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**IDA Accessibility: Learning More About Whether Individual  
Development Accounts Can Work for Canada's Poor**

**By**

**Molly Elliott**

**Bachelor of Arts Honours, McMaster University, 2000**

**THESIS**

**Submitted to the Faculty of Social Work  
In partial fulfillment of the requirements for  
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## ABSTRACT

Individual Development Accounts (IDAs) or matched saving accounts are programs designed to facilitate the building of capital and assets in low-income households. Based on the model of asset-based welfare policy, these programs propose to combat poverty through inclusion of the poor in asset building opportunities, which traditionally have been available to only middle and upper income households. Described as an anti-poverty strategy, Individual Development Accounts are growing in international popularity with asset-based policies already being included in Canadian income assistance programs. In order to better understand what some of the barriers might be to this anti-poverty program structure, this thesis employed qualitative methods of inquiry to explore peoples' experiences with Learn\$ave and why they didn't or couldn't participate in this national pilot project.

This thesis presents information that lends insight into the context and experience of Individual Development Accounts as part of today's social policy framework. Critically examined through a social justice and empowerment lens, this research discusses the limitations to this market integration, human capital development approach to poverty reduction. The results of this study conclude that a lack of flexibility in the program structure and inadequacies in current Ontario social assistance systems were barriers to Learn\$ave enrollment and continued participation. Based on these results, and an exploration of the literature this thesis argues that the neoliberal based values that influence Learn\$ave's structure present barriers to program inclusiveness. Grounded in this argument I conclude that Learn\$ave does not adequately acknowledge nor address complex socio-political layers of poverty and systemic oppression and as a result does not reach the status of an effective anti-poverty strategy. Recommendations suggest that if Individual Development Accounts are going to be implemented more broadly they need to offer more opportunity for participant self-determination and must work in collaboration with income support systems to ensure that a comprehensive and supportive anti-poverty strategy is developed.

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## CHAPTER 1: INTRODUCTION

### Overview

The people directly affected by social welfare policies are rarely participants in the policy development process. Feeling at the mercy of various converging social policies, people are denied a forum to effectively voice their experiences and ideas. This thesis attempts to learn from the people for whom anti-poverty strategies are intended. Admittedly, this thesis in and of itself is not an effective forum for these speakers to be heard, however, the intention here is to acknowledge these speakers as experts and lend value to their experience in future social policy debates. This thesis reports the findings of a study that looked at a relatively new concept in social welfare policy called Asset-Based Welfare; exploring the effects that Individual Development Accounts, or matched savings accounts, may have in Canada as an anti-poverty strategy. Individual Development Accounts (IDA) are programs directed to low income households that involve opening a bank account and saving a minimum amount of money on a regular basis. After a specific time the government, or other funding body, will then match that amount of savings in a specified ratio; dollar for dollar, two dollars for one dollar, three to one etc.

Although the application of the concept is relatively new and currently Learn\$ave<sup>1</sup> (the only Canadian national project) has not yet completed its pilot stage, Individual Development Accounts are already influencing welfare administration and policy in Canada. Due to the strict and very low asset levels permitted under Ontario

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<sup>1</sup> A brief overview of Learn\$ave can be found in chapter two

Works (OW) legislation, some Ontario Learn\$ave pilot sites have negotiated with the local OW offices to allow Learn\$ave participants to build up some assets in their Individual Development Account accounts (Roy, 2005). In other Canadian provinces, allocations for asset-building strategies have already been written into the provincial welfare legislation. Such is the case in Quebec as well as British Columbia where the *BC Employment and Assistance Act* (the Act governing income assistance benefits) has a section devoted to the provision for “asset development accounts” (British Columbia Government, 2005). In the United States, Individual Development Accounts became integrated into federal social policy when in 1998 the *Assets for Independence Act* (AFIA) was introduced under the *Personal Responsibility and Work Opportunity Reconciliation Act* (the act governing income assistance benefits). Among other stipulations, AFIA states that money in Individual Development Accounts must be exempt from the calculation of asset-levels for all people involved in federal income support programs (Rom, 2005).

Currently the effectiveness and feasibility of Individual Development Accounts as anti-poverty strategies are being tested internationally as well as in Canada. Based in part on the outcomes of these national pilot projects, Individual Development Accounts will likely play a much larger role in Canada’s social policy framework. It is then important to consider the value base and ideological context within which asset-based welfare policy is being considered while also bringing into the discussion the stories of Canada’s poor; for it is them who are in many ways living in conditions which defined by that policy context. To contribute to the body of literature on social investment, asset-based welfare, Individual Development Accounts and the future direction of Canadian social

policy, it is important to embark on research that hears from the people that are directly affected by social welfare programs targeted to low-income households. Working from a social justice and empowerment framework, this study has sought to learn from those with experience considering and participating in Learn\$ave and explore if Individual Development Accounts could help to alleviate poverty in Canada.

Through interviewing twelve people who either considered enrolling in Learn\$ave but did not, enrolled but stopped participating in Learn\$ave or otherwise felt Learn\$ave could have been more successful for them, this study set out to explore: 1) Why people didn't or couldn't participate in Learn\$ave 2) Why people who enrolled in Learn\$ave stopped participating; 3) What factors might have enabled an Individual Development Account to be more successful for participants. This thesis is presented in six chapters: *Introduction; Literature Review; Methodology; Results; Discussion and Recommendations; Summary and Conclusion*. Over the course of these chapters I will present information that lends insight to the context and experience of Individual Development Accounts in today's social policy framework. The results of this study conclude that a lack of flexibility in the program structure and inadequacies in current Ontario social assistance systems were barriers to Learn\$ave enrollment and continued participation. Based on these results, and an exploration of the literature this thesis argues that the neoliberal based values that influence Learn\$ave's structure (most notably the strict attachment to human capital development and market integration) present barriers to program inclusiveness. Grounded in this argument I conclude that Learn\$ave does not adequately acknowledge nor address complex socio-political layers of poverty and systemic oppression and as a result does not reach the status of an effective anti-

poverty strategy. Further suggestions are then offered that address these concerns and recommendations are made stating that if Individual Development Accounts are going to be implemented more broadly they need to offer more opportunity for participant self-determination and must work in collaboration with income support systems to ensure a comprehensive and supportive anti-poverty strategy is developed.

### My Point of Departure

I was introduced to the concept of asset-based welfare policy through reading about the Saving Gateway; an Individual Development Account program currently being tested in the United Kingdom. The theory behind asset-based welfare policy is based on the notion that the imbalance of asset distribution needs to be equalized and income support programs need to be supplemented with initiatives that support long-term goals. Seeing that asset-based welfare programs are supported by large financial investments on the part of federal governments, encouraged me to believe that welfare policies may be moving in a more positive direction than we have seen in our current 'workfare' policies. Having worked daily with people trying to get by on social assistance incomes, while trying to avoid being pushed into no-income situations by punitive 'workfare' policies, I became familiar with the negative effects individualistic, blame based welfare policies have on humans in need of support. It initially appeared to me that asset-based welfare theory and its associated programs might be a positive step in a more socially responsible direction.

As a homeowner and parent of two young children, I value assets and rely on them as a source of future stability. Without this sense of stability it would be unlikely that I would feel comfortable taking risks, such as leaving a stable job and incurring debt in order to pursue graduate studies. In reporting this element of my social location my intention is to make it clear that I value the pursuit of education and asset accumulation in order to develop a positive sense of self, sense of stability and good quality of life; as defined by the person pursuing such outcomes.

I believe that generally people seek financial stability and value asset accumulation, however, I find myself concerned with some of the discourse surrounding Individual Development Accounts and asset-based welfare theory. In an attempt to expand the act of asset accumulation from being a middle and upper class phenomena, it appears possible that the complexities of poverty and those living in poverty are being simplified and/or overlooked. There may be some assumptions being made about the poor that could ultimately result in Individual Development Accounts being less effective. Statements like: “the poor currently do not save due to apathy, inertia or lack of information” (UK government as cited in Barnes, 2002) and Sherraden’s (1991) argument that the act of saving will positively change the minds of the poor, initiating forward thinking and future goal setting attitudes. Such language speaks to the classism that has plagued our welfare state for centuries and ignores the structural inequalities many people face as a result of current neoliberal politics and longstanding capitalist systems. Although parts of the general theory behind asset-based welfare policy may be conducive to effective poverty reduction, underlying individualistic ideology and stigma driven assumptions may be negatively influencing program structures.

As a researcher and social worker, I have made an honest and educated effort to ensure the respect for diversity has been met during the interview, analysis and reporting processes. The integrity of, and respect for participants has been maintained by acknowledging them as the experts on their situation; valuing the knowledge they share and respecting individual differences and diversity by attempting to operate in a non-judgmental, anti-oppressive way. This being said, I must acknowledge my social location as a white woman and mother in a heterosexual relationship who was born in Canada and has the privilege of a graduate level education. I have not lived in long-term poverty though I have worked in the areas of poverty, unemployment, social assistance advocacy and community organizing for the better part of six years and have worked in human service related professions for most of my working life. These aspects of my location undoubtedly offer a particular lens (or multiple lenses) through which this research has been conducted, data interpreted and results presented. In stating these pieces of information I recognize that no research, qualitative or quantitative, including my own, is truly objective in nature. This is not presented as a point of deficit but rather as a strength in the process of identifying the usefulness and limitations of research while also acknowledging the importance of human thought and experience. It is from this point that I set out on this research quest to learn more from the people who could have or did access an Individual Development Account as I felt it is their experience that was necessary to hear in the assessment of whether Individual Development Accounts could be an effective anti-poverty strategy.

## CHAPTER 2: LITERATURE REVIEW

The following literature review has both informed the analysis of these research results and has been informed by the analysis of these research results; developing over time at different stages in the research process. The following chapter begins with an examination of welfare state literature, marking the shifts in welfare policy over the last fifty years from a *Welfare State* to a *Workfare State* and now into a *Social Investment State*. Within these sections relevant discussion of shifts in the definition of citizenship from social citizenship to market citizenship are identified and attributed to the entrenchment of neoliberal ideology. Some definitions are presented regarding 'human capital' development as an approach to poverty reduction from a social investment policy framework and regarding a human rights approach to poverty reduction as rooted in the normative values and frameworks of international human rights. After addressing these broad and overarching topics this literature focuses narrowly in on the theory of Asset Based Welfare and the structure of Individual Development Accounts. The intention of this chapter is to explore the theoretical and policy context that Learn\$ave exists within while bringing to the surface some of the broader implications anti-poverty program and policy structures have on conditions of entitlements and citizenship.

This chapter begins with a look at *The Shifting States of Canadian Social Policy* followed by a brief introduction to the *Human Rights Approach to Poverty Reduction* after which an overview of *Asset-Based Welfare* and *Individual Development Accounts* is offered.



## The Shifting States of Canadian Social Policy

### *The Welfare State*

The welfare state was built in the post WWII era of 1945. It was a social security response to the inherent risks and failures of sole reliance on the market economy as experienced during the great depression of the 1930s (Banting, 2005). Unemployment Insurance, Family Allowance, Old Age Security and General Welfare benefit programs grew out of this period as mechanisms to protect society from the market failures in supporting people during times of unemployment, sickness, old age, child-bearing etc. (Orloff, 1996; Jenson and Saint-Martin, 2003; Hick, 2004). The following considers the welfare state in the context of a capitalist society.

Welfare state theory suggests that welfare benefit programs function not only as a 'social safety net' for the disadvantaged but also as a mechanism to stabilize society, ensure social cohesion and maintain a profitable capitalist economy (Miliband, 1973; O'Connor, 1973; Panitch, 1977; Teeple, 2000). Negotiating the contradictory yet dependant social welfare and capitalist relationship results in a stratified class system maintained by the operations of the welfare state (Esping-Andersen, 1990). For example, low wage labour benefits the capitalist by cutting their overhead costs therefore allowing for increased production and capital accumulation, however, it creates an 'under-class' we have come to call 'the working poor'. While the capitalist enterprise benefits from the low cost of "labour power", the welfare state plays its 'social safety net' role by compensating the 'labourer' (working poor) through 'welfare capitalist' strategies such as wage subsidies, tax benefits, income top-ups and now asset building programs (Marx as interpreted by Harvey, 1982; Stoesz and Saunders, 1999).

Offe refers to the welfare state's role as that of the "peace formula" because of its "obligation to provide assistance to those who suffer hardships as a result of the market" (Offe, 1982 as cited in Cumming, 2006: 9). However this cannot be understood without recognizing the welfare state's role in the "commodification" of people through its relationship with capitalist markets (Esping-Andersen, 1990). Commodification of people refers to the inability of people to live outside of the economic and labour markets. Esping-Andersen (1990) argues that the role of the welfare state should be to allow for a de-commodification of people whereby people do not solely rely on the market for their survival and movement in and out of the market can happen freely and without life disruption; previously identified as the architectural intention in building the welfare state post WWII. Esping-Andersen (1990) argues that although the social democratic states come the closest to realizing the de-commodification of people, currently there is no system that is free from commodification. In fact, the welfare state is increasingly enforcing and perpetuating the commodification of people through market-based welfare policies and anti-poverty strategies.

