

Settlement Vulnerability Sustainability and Financial Literacy

Lessons and implications from a pilot training program

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In this presentation

Findings from the evaluation of financial literacy training for newcomers will be used to illustrate the following:

- Settlement as a situation of vulnerability that may become self-perpetuating
- Lack of financial literacy increases vulnerability during settlement
- Financial literacy training contributes to the re-building of sustainable livelihood

About *Financial Literacy for Newcomers*

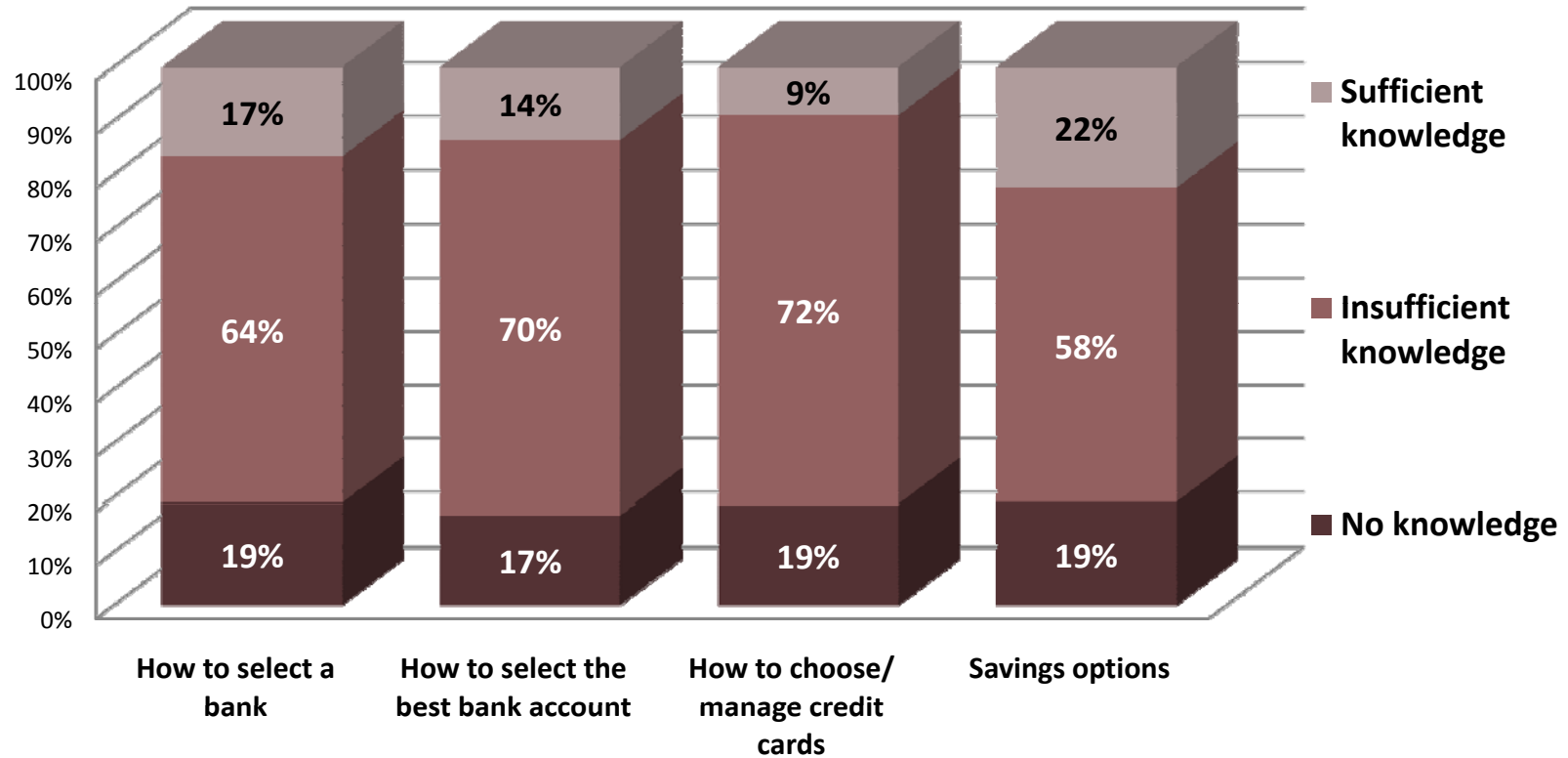
- An initiative of SEDI, funded by CIC
- A 10-hour financial literacy training designed especially for newcomers
- 10 modules cover budgeting, banking, borrowing, saving, investments, and taxation
- Piloted in three communities, by YWCA – Halifax, Woodgreen Community Centre – Toronto and S.U.C.C.E.S.S. – Vancouver
- Integrated with other services

