK

Financial
Information
education and
counselling

Help accessing
income
boosting
benefits and
tax credits

Safe and
affordable
financial
products and
services

Access to
savings and
asset building
opportunities

Consumer
awareness and
protection

These approaches enable low-income households to build income, financial wellbeing and wealth through greater access to education, employment, entrepreneurship, and savings and asset building opportunities.

1

Financial information, education and coaching

2020 GOAL

Expand financial information, education, coaching and problem solving to 1 million Canadians living on low incomes

HOW

Integration into social services of financial information, education, coaching and problem solving supports

Governments integrate into relevant policy and program frameworks

Financial institutions provide relevant financial information and products to customers with low incomes

2020 GOAL

Leverage an additional \$100M in income for eligible Canadians living in poverty by facilitating their access to tax filing & government benefits

HOW

Community Volunteer Income Tax Program

Frontline human services help people access benefits they are eligible for

Governments actively improve benefit take-up through improved policies, program design & delivery and communication

“Proactively contact Canadians who are entitled to, but are not receiving, tax benefits” Liberal Federal Election Platform 2015

2020 GOAL

All financial institutions adopt strategies and implement substantive changes to better meet the financial literacy, banking, and advice needs of customers/ members living on low income

HOW

Financial and social service providers collaborate to develop products that better meet people with low incomes' needs

Financial institutions continuously innovate to improve information, products, service and advice offered to customers and members living on low income

Financial institutions embrace CFSI COMPASS principles:

- ✓ Embrace Inclusion
- ✓ Build Trust
- ✓ Promote Success
- ✓ Create Opportunity

4

Opportunities to build savings and assets

2020 GOAL

Increase take-up of the Canada Learning Bond to 40% of eligible beneficiaries

Increase the number of Registered Disability Saving Plans opened by 100,000

HOW

Education Savings Week and the Canada Learning Bond Champions Network

Build RESP/RDSP promotion into other social services

Make RESP enrolment easier by leveraging technology and partnerships with financial institutions (www.smartsaver.org and www.rdsp.com)

All financial institutions actively promote and support the opening of RESPs and RDSPs

2020 GOAL

All provinces enact fringe financial service regulation that more effectively protects consumers.

HOW

Governments undertake research and consultation to better understand the risks and impact of fringe financial services

Enact regulation that reduces harm to Canadians living on low income, but also recognizes the role these products play

Partner with financial institutions to develop innovative and safer products and services that better meet the needs of Canadians living on low incomes.

Integration of Financial Empowerment

2020 GOAL

Municipal, provincial and federal government departments integrate financial empowerment approaches into relevant policy, program and funding frameworks where these can help to improve target outcomes.

HOW

Make financial empowerment activities eligible or mandatory activities within granting programs and logic models where evidence shows it can help to achieve target outcomes

Build financial empowerment solutions into transfer agreements as required or eligible activities where evidence shows it will lead to improved outcomes

Embed FE interventions within existing public services and related information channels.

Invest strategically to build Financial Empowerment capacity in communities