Examining the unwaged labour that acts to support the capitalist economy requires an analysis of gender due to the division of labour along gender lines with women predominantly providing that which is unpaid (Orloff, 1996). It has been argued that Esping-Andersen's (1990) analysis of welfare states does not sufficiently take gender into account and that the process of de-commodification he describes is based on the notion of a male worker moving out of the labour market for a period of time rather than a female worker who may do the majority of her work outside of the

market (Orloff, 1993). Therefore, the work that women do to support and increase the capacity of male workers, or the work they do in addition to their paid labour is not monetarily measured, leaving the process of de-commodification meaningless as this work has not been recognized as a commodity that legitimately contributes to the functions of capitalist society (Orloff, 1993; O'Connor, 2002). O'Connor (2002) and Orloff (1993) agree that measuring unpaid labour and its associated results is necessary to accurately capture the impact this labour has on the functioning of society and therefore its legitimacy in the formula of welfare state policies. Therefore, the goal of the welfare state system should be to allow freedom of movement and reprieve from labour as well as to support unwaged labour which necessarily supports capitalist society (Jenson, 2002).

It is here that the concept of citizenship must be added to the discussion of the state role in the welfare of its people. Drawing on the work of T.H Marshall, as described by Jenson and Papillon (2001), three categories of citizenship have emerged over time. These include: civil rights- fundamental freedoms such as choice, expression, religion etc.; political rights- include the right to participate in voting and running for political leadership; social rights- include the right and equal access to education, housing, health services and income security (Jenson and Papillon, 2001). Jenson and Papillon (2001) suggest that citizenship is a "dynamic relation between three complementary dimensions: rights and responsibilities, access, and belonging" (p.5). Rights and responsibilities encompass those of the state to its citizens as well as citizens to the state and citizens to each other. In order for universal citizenship to be realized, mechanisms in the form of public institutions must be in place to ensure

the full realization of such rights and responsibilities. Which brings us to Jenson and Papillon's (2001) second dimension, access. Access speaks not only to the right to participate in social and political life but it also includes the capacity to be able to do so. Achieving equal access to all the categories of citizenship requires much effort, especially in the form of equitable institutional processes and practices. The third dimension of citizenship is belonging. Belonging is defined by the boundaries of citizenship and refers to a citizen's access to political, social, economic and civic participation (Jenson and Papillon, 2001). These three dimensions of rights and responsibilities, access and belonging operate interdependently in a triangular relationship (Jenson and Papillon, 2001).

The state plays a pivotal role in defining the boundaries of citizenship, by way of legally defining who has the right to participate (for example the right to vote) and it has significant influence in the level of access and belonging citizens have to their citizenship rights by way of institutional structures and systems (for example the language of service). The post WWII Canadian welfare state, most notably with the inception of the Canada Assistance Plan in 1966 (strongly influenced by T.H. Marshall's definitions of citizenship), can be described as legislatively recognizing and providing access to the social citizenship rights of Canadians, specifically the right to income supports based on need. It therefore defined the responsibilities of the welfare state, in terms of the access to citizenship, and moved away from charity based models of 'poor relief' for those unable to be "economically autonomous" (Jenson and Papillon, 2001:36).

This new way of approaching poverty required much greater institutional and

financial investments from government. It also challenged historically entrenched social norms and value judgments regarding and individual's economic autonomy and why it is that one is not able to provide for themselves; bringing what was traditionally viewed as a private matter into the public domain (and public purse).

### *The "Workfare State"*<sup>2</sup>

In the economically receding era of the 1980's, discourse and ideology shifted to the demonization of social spending and the revitalization of individual responsibility arguments; identifying who within the populations of the poor were deserving or undeserving of income supports. In Canada this shift was marked by the removal of the federal Canada Assistance Plan (CAP), which then allowed all provinces and territories to implement 'workfare' models of income assistance provision<sup>3</sup> at the same time as the federal government was tightening eligibility criteria and reducing benefit rates of Unemployment Insurance. Although there has always been a level of regulation and stigma attached to the receipt of social assistance benefits (see Piven and Cloward, 1993; Little, 1998), the 1966 to 1996 Canada Assistance Plan period has come to represent a short moment in time where government policy formalized its responsibility for providing poverty relief as a right based on need. Workfare changed this by reverting back to legislation based on the 1601 Elizabethan Poor Laws; welfare rates were drastically cut to insure the "less eligibility principle"<sup>4</sup> was maintained and labour market participation requirements were attached to benefit eligibility, therefore literally defining

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<sup>2</sup> Workfare State is a term put forth by Jamie Peck in his 2001 publication *Workfare States*.

<sup>3</sup> Newfoundland and Labrador is the only province that has not yet implemented workfare based policies

<sup>4</sup> "defined by the British Poor Law Commission of 1834" the Less Eligibility Principle "basically said that a person or family on welfare should always receive less than the wage earned by the poorest paid independent labourer" (Armitage, 2003:31-32)

who was deserving or undeserving of income support (Little, 1998; Peck, 2001; Hick, 2004).

This policy shift started in the mid 1980's with what Little (1998) describes as "social policy by stealth" (p.150) action which slowly chipped away at the financial base of social programming and moved away from universal income supports to tax credit based systems (such as the change from Family Allowance to Child Tax Benefit). Changes became most obvious and significant in the post-1996 era after the removal of the Canada Assistance Plan. The state of social policy in Canada had then shifted from a system that supported social citizenship rights to one that defined citizenship through a market based model (ie: your level of citizenship was determined by your level of economic and labour market participation)(Little, 1998; Baker and Tippn, 1999; Peck, 2001; Breitkreuz, 2005). Therefore, the previously noted tensions between market and state were brought to the forefront with the market becoming more powerful than governments (Maxwell, 2001). The market's interests took priority over the state's role as protector of citizens from the failures of the market and in fact government policies supported capitalist agendas by creating large pools of low cost labourers. This is evident in workfare policies that attach benefit provision to labour market participation, forcing people into low-wage (and even 'no-wage') employment (Peck, 2001). This market-based approach to welfare provision is based on a confidence that the performance of the market will regulate society and offer opportunity for the poor to become self-sufficient (see Smith, 1776).

Peck and Tickell (2002, 2007) describe this period as that of neoliberal<sup>5</sup> "roll-back",

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<sup>5</sup> Described as "a theory of political economic practices", neoliberalism originated in 1947 Europe (Harvey, 2005:2). Neoliberalism is rooted in economic theory that favours the concept of a 'free market', individual

where states withdraw their role and responsibility, cut public spending especially to income security and social programming and facilitate the deregulation and de-unionization of labour markets (2007:34). This has meant very drastic changes for social assistance recipients across the country. Examples are in Ontario, where a 21.6% social assistance benefit reduction in 1995, resulted in 10,013 people being immediately cut off social assistance (Welfare Watch, 2000). And in British Columbia there was a 30% budget cut resulting in the reduction of income benefit rates and a province wide downsizing of welfare services; resulting in at least 36 welfare offices closing their doors (Klein & Long, 2003). Across the country the institutional mechanisms once built to protect citizens from market failures and exclusions were quickly being removed. In their place we were finding highly regulatory bodies enforcing restrictive policies that were administratively heavy therefore purposefully operating to exclude people as a means to cost reduction (see Herd et. al., 2005; Peck, 2001; Snyder, 2003; Shragge, 1997).

Poverty was again being defined from a functionalist approach where it is individualized and demonized as in centuries past with new policies being built on the foundations of class assumption about the poor being responsible for their own impoverishment due to laziness and apathy. Gender and the value of unpaid domestic work continued to be unrecognized. Leaving lone mother families at a distinct disadvantage as they also had to contend with the financial roll back to the child care, education and recreation systems. The instances of poverty in vulnerable groups, such as lone parent

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responsibility and privatization as the response to increase human wellbeing. Neoliberal theory is clear that state intervention and control must be limited as state involvement hinders and limits the freedoms and benefits of markets; which is equated to the hindrance of human freedoms and benefits. The rise of neoliberalism is associated with the eras of Thatcher, Regan and in Canada, Mulroney. To varying degrees neoliberal ideology influences the current social policies of many nations around the world (Teeple, 2000; Jessop, 2002; Harvey, 2005).

families, new immigrants, Aboriginals and people with disabilities, increased (Human Resources Development Canada, 2002 as cited in Maxwell, 2001). Low-income families with young children were finding it more difficult to participate in recreational activities and incidents of poverty and homelessness were on the rise (Maxwell, 2001). In Eames and Goode's (1970) critique of the 'culture of poverty' theory they point out that in a the "man-made" environment of a "cash-centered" capitalist society, those without cash find themselves at a disadvantage when it comes to power and prestige (p.479). They assert that observed non-participation in society is a likely adaptation in such a situation. As Maxwell (2001) states "people who do not participate in the economic life and who cannot provide for themselves and their families do not feel like full citizens" (p.9); showing significant failure in the access and belonging work of citizenship development described previously.

#### *"The Social Investment State"*<sup>6</sup>

In keeping with the economic theory perspective that once classified North America as a Keynesian welfare state<sup>7</sup>, Jessop (2002) describes current welfare state and labour market trends as a "Schumpeterian Workfare Postnational Regime" (p.459). Named after an economist and subscribing to neoliberal ideological values, Jessop (2002) asserts that this regime emphasizes innovation and competitiveness in an open market arena. He further identifies, as components of this regime, the subordination of social policy to

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<sup>6</sup> The Social Investment State is a term used, and concept presented by Anthony Giddens in his 1998 book *The Third Way*

<sup>7</sup> Named after economist John Maynard Keynes, reference to a Keynesian welfare state describes state intervention through nation state expenditure in order to regulate costs of production and fill income gaps when unemployment occurs; therefore attempting to "moderate the business cycle (to prevent a repeat of the unrest of the 1930s)" (Teeple, 2002:17). It is this economic theory that influenced the welfare state policies of the post-WWII era.



economic policy and the decentralization of government; therefore relying more heavily on partnerships to solve societal problems that were previously addressed by national governments. This description highlights the current emphasis in government anti-poverty strategies and welfare programming to develop 'human capital' and entrepreneurship as modes by which to combat poverty within an increasingly competitive and innovative market place. This section discusses the shift in social policy from a "roll back" workfare state to a "roll out" (Peck and Tickell, 2002, 2007) social investment state (Giddens, 1998) as it is happening within the context of powerful global market regimes and neoliberal values.

As James O'Connor argued in *The Fiscal Crisis of the State* (1973), growth in a "monopoly sector" is accompanied by unemployment, poverty and economic stagnation (as cited in Cumming, 2006). It is widely noted that in our stratified global economy, there is an "international division of labour" (Phillips, 2004:174; Teeple, 2000); the 'developed' areas of the world, such as North America, are increasingly becoming knowledge and technology based economies with the 'developing' countries taking on most of the world's processing and manufacturing duties. Therefore, in the increasingly knowledge based economies (such as Canada's) there is drive towards the 'human capital' development of the population, most notably in children (see Esping-Andersen et. al., 2002; Jenson, 2003; Lister, 2003; Luccisano, 2006).

Human Capital theory came out of the University of Chicago in the 1960s and '70s backed by such thinkers as Milton Friedman, Theodore Schultz, Jacob Mincer and Gary Becker. It is defined as the skills, knowledge, competencies, attributes and even health embodied in individuals (Becker, 1993; Courchene, 2001). It uses the term 'capital'

because there are costs associated with its attainment, therefore, it is seen as something that must be “invested” in and that this “investment” will generate “returns” in the form of increased income (Becker, 1993; Courchene, 2001). Becker (1993) states that training and education are the most important investments in human capital that can be made.

Courchene’s (2001) work takes the theory of human capital and situates it directly in the context of the global economy and Canada’s increasing knowledge economy arguing that in order for Canada to be competitive in this “new economy”, “Canadians must make the transition from a resource- and physical-capital-based economy and society to a human-capital-based economy and society”(p.3). He argues very strongly that human capital development is the model by which Canada must proceed. The title of his book, *State of Minds*, literally illustrates his vision of Canada as a ‘mind’ or thinking state, where the economy and labour market are knowledge based and human capital development is the cornerstone of social policy (Courchene, 2001:288). The following is Courchene’s (2001) human capital mission statement outlining his overarching policy goal and vision:

Design a sustainable, socially inclusive and internationally competitive infrastructure that ensures equal opportunity for all Canadians to develop, to enhance and to employ in Canada their skills and human capital, thereby enabling them to become full citizens in the information-era [of] Canadian and global societies (p.154).

Courchene’s vision speaks to a shift in Canadian social policy and a shift in the concept of citizenship. Still rooted in the market place- since it is there that the rewards from your human capital investments will be found- full citizenship is being defined through the access to knowledge and information technology. The policy shift is toward the

educational investment in people in order to prepare society for changes in the Canadian market place; from an industrial base to a competitive and innovative knowledge base. As Courchene's statement above illustrates, social inclusion is then being defined as the inclusion in this competitive knowledge-based market.