1,500 newcomers trained between November 2009 and March 2011

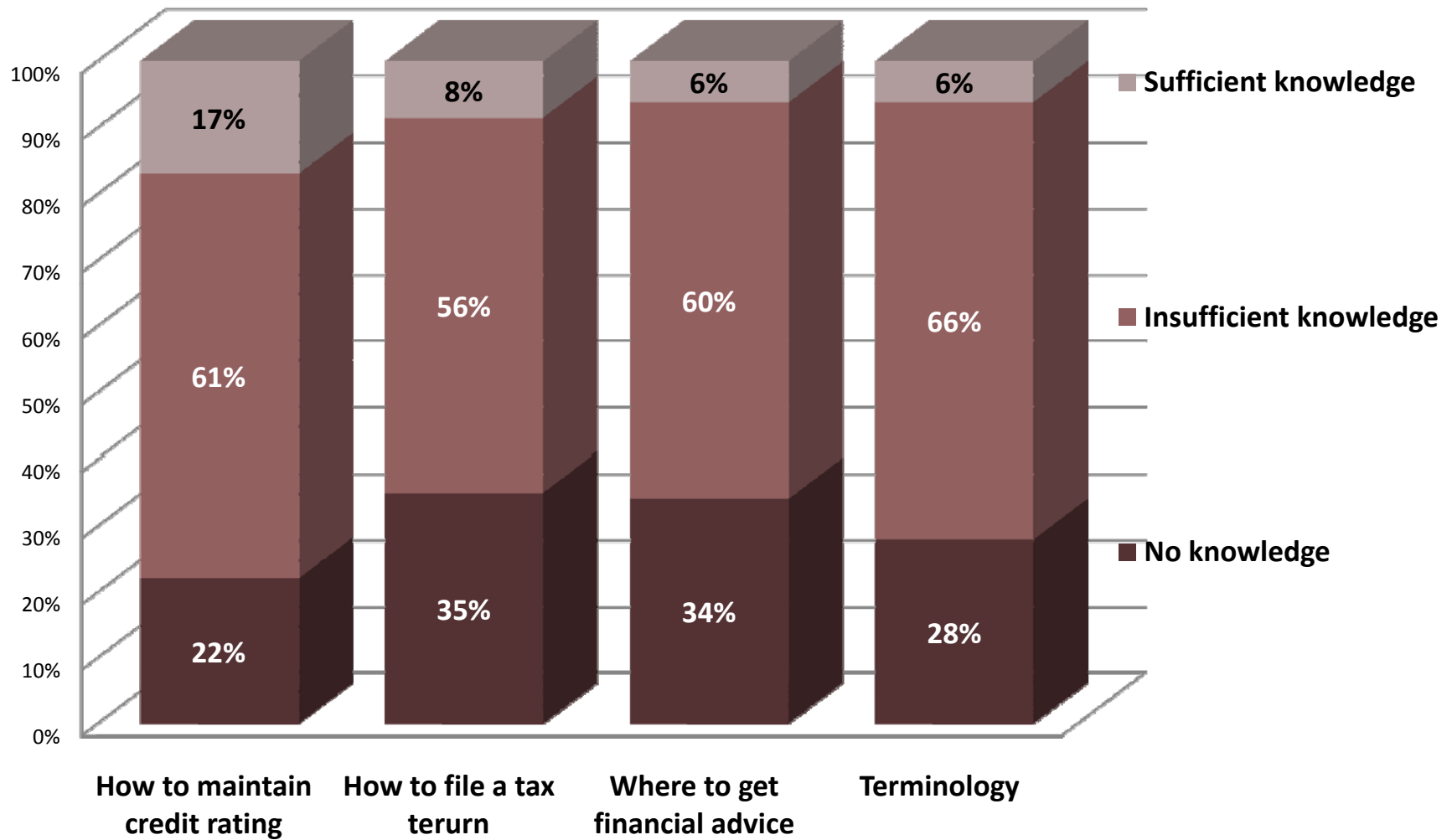
Settlement – a time of vulnerability

- Loss of assets and scarce resources: information, knowledge, skills, confidence, networks, trust relationships.
- Disconnect from the social and cultural context: policies, institutions, processes
- Ineffective livelihood strategies