In describing his concept of the social investment state, Giddens (1998) says "The guideline is investment in human capital wherever possible, rather than direct provision of economic maintenance. In place of the welfare state we should put the social investment state." (as cited in Jenson, 2003:84). Banting (2005) states that "in contemporary policy circles, security no longer means protection from market disruptions", as is the case in the post-WWII welfare state; therefore, the current policy transition "is from security as protection *from* change, to security as the capacity *to* change" with education taking the place of income security as the primary form of social security (p.422- emphasis in original).

Jenson (2003) refers to the discourse of social investment and human capital development as neoliberal due to its consistency in requiring government systems and social supports to behave and operate like a business. Peck and Tickell (2002, 2007) argue that this social investment state movement not only maintains hegemonic neoliberal values but acts to further entrench them as the norm in building social welfare policies and structures. They describe this as the "roll-out neo-liberalization" phase where the state starts to spend on human capital investments but workfare policies still stand, income security still stays within tight "fiscally responsible" parameters and neoliberal ideology is "embedded" in the institutions of the state (Peck and Tickell, 2007:34). Jayasuriya (2006) warns that this second phase of neoliberalism is facilitating

the “socialization of the market model” which strengthens and normalizes market citizenship and economic inclusion as the measurement of citizenship (p.1). Jayasuriya (2006) offers the idea that a new constitutional order is emerging, different from a social constitutionalism, called “economic constitutionalism” which “privileges the pursuit of economic and market order” and that this new order removes the space within which social interests and conflicts between market and state have traditionally been recognized and negotiated (p.2). Lister (2003) discusses the heavy focus of social investment policies on the investment in children and the implications that has on the definition of citizenship. She argues “it is the child as ‘citizen-*worker*-in becoming’ or ‘citizen-*worker* of the future’. It is the future *worker*-citizen more than *democratic*-citizen who is the prime asset of the social-investment state.”(Lister, 2003: 433). The message, is of a type of moral regulation based on the value of a ‘worker-citizen’ where citizens ‘should’ be continually upgrading skills, becoming more educated and re-training in order to stay competitive (Lister, 2003; Banting, 2005). Luccisano (2006) writes: “with this shift to social investment, the rights and entitlements of social citizenship have morphed into social responsibilities. Citizens are now responsible for managing their own risks with the aim of ensuring their own protection” (p.59).

#### Human Rights Approach to Poverty Reduction

Jenson and Saint-Martin (2003) and Banting (2005) argue that timing and sequencing of these policy shifts could be dangerous as the current emphasis on human capital development is an investment with results to be seen in the long term while

current income supports are still in a roll back state; leaving little support for the poor and marginalized in the present. Drawing on the work of Paul Hunt, Manfred Nowak and Siddiq Osmani done for the Office of the High Commission for Human Rights' (2004) document *Human Rights and Poverty Reduction* this section describes a human rights approach to poverty reduction that informs the analysis of this thesis.

Article 9 of the *International Covenant on Economic, Social and Cultural Rights* states that "The States Parties to the present Covenant recognize the right of everyone to social security, including social insurance" (United Nations, 1966: 3) while Article 11 of the same covenant states:

The States Parties to the present Covenant recognize the right of everyone to an adequate standard of living for himself and his family, including adequate food, clothing and housing, and to the continuous improvement of living conditions (United Nations, 1966: 4).

With reference to this covenant as well as to the *Universal Declaration of Human Rights* (United Nations, 1948)<sup>8</sup>, the document *Human Rights and Poverty Reduction* (Office of the High Commission for Human Rights, 2004) offers a vision of how poverty reduction can be approached from the base of norms and values outlined in human rights. The Office of the High Commission for Human Rights (OHCHR) (2004) writes:

All policies are imbued with norms or values, just as all institutions operate within a normative framework. Whether explicit or implicit, norms and values shape policies and institutions. A human rights approach is explicit about its

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<sup>8</sup> See Appendix A

normative framework: international human rights.

Underpinned by universally recognized moral values and reinforced by legal obligations, international human rights provide a compelling normative framework for the formulation of national and international policies, including poverty reduction strategies (p.1)

This OHCHR (2004) document argues that if poverty reduction strategies operate within a human rights framework then this helps to ensure the needs and rights of the poor remain central to the structure and outcomes of the anti-poverty strategy. The OHCHR (2004) identify the main features of a human rights approach to poverty reduction, the following four points illustrate the essence of these features: 1) “Empowering the poor” (OHCHR, 2004:13). This is described as facilitating the expansion of freedoms and choice to the poor and is supported by human rights granting the poor “entitlements” that are enforced by the obligations and responsibilities of others, such as governments. An example of these government obligations and responsibilities are stated above in Article 9 and 11 of the *International Covenant on Economic, Social and Cultural Rights* (OHCHR, 1966). 2) “Explicit recognition of the national and international human rights normative framework” (OHCHR, 2004:14) as outlined in the Universal Charter of Human Rights (see appendix A). 3) Accountability of governments and organizations for results in poverty reduction and in upholding human rights obligations and responsibilities. I include in this the OHCHR (2004) emphasized feature that identifying indicators, benchmarks and targets help to make accountability transparent and to move the process of poverty reduction forward. 4) “Non-discrimination and equality”. A human rights

approach recognizes the lack of access and power available to marginalized groups based on gender, class, race, (dis)ability etc. Therefore particular attention must be paid to these marginalized individuals and groups and poverty reduction strategies must be developed that recognize and address marginalization based on these factors (OHCHR, 2004:17). And the final point describing the main features of a human rights approach to poverty reduction is: 5) Participation of the poor in the “formulation, implementation and monitoring of poverty reduction strategies” (OHCHR, 2004:18). Fundamental democratic principles lay the foundation to ensure that “those living in poverty enjoy the right to participate in key decisions affecting their lives” (p.19) and in turn ensuring that other fundamental rights are upheld is necessary (such as freedom of expression, right to information and right to a reasonable standard of living) to ensure that participation rights can be met (p.20). Overarching all of these features, the OHCHR (2004) document identifies that States must take immediate steps towards “obligations that are of immediate effect” which would refer to “the minimum essential levels of various rights including the rights to adequate food and housing, health protection and education.”(p.26).

Referring back to the concerns of Jenson and Saint-Martin (2003) and Banting (2005) that the explicit social investment approach to poverty reduction, in a policy context of ‘rolled back’ and inadequate income supports, speaks directly to the last point of the OHCHR (2004) identified above that a human rights approach to poverty reduction must ensure that the rights to adequate social security housing and food security must be met. It is Banting’s (2005) argument that a human capital development approach “ is being asked to carry too much weight” in anti-poverty policy debates (and

programming)(p.422). He believes that such an approach “needs to be reinforced by attention to long-standing issues of poverty, inequality and income redistribution” in the context of current policies that enforce reduced levels of income transfer (Banting, 2005: 422).

### Asset-Based Welfare

It is within the model of social investment that we find the application of Asset-Based Welfare Theory and Individual Development Account strategies. Learn\$ave, as an Individual Development Account program, remains consistent with the agenda of integrating the poor into the economic and labour market via incentives to increased ‘human capital’.

Michael Sherraden (1991) presented the contemporary concept of Individual Development Accounts, targeted to low-income people as a strategy to combat poverty in his book *Assets and the Poor: A New American Welfare Policy*. Since that time, asset-based welfare programs and policies have been tested and implemented (see Reutebuch, 2001; Schreiner et al, 2002; Cheng, 2004; Kempson et. al., 2005; Kingwell et al, 2005; Schreiner and Sherraden, 2007). This testing and implementing has produced literature with a more in depth analysis of the theories and policy implications of Individual Development Accounts.

Sherraden (1991, 2002, 2005) proposes asset-based welfare policy as an alternative approach to an exclusively income and consumption based welfare system. He argues that income based welfare policies do not consider household wellbeing as a



dynamic process existing and fluctuating over time and they overlook the fact that human wellbeing or 'welfare' is determined by more than simply income level. He uses a spring and pond analogy to describe how assets (pond) can provide stability in times when the income (spring) is not flowing (Sherraden, 1991). An asset based approach, is less focused on welfare as income distribution and more focused on stake holding or asset accumulation as a way to overcome poverty and address long term wellbeing (Sherraden, 1991, 2005). Stating that definitions of poverty based on assets are prominent in international development studies because income support is not affordable to many national governments, Sherraden (2005) highlights how in North America "income support policies have not worked very well from a development perspective" because "income transfers have not enabled poor households to develop" and therefore "income support by itself is not sufficient as a public policy" (p.4). Drawing on the work of Amartya Sen, Sherraden (2005) comments that the 'poverty studies' of the *developed* world and the 'development studies' of the *developing* world are crossing boundaries; recognizing a common ground in the arena of social and economic capacity building (p.4). In Sherraden (2002) he states:

We say that people have assets when they accumulate and hold resources for the longer term. When this happens it has many positive effects for individuals and families (not merely deferred consumption). These positive effects include greater long-term thinking and planning for the future, increased participation in the community and investments in oneself, financial products, property, and enterprise for greater returns.

Widespread asset holding promotes engagement in the economy and society (p.5).

Sherraden (1991, 2005) points out that asset building is not a new concept in social policy and has long been common-place for the “nonpoor”; referring to the existence of grant and tax deductible retirement, mortgage, higher education and other investment schemes as examples. The poor are traditionally excluded from the benefits of those options due to their low-income status. Therefore, Sherraden’s (2005) notion of asset building is about inclusion of the poor in savings and asset accumulation policies. This goal runs in partnership with the notion that building assets not only contributes to people’s economic wellbeing but also to their social and psychological wellbeing. The improvement of these latter two factors is not only the result of having some financial resources, such as in the pond analogy, but also the act of saving and accumulating assets provokes different thought and behaviour patterns and a different response from society towards the individual. Sherraden (1991) calls this the ‘welfare effects of assets’. This concept has come to be termed the ‘asset effect’ and studies have produced opposing results as to whether there is in fact an ‘asset effect’ (see Bynner and Paxton, 2001; McKay and Kempson, 2003). It is from this ‘welfare effects of assets’ theory that Sherraden (1991) proposes Individual Development Accounts (IDA) are a necessary part of asset-based welfare policy due to the social and psychological benefits of actively saving money. He acknowledges that research in this area is limited and not conclusive due to its complexity and having not been a “central question in applied social research”, though he feels it is reasonable to assume positive effects given asset holding’s position as the foundation of the ‘American Dream’ (Sherraden, 2005:9).

### Individual Development Accounts

Now is the time, in the context of neoliberal ideological dominance and social investment state policy frameworks, that governments and scholars are implementing and testing asset-based welfare strategies; Individual Development Accounts are one component of the larger social investment architecture. Individual Development Accounts (IDA) are matched saving account programs designed to facilitate the building of capital and assets in low-income populations as a method to combat poverty. Individual Development Accounts have various parameters that are set out by the funding bodies; which are generally government departments for the larger IDA initiatives. These parameters outline the minimum amount that should be saved, the rate at which savings will be matched, the time period by which participants have to save the money, the time period by which they have to spend the money on the asset investments outlined by the program and the requirements of financial training participation. For example, the program may require that a person attend six financial training workshops before or during the saving process then they may be required to save a minimum of \$20/month for 24 months out of a 36month period; then their savings of \$480 will be matched dollar for dollar by the funding body for a total savings of \$960. Once that saving period is finished, the IDA participant may have only one or two years in which to spend their savings in order to receive the matching credits from the funders. Individual Development Account programs often have the objective of building human capital and/or homeownership opportunities; therefore, after the savings period is complete the

participants are usually required to invest their savings into education, small business start-up or home ownership.

Also known as matched savings accounts, IDAs are growing in international popularity. With 1997 seeing the United States' American Dream Demonstration project as "the first systematic study of Individual Development Accounts" (Schreiner et al., 2002:1), the movement toward large Individual Development Account pilot projects has quickly spread to such countries as the United Kingdom, Taiwan, Australia, Singapore and Canada with smaller Individual Development Account projects becoming more common place in many countries; most notably in the United States. General details on the structure of the American Dream Demonstration (USA) and the Saving Gateway (UK) Individual Development Account programs can be found in Appendix B.

### *Learn\$ave*

Learn\$ave is a national Individual Development Account pilot project in Canada; fully funded by the federal government department of Human Resources and Social Development<sup>9</sup>. It is currently coming to completion, with the final research report due in 2009. As its name infers, the focus of this project is on learning; therefore, participants must spend their savings on training, post-secondary education, or small business start-up in order to be eligible for the matched dollars. Social and Enterprise Development Innovations (SEDI) proposed the program and partnered with Social Research and Demonstration Corporation (SRDC) to design, implement and evaluate Learn\$ave. It has been delivered by local service agencies in ten sites across Canada with the three

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<sup>9</sup> The now called Department of Human Resources and Social Development (HRSD) was called Human Resources Development Canada (HRDC) at the inception of Learn\$ave.

primary<sup>10</sup> sites being Halifax, Toronto and Vancouver while the seven secondary sites are Digby, Fredricton, Montreal, Kitchener-Waterloo, Grey-Bruce counties, Winnipeg and Calgary. There were a total of 4,827 participants<sup>11</sup> who enrolled in Learn\$ave during the 2 ½ year recruitment period. In the primary sites the matched saving ratio is 3:1; for every \$1 of participant savings Learn\$ave contributed \$3. The maximum savings amount per individual that was matched over the course of the program is \$1,500 meaning that if a participant saved this maximum then Learn\$ave would contribute \$4500 in matched credits. A minimum of \$10 per month for at least 12 months out of a 36 month period was to be saved by the participant before Learn\$ave would match their savings. Most of the sites involve fifteen hours of financial management training as part of the program requirements. The secondary project sites have different variations of these parameters, which are being tested by SRDC in the research process of this pilot project (Kingwell et al, 2005). See Table 1 below for some more details of the project parameters.

#### *Who is Accessing IDAs?*

The objective of this research project is to learn from the population of people who have chosen not to participate; who withdrew, stopped participating or otherwise felt Learn\$ave didn't work for them in order to get an understanding of some of the barriers Individual Development Accounts may have for

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<sup>10</sup> The 'primary' Learn\$ave sites had larger enrollment than secondary sites and they involved an experimental evaluation of Learn\$ave that included a control group of research participants that did not participate in the Individual Development Account.

<sup>11</sup> This number of Learn\$ave participants represents the number of people who enrolled in Learn\$ave regardless of whether they continued to participate in the program

**Table 1.**

<b>Lean\$ave Individual Development Account Program</b> 2001- Present (Kingwall et. al., 2005)		
Eligibility Criteria	<ul style="list-style-type: none"> <li>• People with a household income at or below 120% of the Low-Income Cut Off (LICO)</li> <li>• People between the ages of 18-65</li> <li>• Must not be a student and must have been out of school for at least 24 months</li> <li>• Must not have more than \$3000 in liquid assets (or 10% of annual income whichever is less)</li> <li>• If a home owner, the market value of their home must not exceed the median value of homes in their area.</li> </ul>	
Number of participants	A total of 4,827 people enrolled in Learn\$ave across Canada. It is unknown at this time how many of those people managed to save and receive matching credits.	
Number of sites	There were 10 sites across Canada. Three primary sites (Toronto, Halifax and Vancouver) and seven secondary sites (Digby-Annapolis Counties, Fredericton, Montreal, Kitchener-Waterloo, Grey-Bruce Counties, Winnipeg and Calgary).	
Parameters for Saving	Participants have a maximum of three years to save and must save at minimum, \$10 for 12 months out of the three years before any matching credits can be used. The maximum monthly deposit, to receive matching credits, is \$250.	
Matching Credit Ratios	Toronto	Kitchener- Waterloo
	\$3 of Learn\$ave credit for every \$1 saved by participant	\$2 of Learn\$ave credit for every \$1 saved by participant
Matching Ratio Cap on Savings	A maximum amount of savings that will be matched is \$1500. Therefore, at a matching ratio of 3:1, the maximum matching credits would be \$4,500, offering a participant a total of \$6000 to put towards education, training and small business.	
Parameters for Spending Savings and Matched Credits	Participants can withdraw their savings deposits at any time, however they will only received matched credits from Learn\$ave if they have completed the savings requirements and if their use of funds on post-secondary education, job training or small business start-up has been approved by Learn\$ave. Only at that time can the matching credits become money that will help with the approved expenses. In order to receive matched credits, all savings have to be used for an approved purpose within one year of the end of the savings period.	
Financial Training Required	Most sites require 15 hours of financial management training, including lessons on goal setting, using credit, budgeting, spending and general money management.	
Case Management	Most sites offered case management support to participants. The case managers role consisted of duties such as offering program support to participants as well as to report on participant progress with savings and financial training attendance.	

people living in poverty. The majority of literature surrounding Individual Development Accounts, or matched savings accounts, is the product of evaluations of national pilot projects such as the American Dream Demonstration Project in the USA (see Schreiner et al, 2002; Schreiner and Sherraden, 2007), The Savings Gateway in the UK (see Kempson et al, 2005; Institute for Fiscal Studies & Ipsos MORI Social Research Institute, 2006) and the *Learn\$ave* Project in Canada (see Kingwell et al., 2005). All of these reports focus on the design, implementation and evaluation of the projects as well as the demographics and program related activities of their participants. Michael Sherraden and his colleagues at the Center for Social Development in St. Louis, USA, have produced a significant list of publications surrounding asset-based welfare policy<sup>12</sup>. These include theoretical and policy implementation discussion papers as well as research based papers presenting results from the American Dream Demonstration project and various other asset-building initiatives across the United States. However, in this body of literature I have been unable to find any studies that focus on people who chose not to participate in Individual Development Accounts or research that asks why Individual Development Accounts may not have worked for participants who stopped participating.

In the final report of the American Dream Demonstration Project (ADD), Schreiner et al. (2002) state: “As far as we know, IDAs are effective even for those people below the poverty line. Of course, evidence from ADD pertains only to the people who enrolled [in ADD] and not to all those eligible to enroll” (p.53.). Schreiner and Sherraden (2007) offer a thorough quantitative analysis of those they classify as “savers” and “non-savers” from the results of the American Dream Demonstration with

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<sup>12</sup> go to <http://gwbweb.wustl.edu/csd/> for a complete list of asset-building research publications produced by the Center for Social Development.

52% of the project participants being savers and 48% being non-savers. Though they noticed some trends across demographic lines indicating that those with more assets, higher education and more adults in the family unit were more likely to save in greater amounts they concluded that there was no defining characteristics to people being savers or not. What were not presented in Schreiner and Sherraden's (2007) book was people's reasons for not saving/not being able to save or people's reasons for not enrolling in ADD though they were eligible.

In 2001, Timothy Reutebuch published a study that was generally interested in knowing:

Will Individual Development Accounts simply "skim" those households which are already closest to leaving the ranks of the poor, leaving behind those households with the lowest levels of material capital and human assets?

(Reutebuch, 2001: 97)

Reutebuch's (2001) research focused on "what factors are related to households choosing to utilize Individual Development Accounts (IDAs) as a means to escape poverty." (p.95). He used a sample of 'working poor' households in Ohio and questioned the relationship between their household asset levels, including key demographic characteristics (education level, number of adults and number of children in household) and their choice to participate or not to participate in an Individual Development Account program. He did this by requesting data via a survey given to potential Individual Development Account participants, before they decided to enter or not enter the program and then compared that information after the households made their choice about



Individual Development Account participation. Reutebuch (2001) concluded that “the education level of head of household, number of adults in household and number of children in household were found to be significant in predicting Individual Development Account participation”(p.102). Households with higher education levels and more adults, which Reutebuch related to having higher ‘income potential’, were more likely to participate in an Individual Development Account (Reutebuch, 2001).

Reutebuch’s (2001) results are consistent with comments made by the evaluators of the Learn\$ave project when comparing participant profiles to the larger population: “Learn\$ave was of interest to Canadians who were more likely than the general eligible population to be younger, single, well educated and employed...the overall findings of Learn\$ave’s impacts will not be generalizable to the relevant population ”(Kingwell et al, 2005:120). This indicates that researchers are aware the Individual Development Account programs in question are not reaching the households living in deeper poverty. At the very least, this requires more research focused on this phenomenon.

The Social Research and Demonstration Corporations’ (SDRC) (Kingwell et.al, 2005) interm report on the Learn\$ave project collected data from people who had inquired into the program but chose not to participate. This was done through focus group research where they were interested in learning more about why recruitment for Learn\$ave was more difficult than they had anticipated. They spoke to two groups of people, those who had inquired and were eligible for the program but did not enroll and those that enrolled and were participating in the program. They found that the people who did not enroll had various reasons for this decision some of which were: 1) They were “dissatisfied with the project rules” such as the cap on the amount of matched credits

allowed, the length of the saving and spending period and the outlined parameters for using the savings. 2) The lengthy application form and having to provide a significant amount of personal information and 3) The last category describing why people chose not to enroll Kingwell et. al. (2005) titled “personal problems”(p.105). Within this category are descriptions of: unemployment, depression, people being too busy trying to make ends meet that they don’t have time or energy to focus on the application, people living in such low income levels they feel they wouldn’t be able to save, people not feeling that going to school or doing training is the best thing for them and people who felt they would not be able to open a bank account or did not want to open a bank account because of previous financial history with banks (Kingwell et. al., 2005).

It is these findings, labeled as “personal problems” that inspired this thesis to further explore why people didn’t or couldn’t participate in Learn\$ave and to learn more from those people about the context of their decisions in order to help inform policy discussion on whether Individual Development Accounts could be a successful anti-poverty strategy for Canadians.

## **CHAPTER 3: METHODOLOGY**

### **Research Questions**

Reutebuch's (2001) suspicions appear to be correct in that Individual Development Accounts are only reaching the people who are "already closest to leaving the ranks of the poor" (p.97). These suspicions are consistent with comments made by the evaluators of the Learn\$ave project when comparing participant profiles to the larger population: "Learn\$ave was of interest to Canadians who were more likely than the general eligible population to be younger, single, well educated and employed"(Kingwell et al, 2005: 120). This indicated to me that researchers are aware Individual Development Accounts are not reaching the households living in deeper poverty; which made me question their effectiveness as an 'anti-poverty strategy' if they are some how not accessible to many living in poverty.

This research project was therefore interested in learning more about people's experiences with Learn\$ave; specifically those people who knew about Learn\$ave and were eligible to enroll but did not, as well as those that enrolled but then stopped participating in the program before completion. In order to contribute to the understanding of whether Individual Development Accounts can be an effective anti-poverty strategy in Canada this project set out to explore: 1) Why people didn't or couldn't participate in Learn\$ave 2)Why people who enrolled in Learn\$ave stopped participating; 3)What factors might have enabled an Individual Development Account to be successful for participants?

### Research Methodology

To date, most of the research on Individual Development Accounts is quantitatively based and focuses on the population of people participating and completing Individual Development Account programs (see Reutebuch, 2001; Schreiner et al, 2002; Cheng, 2004; Kempson et. al., 2005; Kingwell et al, 2005; Schreiner and Sherraden, 2007). Therefore, in order to lend another perspective to the literature on Individual Development Accounts, this study focused on the population of people that knew about Learn\$ave but either did not enroll in the program or enrolled but stopped participating before completion of the program. Given that the objective of this research project has been to learn more about the experiences of those living in poverty who had an opportunity to participate in Learn\$ave, this study used qualitative methods of inquiry. Qualitative methods have allowed the context of the participants experience in Learn\$ave to be described by themselves as “those who embody or live” that phenomena (Anastas, 1999:57). The relational aspects and socio-political process that surrounded their experiences with the program have been described more fully and in more detailed by employing qualitative methods (Caragata et. al, 2005).

This methodology is consistent with the social justice and policy advocacy framework of this study in that it “acknowledges the research participants as ‘knowers’” whose input is necessary when attempting to evaluate the appropriateness and effectiveness of social programs and policies (Code, 1991 as cited in Caragata et. al., 2005). Though not utilizing participatory research methods, which may include the

researched community in all aspects of the research process including design, analysis and reporting, this research project has subscribed to a feminist empowerment research perspective. This has been done through the process of consciously thinking about and including the politicized dynamics of “power relations, cultural context and social action” (Ristock and Pennell, 1996: 2). Through qualitatively exploring and publicly reporting the stories and recommendations of those who accessed this anti-poverty program, this research “seek[s] to shift the centre from which knowledge is generated” (Hall, 1981 as cited in Kirby et. al., 2006: 34) by providing a space for these voices to be heard and advocating for policy and program change based on the experience of these participants. With this goal there is the intention to encourage welfare and anti-poverty policy makers to further engage and include program participants and more qualitative findings that examine participant experiences in the program evaluation and development process. This would work to facilitate a shifting of power and inclusion of diverse perspectives in the program development process. This research project is, fundamentally, “committed to identifying, facilitating or creating contexts in which heretofore silent and isolated people [...] gain understanding, voice and influence over decisions that affect their lives (Rappaport, 1990 as cited in Ristock and Pennell, 1996: 2). It is therefore the commitment of this thesis not only to report the theoretical findings and implications of a program like Learn\$ave in the context of welfare state and anti-poverty programming, but to offer some concrete programming recommendations as they have been reported by the twelve people interviewed here, while making honest efforts to present the context within which these community members put forth such recommendations.

## Research Methods

Learn\$ave is a national pilot project that is running in 10 different locations across Canada; three are in Ontario (Toronto, Grey-Bruce County and Region of Waterloo). This research study focused on the Toronto and Region of Waterloo Learn\$ave sites. Toronto is one of the three primary sites (the other primary sites are Halifax and Vancouver) and the Region of Waterloo is a satellite site. These sites were chosen as useful and efficient sites for this research because they are geographically feasible for me to reach on a regular basis; the staff at both sites were willing to assist me in the process of recruiting participants.

This population of people had not been researched in the past therefore this study begins from a place of 'not knowing'. This, combined with the reality that the size and demographic details of the whole population is unknown, makes it necessary to rely on the replication logic of this study as opposed to the sampling logic (Anastas, 1999). Therefore, the non-probability sampling technique of convenience sampling was used to recruit participants.