Entry level financial literacy knowledge



Entry Level - Disconnect from Context



The effect of financial literacy training

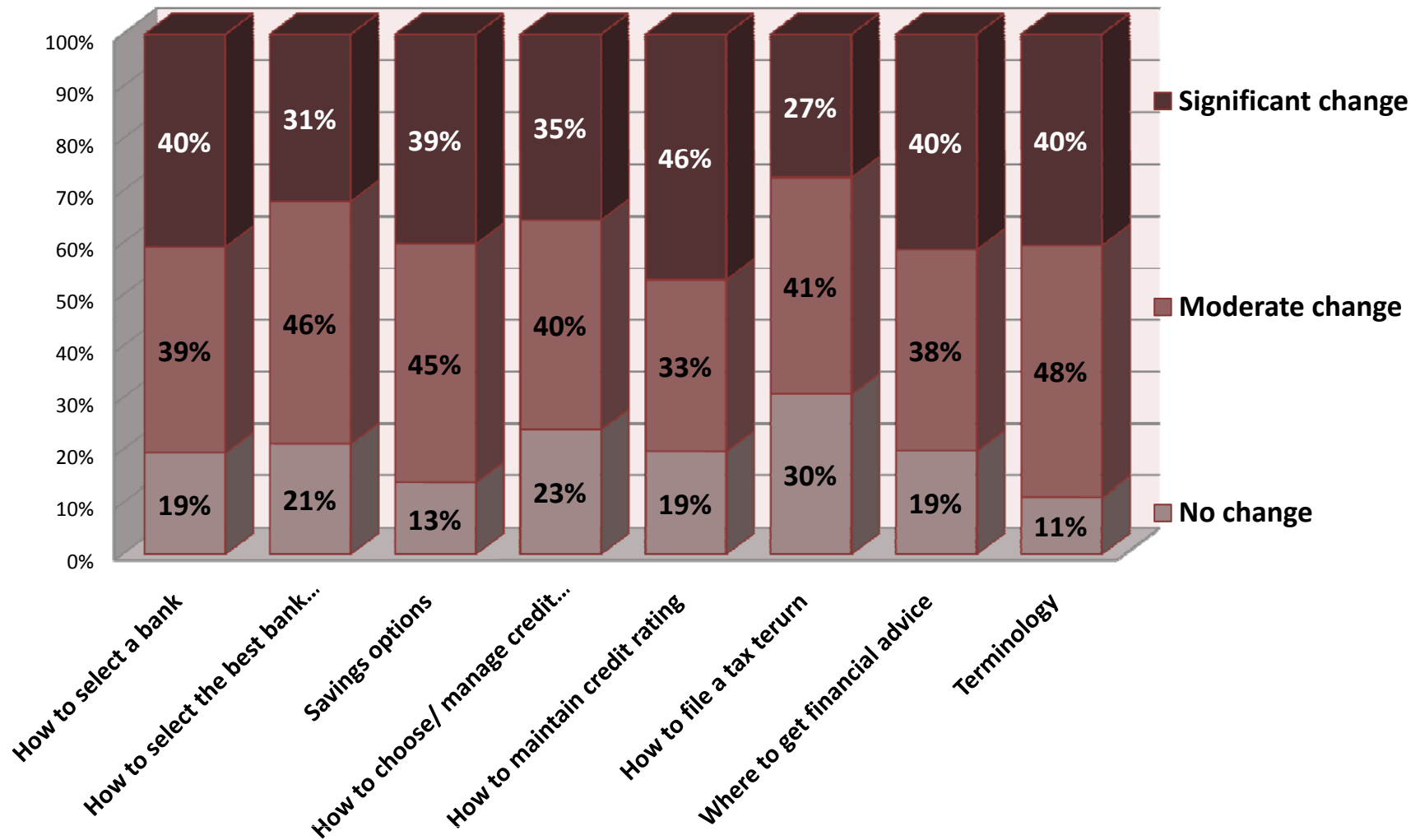
Reduced vulnerability

- Improved understanding of the financial system - more informed financial decisions, more effective livelihood strategies
- Improved understanding of Canadian norms and values – readiness to adopt new practices
- Improved language and communication skills – better prepared to interact with financial institutions proactively and assertively

The ultimate outcome: sustainability

New practices, higher confidence, newcomers feeling in control of their life

Percieved Change in Knowledge and Skills



The importance of services

Immigrants do not achieve adequate financial literacy on their own

- the entry level of knowledge of program participants does not increase with the length of their stay in Canada
- those who are already using financial products, report the same knowledge gain as the group as a whole, and appear equally motivated to make changes in their practices

The effect of training multiples in the community: participants share the knowledge with their families and friends.

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