### *Participant Recruitment*

The population from which this study sampled varied between the two sites. In the Region of Waterloo site, there was no way of directly contacting people who inquired into Learn\$ave but chose not to participate. In order to attempt to reach this population, posters (see Appendix D) were put up in public places (such as community centers) around the Region of Waterloo area. Choosing the locations posters were hung was

based on the recommendations of the Learn\$ave staff at Lutherwood, the administrating agency of Learn\$ave in that area. The locations where I hung posters consisted mainly of community buildings where initial recruitment of Learn\$ave was carried out between 2001 and 2003. This method ultimately did not succeed in recruiting any participants for the study. The second, and primary participant recruitment method was agreed upon with staff from the Learn\$ave evaluators, Social Research and Demonstration Corporation (SRDC) and the staff from Lutherwood. It involved significant assistance from the Learn\$ave staff in the Kitchener Lutherwood office by way of sending out research participant invitations (see Appendix C and D) to approximately 170 Learn\$ave participants via email and/or mail. These invitations were specifically geared to people who had withdrawn or otherwise stopped participating in Learn\$ave as well as those who may have felt that Learn\$ave was “not working for them”. To compliment this process, one of the Learn\$ave staff at the Kitchener office also called some Learn\$ave participants who she knew had withdrawn or were not actively participating in the program to let them know of this research opportunity. The combination of these methods successfully recruited 4 participants for this study from the Region of Waterloo site.

In Toronto, Family Services Association (FSA) is the community agency administrating the Learn\$ave project. They were responsible for the recruitment of Learn\$ave participants and running information sessions for potential enrollees in the program. Through communication with them and SRDC staff, it was determined that I could do recruitment in Toronto via two different methods. Due to Toronto being one of the primary sites for the evaluation of Learn\$ave and therefore involving the program participants in that research process already, I was unable to send invitations to the

majority of participants who had actually enrolled in Learn\$ave in Toronto in order to try and capture those who had stopped participating or felt Learn\$ave was not working for them. However, there were other recruitment method possibilities identified by Family Services Association and SRDC. The first method was that Family Services Association Learn\$ave staff would send out my research participant invitations via mail to a group of Learn\$ave participants who were, for Learn\$ave evaluation purposes, in a non-experimental social assistance recipient group (see Appendix D and E). This letter and flyer went out to approximately 75 people who at the time of enrolling in Learn\$ave were recipients of either Ontario Works or Ontario Disability Support Program income support benefits. This method was successful at recruiting five participants for this study.

The second method of recruitment in Toronto consisted of drawing from the group of people who had attended a Learn\$ave information session during the 2001-2003 recruitment period but who did not enroll in the Learn\$ave program. People who attended these public information sessions supplied their contact information to Family Service Association with the understanding that they may be contacted in the future for Learn\$ave enrollment or research purposes. The Learn\$ave staff at Family Services Association assisted me in mailing out approximately 250 invitations (see Appendix F) to some of those people who attended these sessions but did not enroll in the program. This method was successful at recruiting three participants.

In all of the recruitment methods, potential participants were supplied with my name and phone number and if interested they called me voluntarily. When they called me, I provided them with some more detailed information about who I was, the process of this research project and their potential involvement in it. I then asked them a few



voluntary questions to ensure they met the criteria to be interviewed: 1) They had enrolled in Learn\$ave and stopped participating or 2) They knew about Learn\$ave, were eligible to enroll but did not enroll. It was at this stage that I became aware of a third participant group that may offer a valuable perspective to this investigation; these were the people who had enrolled in Learn\$ave and had cashed out some or all of their savings and credits earned but who wanted to share, through this interview process, why they felt the program didn't work for them or could have worked better. In the end, twelve people were interviewed (see Appendix G and the *Participant Profiles* in the *Results* chapter of this thesis for descriptions of the participants).

### *Data Collection*

Qualitative data was collected from these twelve research participants by conducting semi-structured individual interviews. Demographic information was verbally collected at the beginning of the interview and an interview guide was followed, though in a flexible way to facilitate more conversational and narrative results (see Appendix H for a copy of the interview guide). The interviews were conducted at a location mutually agreed upon by the participants and myself which resulted in three interviews being held in public libraries, two interviews taking place in an office at the Wilfrid Laurier Faculty of Social Work and the remaining interviews being conducted in the participants' homes. Having conducted all of the interviews myself, the knowledge and information gathered from previous interviews informed my skills, process and methods of probing for information in the subsequent interviews. In each case, the

interviews were audio taped<sup>13</sup> and then later transcribed by a volunteer transcriber or myself.

### *Data Analysis*

The data analysis process began, though informally, at the onset of the first interview with Colin; it has continued until this point and will likely continue well after this thesis is complete. Colin's account of his experiences identified areas and concepts of interest that multiplied with each interview and developed my attention in certain areas as I listened to the narratives. Though I intentionally did not take notes during the interviews, in order to maintain a comfortable and conversational atmosphere with the interview participants, I did make brief notes of my thoughts after the interviews. Before a formal analysis had begun, common themes were already becoming apparent and my reflective processing was constant.

The transcribed interviews were imported into an Nvivo qualitative data software file in order to allow for effective management, coding and analysis of data. The formal analysis process began with a thorough reading of the transcripts, making notes and identifying topics in which to categorize the data. The first stage of coding using Nvivo was a process of topic coding in which I identified some general topics coming from the data and categorized passages of the interviews into those topic areas (see Morse and Richards, 2002). This process was not linear but rather circular in that I coded, referred back to the original transcript and/or taped interview and then continued coding; regularly

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<sup>13</sup> In the case of Gabriella's interview, it was audio taped but I realized at the end of the interview that there had been a malfunction during recording resulting in very little of the interview being recorded. Therefore, I made detailed notes of the content of the interview as soon as possible. It is these notes that were used for analysis.

examining and refining the topical categories to better reflect the data content. During this process of topic coding, a natural process of analytic coding occurred as concepts and themes were drawn from the data and indeed the topics. Though not always systematic in the theme analysis process, themes and topics were regularly cross checked with the content and context of the whole interviews and each established theme and topic node was coded to ensure consistency and appropriateness of content in each node.

### Ethical Considerations

#### *Informed Consent and Confidentiality*

Participants voluntarily participated in this research project and ultimately decided on the interview setting. As the interviewer, I read through the consent and confidentiality form (see Appendix I) slowly with each participant, ensuring there was clarity and that all questions were asked and answered before they signed the form. The participants could choose not to answer any of the questions asked and had control if they wanted to stop the tape recorder or the interview at any time. Feeling it was important to respect the time and effort people put into this research and in the hopes that it might encourage some response to the participant recruitment, each participant received \$20 in cash at the end of the interview regardless of whether the full interview was completed or not (however, all interviews were completed in full).

Participants' identity has been kept confidential by using alias names. I have ensured that direct quotes in this document do not contain any identifying information and documentation containing personal information of the participants (including:

consent forms, interview notes, interview transcripts and audiotapes of the interviews) have only had the possibility of being viewed or listened to by the research team, which includes myself, my advisor Dr. Lea Caragata and an outside transcriber. These people have ensured that all information is kept confidential. The consent forms have been kept in a secure location, separate from the interview transcripts and tapes. The data from this research, including the audiotapes, will not be used for purposes other than that of this project (including publishing and policy advocacy activities) without the additional permission of the participant.

### *Risk and Benefits*

Though the potential risks to the participants of this research were very minimal, interview participants were asked questions that led them to sharing sensitive information about structural, social and economic barriers they and the members of their household have faced. In a few cases, this caused interview participants to become upset. At that time as the interviewer, I asked the participants if they wanted to pause or stop the interview in order to ensure their comfort and safety. In each case the participant denied my offer, stating that they were fine and continued with the interview. At the end of each interview I asked the participants how they were feeling, every participant responded positively in each case convincing the interviewer that a support service referral was not necessary.

The potential benefits of this research outweigh any risk the participants have undertaken. Given the significant impact social welfare policies and their associated programming have on vulnerable, marginalized populations, seeking information and

recommendations from those affected by such policies and programs has been done with the intention of opening a space for their voices to be heard in the hopes that their voices may be considered during policy and program development processes.

Individual Development Account research to date includes very little about the population of people not participating in such initiatives, therefore the research community may benefit from this research's contribution.

### *Limits to the Research*

Given the unknown nature of the whole population of people that fit this study's criteria (especially those who looked into Learn\$ave but did not enroll), and therefore the inability to access the whole population from which to draw a representative sample (this includes the inability to access all the people in Toronto who enrolled and therefore those who may have stopped participating), the twelve participants interviewed are assumed not to be representative. Therefore, I cannot claim that the results of this study are applicable to the larger population. There are populations of people that are known to have enrolled in Learn\$ave but are not represented in the interview panel or are under represented. These include: men; people under 30 years old; married people; visible minorities; people born in China; recent immigrants (after 1997); and people with a university degree<sup>14</sup>. However, given the exploratory nature of this study and the non-enrollee participant recruitment, the validity of this study relies more heavily on its ability to be replicated and therefore laying the groundwork for similar studies in the future.

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<sup>14</sup> These demographics are based on "Characteristics of Enrollees" (Kingwell et. al., 2005:163)

English was the only language used in this research project, that includes the recruitment materials and interview process. This reality limits the participants to those who speak English fluently.

### *Sharing Results*

Each participant was asked if they would be interested in receiving information about the results of this study. All of them indicated that they would be interested and provided me with their contact information for follow up purposes. Upon completion of this document, the participants will be notified, offered a copy of the document (or summary if preferred) and be asked to provide feedback surrounding the results before policy advocacy activity commences. At that time a summary and recommendations paper will be written that I hope to distribute widely among appropriate agencies, policy/government departments and research/academic organizations both within Canada and internationally (that is other countries that participate in Individual Development Account strategies). The participants will be notified and given copies of presentation abstracts and any other published documents that come out of this research. If the opportunity arises, their participation in any of the above activities will be solicited.

## CHAPTER 4: RESULTS

The following chapter presents the results from this research that address: 1) Why people didn't or couldn't participate in Learn\$ave 2) Why people who enrolled in Learn\$ave stopped participating; 3) What factors might have enabled an Individual Development Account to be more successful for participants? In answering these questions I have presented the research under four categories:

First, *Participant Profiles and Level of Engagement with Learn\$ave*. This section is split into three sections identified by the level of engagement each research participant had in Learn\$ave. The first section introduces Alley, Ellen and Sheila, all of whom did not enroll in Learn\$ave. The second section introduces Mary, Ashley, Donna, Gabriella, Colin and Joan, all of whom enrolled in Learn\$ave but stopped participating. The last section in this category introduces Glen, Sophie and Jenn, all of whom participated in Learn\$ave to the point of cashing out some credits. Overall this section will provide an overview of each research participant as well as identify their reasons for withdrawing from the Learn\$ave program and highlighting the commonalities within their stories.

The second category of these results is: *Attraction and Benefits of Learn\$ave*. This category is broken down by themes that emerged from the interviews and which offer some insight into what people felt they could have, or did get, out of the program.

The third category of this chapter is: *The Life Context of Participants: Marginalization and Exclusion*. This section serves to present the stories of these twelve people in some political and systemic context as it relates to their experiences of poverty

and Learn\$ave. This section offers an analysis that must always be included in anti-poverty work, rooted in issues of class, gender, age, race and ability.

The fourth and last category of this chapter is *How Learn\$ave Could Work Better For Participants*. This section highlights the research participants' ideas of what changes can be made to Learn\$ave to make it a better, more effective program.

#### Participant Profiles<sup>15</sup> and Level of Engagement with Learn\$ave:

The twelve people interviewed for this study all had varying degrees of engagement with the Learn\$ave program. Three of the interview participants attended information sessions held by Learn\$ave but did not enroll in the program; six interview participants enrolled in the program, attended some or all of the programs financial training sessions but did not complete the saving or receiving matched credits portions of the program. Three of the interview participants completed the saving stage of the program and cashed out some of their savings and the matching credits from Learn\$ave. Across all three of these different levels of engagement, people identify two main barriers of this anti-poverty strategy: They didn't have enough income to save and; there wasn't room in the program structure for them to choose how and when they could spend their savings.

The following three sub-sections (*People Who Did Not Enroll in Learn\$ave; People Who Enrolled in Learn\$ave but Stopped Participating* and; *People Who Enrolled in Learn\$ave and Cashed Out Some Credits*) offer you an introduction to the individuals who contributed to this study while describing their different levels of engagement and

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<sup>15</sup> More demographic information is available in Appendix G



their associated experiences and reasons for that engagement level. This section then ends with a *Summary of Participant Engagement Levels with Learn\$ave*.

### *People Who Did Not Enroll In Learn\$ave*

#### Alley

The interview with 38 year old Alley took place in her home where she pays Toronto market rent rates and lives with her husband and four children. She is a newly trained Personal Support Worker who seriously injured her back very early in her career, therefore excluding her from being able to do her work any longer and likely ending her plans to be a nurse in the future. Alley and her family have been receiving their sole source of income support from Worker's Safety and Insurance Board (WSIB) while at the same time her husband was recovering from car accident related injuries that restricted his ability to work. Alley received the equivalent of a grade eleven education in her native homeland of Ecuador. She immigrated to Canada when she was 23 years old. Alley identifies as a member of a minority group due to her aboriginal status as a native person from Ecuador as well as her first language being Spanish. Alley stated that in 2005, their income, for a family of five living in Toronto, was \$26,000.

#### Ellen

Ellen is a 58 year old woman who lives alone in her apartment, which is a Toronto apartment that she pays a subsidized rate on her rent; it is in that apartment that we conducted the interview for this research. Ellen moved to Canada from Italy when she was 20 years old. She states that her monthly income of \$530 is sent to her from her

mother in Italy and that has been the case since the late 1990s when she experienced extreme financial hardship. Ellen has worked part-time on and off in administrative and telephone sales positions. Ellen declares she is “married forever” though she states that her husband, who was the family breadwinner at the time, depleted their joint bank account and left the marriage in the 1980’s. Ellen says that this left her in a very vulnerable state financially as a woman who had always done unwaged domestic work and who had devoted her life to being a good wife and mother.

### Sheila

Sheila is a 51 year old woman whose sole source of income is Ontario Works. Sheila and I met in a public library in Toronto which is where we conducted the interview for this research. She identifies as a black woman who emigrated from Jamaica with her family when she was 13 years old. Sheila raised her daughter as a single mother during which time she was supported primarily by social assistance but also had employment and did some post-secondary study during those years. Sheila identifies a history of experiencing abuse as well as ongoing social and systemic discrimination that offered her inadequate supports as determining factors in her life course. She is continually looking for work but finds it difficult to do so on the limited income and health benefits she receives from social assistance.

Ellen, Alley and Sheila are all Toronto residents who inquired into the Learn\$ave program but ultimately did not enroll. Though each woman described various reasons for not enrolling in the program, both Ellen and Sheila identified that the extremely low level

of income they were receiving contributed to their reasons for not enrolling because they barely had enough to get by day to day and did not feel they could afford the \$10/month commitment outlined by Learn\$ave.

Ellen: At the time of the program that I went to find out about, my financial situation was at zero so I became a little skeptical about not being able to be consistent to deposit the money or do as little money every month that was requested by the program.

From Sheila's perspective the income cut off level outlined by Learn\$ave's eligibility criteria was too low. Her reasons for not enrolling were two fold: she did not have any disposable income as an Ontario Works recipient and she was in the process of looking for work which she hoped would then put her above the income cut off of the program.

Sheila: So at that point I was looking into it [...] going to do it and then um what if I got [work]? I looked at the income restrictions and all the rules an regulations, it was okay but [...] you look at your situation and you think okay [...] it may not be permanent you may get over it [poverty] eventually maybe [...]

Sheila: [...] Even if I look at it again I'm thinking, the cut off is still low cause right off it looks okay but I don't have anything. I don't have disposable income to save. Your basic necessities first and then something to play with and the cut offs are so low, that's your survival not disposable; you'd have to cut into your survival income [...]

Sheila stated that her current OW income did not offer her enough income support to save because at \$520/month it was barely enough to survive. If she were to get a job that

allowed her enough disposable income to save, she argued that then she would be above the income eligibility for the program. She felt that Learn\$ave should have a higher income level cutoff because the income level it targeted was generally where people that did not have disposable income to save were at. Yet those who might really be able to save and benefit from such a program were households that had income level too high to qualify for Learn\$ave. She shared this opinion with, Ashley and Sophie (both of whom you will meet in the following sections), who felt that Individual Development Account programs like Learn\$ave are really better suited for people at higher income levels. This is consistent with Reutebuch's (2001) argument that the households living in deeper poverty are not being reached by Individual Development Account programs.

Alley is the other participant that did not enroll in Learn\$ave. Her circumstances were different to Sheila and Ellen's in that she sustained a work place injury around the time she was going to enroll in the program which caused a shift in path from a woman who was building her career and looking to develop more professionalized skills to a woman who was unable to work, suffered chronic pain and experienced a significant income reduction as a result.

Alley: So I went to the information session it was great, fantastic, I took the package and I was going to take it [the Learn\$ave program]. I didn't have the money because I know you are supposed to put some money so I was trying to get the money together and then, to put because I didn't want to start just with ten dollars I wanted to start with a little bit more. That's when, in those days happened the accident so that was the part I didn't really, not even talk about just forgot and it

passed a few, I think I received a few letters reminding me what was going on, but I just opened the letters and put aside because I was just trying to get better, sit down, stand up and get back to normal it was impossible.

Alley described the timing of her injury and therefore her inability to enroll in Learn\$ave as a missed opportunity to increase her skills and employment status. However, since that injury she finds herself in the position of not being able to return to the Personal Support Work employment and nursing career she previously aspired to, because of the physical demands she is now unable to meet.

A theme that arose in many of the interviews and one that was a reason for Ellen choosing not to enroll in Learn\$ave was the lack of flexibility Learn\$ave offered regarding timelines and how the saved money would be used. This aspect of the program acted as an immediate deterrent for enrollment in Ellen's case. Ellen describes that part of her attraction to Learn\$ave was her desire to try and build a savings account for security and peace of mind:

Ellen: [...] I could have saved maybe, I don't recall the amount that I would have been able to save but whatever amount had to be used for education or business purposes. I was not interested in education and the business it would take too long to accumulate the money to start the business [...] I wanted to have the money to be used for personal purposes that I could withdraw it to use it whatever way I desired to. But that was not possible and that was also part of not wanting to apply for this account.

This lack of power in the decision making process around the purpose and spending structure of the savings was widely felt by many participants. As you will see in the next two sections, it not only acted as a deterrent to enroll (as is the case with Ellen) but it also discouraged people from participating or restricted people from fully benefiting from their saving efforts.

Alley, Shelia and Ellen's reasons for not enrolling, though varied, provide insight into some of the immediate challenges set up by an Individual Development Account program such as Learn\$ave when attempting to encourage and support low-income earning individuals to save money. The difficulty of saving on a poverty level income and the previously outlined goals and timelines imposed by the program, are barriers that work together to undermine the anti-poverty goals of the program by excluding impoverished individuals.

### *People Who Enrolled In Learn\$ave but Stopped Participating*

#### Ashley

Interviewed in her Toronto apartment where she pays market rent, Ashley lives alone though offers as much childcare support as she can to her son by watching her grandchild. Ashley was a lone mother of two boys who are now grown and living on their own. While raising them she said that she worked most of the time but never earned enough so often relied on social assistance for income top up. Ashley had recently been laid off of her coffee shop job so at 58 years old was participating in a job finding club for 'older workers' at the time of interview. She stated that she hoped this program

would be successful at finding her work because being supported only by Ontario Works, she was very behind on her bills.

#### Colin

Colin is a 31 year old man who pays market rent for an apartment in the Kitchener area that he shares with a roommate. Colin was interviewed in an office at the Wilfrid Laurier Faculty of Social Work in Kitchener. Colin receives Ontario Disability Support Program income support due to his diagnosis of Generalized Anxiety Disorder. Colin states that he likes to keep active in the community to keep social and not feel isolated; he volunteers for a local non-profit organization.

#### Donna

Donna is a 56 year old woman who is unemployed and receives Ontario Works as her sole source of income. The interview with Donna took place in her home which is an apartment in a very large subsidized Toronto Community Housing complex where she lives alone with her cat. Donna is a white woman who was born in Canada and has attended some college as her highest level of education. Donna states that her age has excluded her from the labour market and when needed there were no government employment programs to help older workers such as herself.

#### Gabriella

Gabriella is a 46 year old lone mother of three children, two of which still live at home. She is financially supported by Ontario Works for only herself and one child (because her

other child is over the age of 18) therefore she states that finances are very tight for her at the moment. Gabriella has a grade ten education and has little experience working in the labour market as most of her adult life has been spent raising her children full time. She was interviewed in the kitchen of her home which is part of a Toronto town house complex.

#### Joan

Joan was interviewed in her Kitchener area apartment where she pays market rent and lives alone. She is 49 years old and lives with Crohn's Disease which is why she receives Ontario Disability Support Program income support as her sole source of monthly income. Joan states that she receives gifts in kind from her church every month and wouldn't be able to make ends meet if she didn't. Joan says that she would like to be able to work, and has tried to do so, but her disability makes it very difficult to commit to steady working hours.

#### Mary

Mary is 43 years old and lives in an apartment in Toronto paying market rent. When interviewed in her apartment Mary stated that she has lived with a learning disability all her life which keeps her at a grade three level of literacy. She described how she used to work as a chef's assistant until a brain injury made it difficult for her to continue doing her job. She receives income support from Ontario Disability Support Program and says that it's impossible for her to make ends meet unless she has someone living with her to help with the rental costs of her apartment.



Mary, Ashley, Donna and Gabriella, Toronto residents, and Colin and Joan, Kitchener area residents, all enrolled in Learn\$ave but stopped participating and did not therefore receive matched credits. In Gabriella's case, as required by the program structure, she attended the financial training sessions prior to starting the saving portion of the program. However, when it came time to open the Learn\$ave account, the bank would not allow her to do so. Notes<sup>16</sup> from the interview with Gabriella state:

Interviewer: Gabriella really thought this [Learn\$ave] was something she could do, but when it came time to open a bank account the Royal Bank wouldn't let her. The Royal Bank is who Learn\$ave was working with so she had to open the account with them. They gave her problems for two reasons: 1) She didn't have enough ID. She only had birth certificate, SIN card and health card but they wanted more picture ID. She said "I don't drive so I don't have a driver's license and I don't travel so I don't have a passport". She looked into getting one of those liquor board age of majority cards but that cost too much money. Learn\$ave said the ID shouldn't be a problem because they were helping people like her to open these accounts but the Royal still said no. 2) They said there was a problem with her banking history. She said she hadn't been with a bank for a long time, she uses Money Mart to do all her banking. She figured she probably did owe a bank some money at some point because she has always been short on cash,

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<sup>16</sup> The tape recorder malfunctioned during the interview with Gabriella so these notes are the product of the interviewer documenting what Gabriella said after the interview had ended.

but she thought it had been over five years so it would probably be wiped clean off her record. She went back to two banks she used to deal with and asked them about her record, they had nothing on file. She even got a letter from one of the bank managers to give to the Royal Bank. She said she spent a lot of time traveling around and waiting in banks to sort all of this out and in the end the Royal still said no.

This example illustrates a very real barrier low-income individuals face when attempting to access the mainstream banking system, and in Gabriella's case when trying to access a program that relies on her inclusion in the banking system. For Gabriella, stopping her Learn\$ave participation was therefore not her decision but rather the decision of a system that excluded her.

Like Sheila and Ellen above, Joan, Ashley and Donna all referred to their survival level income as a barrier to their success in the program. Joan, Ashley and Donna cited their inability to keep up with their bills, and therefore having to use their savings to meet basic needs, as reasons for discontinuing their participation in Learn\$ave. In Donna's case she describes the process of saving like a bouncing ball:

Donna: I was strapped for cash, and then they say to save, and I said yeah right I can't even survive on what I'm getting how can I save? Ah it's only \$10 per month, yeah \$10 per month that could be bus fair for me, you know?

[...] I was like putting money in, then taking it out, putting it in and taking it out, in and out. So I'd get the credit then I wouldn't get the credit. You know, I was just like a bouncing ball.

Ashley describes a different experience in which she had managed to save \$1000 of her own money but then got to a point financially where she was so behind on her bill payments that she had no choice but to use the money saved:

Ashley: I stayed away from that account for as long as I could. I had no money, I had to pay the rent, I had to pay the bills, I had to get food for the kids, I had no choice. I, if I had kept in touch probably, I don't know, if I'd kept in touch at least they would have known where I was at. So that's my fault. Sometimes you just get so busy trying to keep things together there's hardly anytime for anything else.

This constant effort of having to focus all of your attentions on surviving is a common reality for many living in poverty. Ashley's experience of having to spend her savings on basic needs was woven with expressions of guilt and disappointment in herself. She frequently referred to how she should have stayed in touch with Learn\$ave because maybe they would have been able to help her out. Feelings of guilt were also expressed as she described her situation as a sole support mother of two teenagers who was struggling to meet basic needs while having savings in the bank and the fear of making them suffer more if she didn't succeed:

Ashley: I think I lost my confidence cause I was too busy trying to pay the bills. Probably now I would, it would be different, as I don't have any kids. But I worried about, I have kids to support, what am I going

to do? And if I started a business or something and it wasn't going to do well, how would I justify that?

Also a lone mother at the time of her participation in Learn\$ave, Joan describes her reasons for ceasing to participate in the program as twofold; she identifies the difficulty of saving on her limited income which barely allowed her to make ends meet, combined with the fact she did not feel the outlined goals of Learn\$ave were realistic or useful to help her come out of poverty:

Joan: [...] I started putting money [away] right away, but there wasn't any, I had to keep taking it out. And then I realized you were in your, I was almost through middle age. I was in my mid to late forties, mid forties and I was saving for education, which like by the time that I had completed, saved enough, I would be an old lady. And then I realized that that was foolish because I didn't have anything to save.

[...] but at the end of the month my children and I didn't have enough to eat I thought that, you're not being too wise I needed that \$10 for milk or I would have to go without milk to give it to them or I would have to go without food [...] I knew that \$10 was in the bank and I'd be watching them suffer and I didn't want to do that.

Colin and Mary's reasons for stopping their Learn\$ave participation were not directly related to their inability to provide for themselves but rather they discontinued participation because the structure of the program did not allow them enough freedom to spend the money on the education program and timeline they felt was most suited to them. Colin withdrew from the program during the saving process because he realized

that the short timeline in which he would have to spend his savings was sooner than he was ready to choose a program and begin his education:

Colin: [...] my mom had passed away. Just as I had started into the program and I was like, I'm on medication for Generalized Anxiety Disorder so I just got the point that I left that I found out, you had to use your match credits that they gave you by April 2006. I called up and said, well I'm not planning on going to school until after that because of what I'd been through [...] I mentioned that I will be leaving the program because it wasn't, I wasn't ready for college at the time.

What is interesting about Colin's situation is that Colin continues to save on his own for future security and potentially education, therefore he would likely have continued with, and benefited from, Learn\$ave had he not been restricted by the timeline.

In Mary's case, she had completed her savings, was ready and very keen to begin a training program. She was in the process of lining up the program to be funded by her Learn\$ave money only to be told that the program she had chosen did not meet Learn\$ave's criteria. It is Mary's opinion that there was a lack of interest and effort on the part of her Learn\$ave case manager to look at the documentation she had collected or talk to the training program representative in order to get a better understanding of the program and Mary's reasons for choosing that program. This ultimately lead to Mary no longer participating in Learn\$ave:

Mary: I had technically finished it [the Learn\$ave program] but I had to do the paper work and all of this stuff to get the credits, and I was

doing that and that's where everything was breaking down.

Communication wasn't clear on what exactly it was that [Learn\$ave case manager] wanted and then when I told [Learn\$ave case manager] about the program well she said you've heard of what Learn\$ave wants you to do, is we want you to do some self research [...] I'm going to every social service office trying to get help [...] They're looking at it and they're going I have no point of reference to give you any information on this because this doesn't match up with what I've got so I'm saying [...] and [Learn\$ave case manager] is like 'oh no, no, no, no, you have to follow all of Learn\$ave's rules', 'yeah but I can't get you this information because it's impossible. Now this woman can tell you what she is willing to do from this school' and I found it was easier to go to the schools themselves they were more into listening to my problem and more than happy to talk to [Learn\$ave case manager] and that was the time that [Learn\$ave case manager] just skipped off work early and didn't deal with it.

[...] I have all the testing to prove my disability, to prove academically I should be in hospitality, I did all this stuff for government agencies that I, I mean I'm just a walking ticket of yes I have all the documentation to back up what I'm saying that this is the right program for me, no body was listening.

Mary's experience speaks to a lack of power and control she had in making choices for herself and her Learn\$ave money. As a result, she did not receive any of the money

from Learn\$ave she had worked hard to achieve and did not attend any training programs. This lack of power to choose is consistent with what we have seen in Colin, Joan and Ellen's stories.

Similar to the reasons why people chose not to participate in Learn\$ave, are some reasons why people stopped participating; the struggle and desire to meet basic needs superceded the desire to save money for future education, training or small business or; the terms under which people were to spend their savings were rigidly defined by the Learn\$ave program leaving little flexibility for individual self-determination.

#### *People Who Enrolled In Learn\$ave and Cashed Out Some Credits*

##### **Glen**

Glen was interviewed in a small public library in Toronto and states that he lives in a small apartment by himself and receives some subsidy for his rent. Glen is 42 years old and identified himself as being diagnosed with schizo-affective disorder which, until he got appropriate service in the form of treatment and income supports, played a significant role in his experience with homelessness and drug addiction. Glen now receives Ontario Disability Support Program income supports and says that financial support from his family also helps him make ends meet and be able to focus on improving his health.

##### **Jenn**

Jenn is a 37 year old sole support mother of four children who works part-time and receives the remainder of her income from Ontario Works. The interview with Jenn was

conducted in a public library in the Kitchener area not far from her home. Jenn has a high school diploma and states that she would like to continue with her education but feels traditional classroom learning is not suited to her learning style and being a full time mom of four makes it difficult for her to be a student. She identifies great value in her role as a mother and states that raising her children well is an important contribution to society.

### Sophie

Sophie is a 36 year old woman who lives with her husband in the Kitchener area. She works full time in a food processing plant making a modest to low income. Sophie's interview for this research project took place in an office at Wilfrid Laurier's Faculty of Social Work. Sophie stated that she has had health complications over the last few years that have resulted in many dietary restrictions. She spoke of the difficulties in taking care of her health when under stress and living at low levels of income.

It was my assumption that the questions used to recruit participants (see Appendix D) would not apply to those who had been able to save to the point of receiving matched credits from Learn\$ave. The response from this group of participants was therefore unanticipated during the research design process. I had assumed the saving portion of the program to be the biggest barrier to success and didn't anticipate the significance of a tight program structure on participant accessibility. After being contacted by Sophie, a Kitchener area resident who had participated and cashed out credits but who insisted that Learn\$ave was not working for her and that she had not



been able to benefit from her saving efforts, it seemed appropriate to listen to her story. Sophie and Glen, a Toronto resident, had similar reasons for feeling that they were not able to benefit as much as they would have liked from Learn\$ave. They both wanted to spend their Learn\$ave money on post-secondary education but they needed to study on a part-time basis which meant it took them longer than the timeline set out by Learn\$ave in which people had to spend their savings in order to receive the matched credits. In both Sophie and Glen's case this meant that they did not spend their savings fast enough and therefore did not receive matched credits for a decent portion of the money they had worked to save. This amounted to approximately \$600 or \$800 that they could have put towards their studies had they had more time for their study period.

Glen explains how participating in Learn\$ave was part of the process he was going through to regain his stamina after a serious mental illness significantly impacted his life. He explains how he planned on finishing a seven course certificate within the one year Learn\$ave timeline:

Glen: [...] I started taking two courses but couldn't keep up with two. It was too much to switch back and fourth I had to focus on just one thing at a time. So I ended up just dropping one course and continuing with the one course and that changed the whole, I realized that my plans, like I cashed out like three times, for each semester, spring semester summer semester and winter and for the summer I thought I could manage three courses but after learning that I could only handle one all that changed and I ended up giving back a fair bit of money, well about \$800 [...]

Sophie, who worked full-time at a low wage job, was looking to upgrade her skills and education at college while continuing to work. While in this process she experienced some health issues, which required her to slow down and lessen her workload. This further delayed her studies and put them beyond Learn\$ave's deadline to spend her savings in order to receive the matched credits:

Sophie: [...] I was only part time student so basically you know if you're only part time I didn't walk into it knowing how quickly I was gonna go through that money I had a rough idea but not knowing for sure so like I said other things had come up you know with my health just life in general where I had to say you know what I have to take a break from this, an instance at one point I took one term off and came back and there was an instance had I not taken the time off yeah I could have used my learn and save money and had a bit more of it used [...]

Both Sophie and Glen could have benefited to the full extent of Learn\$ave's intended goals had they not been restricted by the tight one to two year timeline for spending their savings.

Jenn's reasons for responding to my recruitment posters revolved around her feelings that the objectives of Learn\$ave didn't acknowledge her situation. She identified that she wants to be able to provide more financially for her four children but that her attempt at further education with the Learn\$ave money was happening at the wrong time and in the wrong format for her style of learning. She decided to withdraw from the course she was taking for these reasons and also due to multiple demands of motherhood and working part-time. She ultimately benefited from the matched credits as she was

able to buy a family computer and other supplies related to her initial education attempt and did register a business but felt disappointed that she was unable to make any significant changes in her life as a result of her involvement in Learn\$ave:

Jenn: [...] it sort of says if you want to have value you need to have an education, or a business, so it has devalued me as a mother with regard to trying both of these things; I have a registered business now, but I don't have any clients [...] but the thing is that you can't really place the mother in this society so to take me out of that equation in my own life is not an option.

[...] So, then the end is for my new business [...] it's instructional and also live performance type business. But here's the thing, a lot of people do this stuff on the side anyway. You know most piano teachers I had I know didn't have a business, like many of your baby sitters or grass cutters or whatever, they do that so they can get by because they need extra money. So to say I have a business and then I maybe have 20 students a week paying \$15 a week. If you do the math it's not really going to get me anywhere. It's going take me a lot of time away from my family.

Jenn points out here that her role as a full time mother is valuable and that a program like Learn\$ave doesn't recognize that value to the point of offering options in their programming that support it or flexibility in structure that can accommodate it. Jenn identified that longer term programming with more options for spending the money would have made her feel that success through Learn\$ave was more accessible to her.

### *Summary of Participant Engagement with Learn\$ave*

The examples illustrated in these stories identify gaps in the Learn\$ave program to support individual needs, strengths and goals through the process and decision making associated with saving and spending money. They also illustrate the inability of Learn\$ave to address the significant poverty level incomes people were living with and the impact that had on their ability to save. This set of results show us that it is for these two main reasons that people could not successfully participate in the Learn\$ave Individual Development Account program.

### Attraction and Benefits of Learn\$ave: People Seeking Support

The evaluators of the Learn\$ave program reported that recruitment for the pilot project was more difficult than they had anticipated and it took much longer for them to recruit the targeted number of people for the project (Kingwell et al., 2005: 31). The twelve participants in this study were all interested enough in what they heard about Learn\$ave to at least attend an information session or to enroll in the program. In order to inform the analysis of how Individual Development Accounts can better serve those living in poverty, I wanted to know what attracted people to the program and what benefits they felt they could or did receive from their participation.

Analysis identifies that the concept of support is a common theme throughout this topic by picking up on peoples' descriptions of seeking support through Learn\$ave; seeing it as an opportunity to help them improve their quality of life, get off social

assistance, meet personal goals, improve their financial situations and/or increase their social engagement. The following section describes the attraction and benefits of Learn\$ave through five sub-headings: *Hope for better quality of living; Fits into plans; Personal challenge; Financial Insight; and Social Interaction.*

### *Hope for Better Quality of Living*

Reaching out to Learn\$ave for financial support in order to increase their overall income potential and improve the quality of their life and that of their family was the most commonly cited attraction of Learn\$ave. This was strongly expressed by those on social assistance, and it was not always just in respect to increasing their income level but also to decrease the negative psychological impact being part of the social assistance system has had. After being asked what her initial objective was when she signed up for Learn\$ave, Joan states:

Joan: To get off the system, show my children you don't have to, one of my greatest fears is that they would end up like this. Not on disability, they're not disabled, but any welfare associated thing I did not want them to see this way of life. So I wanted to demonstrate to them, 'see I'm going to do my level-best to get off this'. Not only is it not enough to live off but it is shameful and makes you degraded in society. So that was my objective.

Similarly, Jenn identifies her desire to better be able to provide financially for her children and therefore improve their quality of life. When asked what she thought she could get out of Learn\$ave she says: "Definitely, bettering yourself, and for my family.

Obviously getting in a better position financially to take care of them and then we would all benefit from that.”

Some saw education specifically as the path to a better quality of life but didn't see any opportunity to be able to study due to financial restrictions. Learn\$ave appeared to be an opportunity that might make further study an option. Sheila explains her attraction to Lean\$ave by saying:

Sheila: If I could save for the two years or three years then I would have something towards another opportunity of trying something in school [...] Education was my thought at the time [...] even if I could do a certificate program or something at the college, right, that would help.

Sophie also describes the experience of feeling like there were more opportunities for her to improve her quality of life by way of schooling after finding out about Learn\$ave:

Sophie: I found out about learn and save and I thought well why not go back to school cause you know what I'm not getting that far with this job anyway right and I hit about I think \$9.25 an hour and I knew I was gonna be lucky if I got anymore with this company than that plus I was getting no health benefits no paid vacation nothing so I was really at a point I was like you know what I've gotta do something.

In each case the desire to make change in their quality of life was evident and the description of the Learn\$ave program seemed to offer them an unusual opportunity to receive some support in this regard therefore resulting in their attraction to learn more about the program and possibly enroll in the program as a result.

### *Fit in to Plans*

A reason identified for being attracted to Learn\$ave was that the program seemed to offer the participants support in meeting the goals they were already working towards.

Colin explains:

Colin: I was looking at going to college or taking some extra courses to continue my education and that, and that's why I wanted to get involved in it and I knew that saving for school my own way by own money would be a longer term thing and that kind of stuff, so I thought that this was a good deal, and I went with it.

Similarly, Alley was planning to further her education in order to build on her previous training to advance her career:

Alley: Than happened in 2002 I was working and I finished my PSW course, which I didn't have to pay it was great so it was very promising, the future because I was planning take nursing. When I hear about this program, learn and save, I thought it was great because I had a chance to continue to pursue my studies.

In Ellen's case, she was specifically looking for a program to help her open her own business when she came across Learn\$ave:

Ellen: I saw this program which I have intention to start a business. I was inquiring about, about if there was a program in Toronto which I could apply to start a business but when I saw that program I, because interested, so I went to the Library to the meeting to see what it was all about.

In each of these cases, the participants were already working towards the goals outlined by the program and were attracted to Learn\$ave because it appeared to offer them support in achieving their goals. Out of Colin, Alley and Ellen, only Colin actually enrolled in Learn\$ave but he withdrew from the program after learning that Learn\$ave would require him to go to school sooner than he was ready.

### *Personal Challenge*

It was expressed by some people that even though they did not have specific goals outlined and they were not sure how Learn\$ave might help them or impact on their lives, they were attracted to the program because it offered them a supportive opportunity to do something different. Glen says:

Glen: When I first heard about it I thought well you know its, its this could be something really worthwhile, and ah well just seemed like a good thing to do even if I had no idea what I wanted to do with it.

Similarly, Gabriella was interested in the program because of the challenge it presented her and then how that challenge might positively impact her life.

Interviewer<sup>17</sup>: She though “this is something maybe I can do”. She had never really tried to save before she thought maybe she could do this and it would be good for her- she could learn about saving, how to do it.

Glen and Gabriella did not enroll in Learn\$ave as an opportunity to completely change their lives or even significantly change their income status. Rather they saw it as

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<sup>17</sup> The tape recorder malfunctioned during the interview with Gabriella so this quote is from the interviewer’s notes that were written right after the interview with Gabriella was complete.



having the potential to be a personal growth opportunity. Glen speaks to the benefits he has experienced as a result of going through the program and attending school with the money he saved:

Glen: [...] I really put a lot of work into it, into narrowing down finding the courses that I wanted to try, I was very proud of myself to put together these cash out packages cause I had to do a lot of photocopying and printing and all this sort of stuff

Glen: [...] I remember the first test, I said to the instructor, like I was really having trouble with it, it was a computers course and I didn't think I could manage it but he said just keep doing it you're doing okay and all this so I just struggled through it and I did okay. Yeah I remember see yeah the first test was multiple choice and I did very well but the other test was all this practical stuff and I didn't have all that and there was noises in the class that distracted me so I just had to concentrate really hard but now I find like the last course I did I did very well at so my confidence is up there I got 96% in an accounting course the computers course I got 84% and that was happy for me [...]

Glen repeatedly described how he was in the process of re-gaining his stamina after being diagnosed with a serious mental illness. Though disappointed that the Learn\$ave deadlines restricted him from using all the money he had earned, Glen's stamina and self

confidence benefited from the process of deciding on his education program and taking the courses.

### *Financial Insight*

The two most commonly identified benefits of the Learn\$ave program were associated with the mandatory financial training sessions many of the respondents completed before the saving portion of the program began. Given that many of people interviewed did not start or complete the saving portion of the Learn\$ave program this emphasis is not surprising as it would have been the majority of their experience. It is important to note here that in fact many people referred to the completion of these financial training sessions as the completion of the program, even though no saving had yet taken place. According to Mary, this was reinforced by the Learn\$ave administrators when the Toronto Learn\$ave site invited her to a graduation for all the participants at the end of the financial training session series.

An appreciation for the financial training sessions was expressed in some of the interviews in that the sessions offered participants the opportunity to critically examine and understand their spending habits and offered new perspectives on spending and saving.

Interviewer<sup>18</sup>: Gabriella said that the learning part is a benefit, she learned a lot. She had never really thought about her spending before because there was never enough money to pay for everything anyway so she just spent it, its what she

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<sup>18</sup> Reminder that this quote is from the interviewer's notes that were written right after the interview with Gabriella was complete.

knew. Learn\$ave made her keep track of what she spent for a couple months, write everything down so that was good because it made her see where she might be able to save or at least how she was spending.

Jenn and Mary identified that the financial training sessions offered them the support and insight to help them reduce the debt they were incurring. Though both of them describe this experience as somewhat bitter sweet. For example in Mary's case she describes it as learning the "harsh reality" of her poverty and that coming to grips with the idea that this is her lot in life:

Mary: I guess it made you face up to the reality, cause I always never really thought about money I just thought well I've got credit cards and I can float and I can pay them back but what Learn\$ave did for me is it taught me that, never owe more on my credit card that I couldn't pay off in a month. And sometimes it would be that \$200 to \$500 range where I have to pay for something but with credit cards never over more than four or five hundred dollars, before I would have like \$8000, \$6000 on two cards and it really taught me that I have to pay this I have to pay the interest. This is my debt I'm always going to be carrying this around [...] What I liked about Learn\$ave was if I can't pay for it now I can't have it, and probably for some period now it's because my harsh reality has really come forward.

While in Jenn's case, she values the budgeting tips but still wishes she had realized the increased education and income potential:

Jenn: So I went to the program in the sense I did learn a lot of just how to budget and I think I'm better at it now I don't have credit cards, I don't have any debt what so ever. So that's nice but yet I don't have a home that I own. And I don't have a degree or a post secondary education.

Joan also commented on benefiting from the money saving tips though her support for the financial training sessions was not as strong:

Joan: And I did enjoy the money-saving tips and there were a few I hadn't thought of, although I had thought of most of them, or I wouldn't be alive.

Joan identifies here the skills many low-income people develop through the process of survival and making ends meet. Other respondents have supported this point in describing the need to be budget savvy when living on social assistance income. This contradiction of results brings into question the overall purpose for the financial training sessions; an area that deserves more attention in future research.

### *Social Interaction*

In partnership with the financial insight people appreciated from the financial training sessions was the social interaction and group support that they offered. With poverty and/or disability can come social exclusion and isolation. Many of the research

participants identified how their participation in Learn\$ave offered a reprieve in this respect. When asked to describe the benefits of Learn\$ave, Colin says:

Colin: I don't know if there's any other benefits, maybe just meeting once a month with people in the Learn\$ave group and checking on them and seeing how they're doing and that kind of stuff. Sort of like a social group and that.

Building on Colin's idea of a social group, Mary, Gabriella and Joan all identified how meeting regularly with people in similar situations offered them a certain amount of support and learning. Gabriella said:

Interviewer<sup>19</sup>: [...] that the social aspect of the sessions was good too, it was good to be with other people, interact with other people in similar situations.

Similarly, Joan identified how interacting with people had an impact on the isolation she often feels:

Joan: So also the isolation of being on disability, that broke through that because there was other people there and I could interface with them and see how they how they could handle things.

Joan's statement indicates that this interaction with others is not simply an opportunity to socialize but also an opportunity to learn different coping strategies from other people living in poverty.

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<sup>19</sup> Reminder that this quote is from the interviewer's notes that were written right after the interview with Gabriella was complete.

### *Summary: Seeking Support*

As mentioned, woven within all of these identified attractions and benefits of Learn\$ave was the concept of support. Whether it be simply anticipated or actually realized support, financial or social, to people who otherwise saw few options available for outside support, it was valuable. People noted that the idea of receiving 2 or 3 dollars for every 1 of their dollars saved was an attractive concept, as it appeared to offer some financial support otherwise not available to them to help them reach their goals. Sheila states:

Sheila: The benefits for some people are that they would match whatever you had so if you're really that low on the economic scale it's a bonus if someone gives you a third or two thirds of what you are aiming for, that's good.

When asked what attracted her to Learn\$ave, Donna said "First thing I saw was the \$3 for \$1. That sounded pretty good to me." However, as these twelve individual experiences are illustrating Learn\$ave was not as simple as receiving \$3 for every \$1 (or \$2 for \$1 as was the case in the Kitchener site) due to the program structure, parameters and underlying goals of the program. As illustrated in the previous section, it is evident that there were barriers to people being able to realize the intended poverty reduction benefits of Learn\$ave despite the attractive intentions of the program.

### The Life Context of Participants: Marginalization and Exclusion

Reflecting on the dynamics of how social constructs of race, (dis)ability, gender, class, sexual orientation, language, age and culture play-out in the lives of individuals is necessary when examining issues of poverty and poverty reduction due to their interconnected nature. Influencing factors that came up in the stories of the 12 participants in this study were ability, gender, class, age and race. In each case, the dynamics of these factors, in the context of the current labour market and welfare system, were directly linked to the persons ability (or inability) to provide for themselves and their family.

When asked to describe how it is that their financial situation is the way it is (at poverty level), some of the respondents directly referred to societal and systemic oppression as a significant factor, whereas others described it on a more individualized level. The following section discusses the dynamic and complex context within which people's experience has existed. It attempts to capture the various overlapping and interwoven layers of oppression by presenting the results under three categories, *Race and Gender*, *System Failure: Labour Market and Welfare* and *Health and Wellbeing* while highlighting the importance of these contexts when designing anti-poverty strategies.

#### *Race and Gender*

Most of the interview participants were women and many of those women were lone mothers at the time of Learn\$ave recruitment. Of those women only three identified as being a member of a minority group and only one of those women, Sheila, discussed in

length how that racilized status has impacted on her life and her status as a woman living in poverty. As a 51-year-old woman of colour who emigrated from Jamaica when she was 13 years old, Sheila describes a series of multiple barriers that Canadian society has put up against her since her arrival. This includes little recognition for her Jamaican education in Canada's education system, outright racism in schools and the labour market and a social assistance system that did not effectively support her income or child care needs as a sole support mother trying to get a university education. When asked why she feels her income situation is the way it is today, Sheila says:

Sheila: At the time when I was looking into the Learn\$ave program, all this stuff added up from the past to that point. It's interesting. It's an accumulation of all the barriers I've faced since I came to Canada, that's the bottom line. When I came to Canada, when I was 13, I did a year of high school in Jamaica; one of the most elite high schools in Jamaica. 'That's a third world country and it's worth nothing [so] go to grade seven' [...]

Sheila: [...] I got frustrated because I had wasted the last year and a half of my life, I was so angry. Then when I got to grade 11, I realized that the discrimination was so pervasive [...]

This racism has continued throughout her adult life. Sheila describes how a psychologist discouraged her from going to University because it did not fit her "profile" as black Caribbean woman:

Sheila: I'm too logical I'm too analytical were her accusations, I'm too academically oriented, I'm too ambitious, and why am I



going to U of T and who told me to go and what am I doing doing computer science? Why aren't I doing keypunch courses? Do you see any jobs for keypunch out there right now? That's a battle I went through [...] learning about these kind of occupations, because it's not a concrete kind of occupation.

Sheila describes how the various layers of her constructed identity, being a woman, being a black woman, being a immigrant black woman, being a single mother who is an immigrant black woman, worked to ensure that she was a poor, single mother who was an immigrant black woman because that is what fit the "profile". Her intelligence, skills and contribution were not recognized and/or they were resented. She, like Jenn, felt strongly that people cannot be removed from the context of their lives but rather must be understood within it. Jenn expresses this when describing her attempts to fulfill the Learn\$ave requirements of education or business while being a stay at home mom of four and working part-time to help make ends meet financially:

Jenn: [...] And also addressing it sort of says if you want to have value you need to have an education, or a business, so it has devalued me as a mother with regard to trying both of these things; I have a registered business now, but I don't have any clients, and it's been registered since February 28<sup>th</sup>, but the thing is that you can't really place the mother in this society so to take me out of that equation in my own life is not an option.

Jenn: [...] Cause I can't do much for them except be the mother, be there, be there when they come home from school and give them stay at home as much as possible.

Motherhood and other care giving or unpaid domestic work is regularly unaccounted for in current welfare policy structures and anti-poverty strategies due to the assumption that entrance into the labour market is the solution. Based on her statement above, its safe to say that Jenn's experience was that Learn\$ave didn't address this failure in the system- to recognize the work she does as a valuable and necessary contribution to society- but rather reinforced the notion that she must strive for market participation to be valued and considered successful.

Ellen, a traditional Italian woman with strong Catholic values describes to me how she understands the reasons and context of her low-income status:

Ellen: I came to this situation because my husband is the leader in the family and he controls everything, the financial and the family aspect. I was his partner in marriage but he was the man in the house he wanted to be in control. I had no problem because he was a good controller and good man so whatever he did I was in agreement with him I knew exactly what he was doing. So therefore the accounts were together but one day he closed the bank account and then the problems started because being a housewife I didn't have any other money so whatever he give me it was used for the family and when he did leave the bank accounts were closed he left me with no money [...]

Molly: So everything was in his name so you didn't have any control over it.

Ellen: Exactly. The people that could have done something about it didn't do it.

Ellen felt betrayed by her husband, who she trusted and supported in partnership by fulfilling her designated role as a mother and homemaker, and she also felt betrayed by the system she hoped would protect her but instead offered her very little for her contribution and work.

These experiences highlight the complexity of poverty when viewed through a race and gender lens. These issues of race and gender become amplified when combined with a welfare system that emphasizes market participation and skills development, yet does not effectively meet the needs of women, children and society's reproduction. This results in contradictory messaging to women attempting to navigate such a system and get ahead. At this point, Sheila's experience with the childcare subsidy system offers an example of this contradiction while also acting as a bridge to the next section entitled, *System Failure: Labour Market and Welfare*. She describes her attempts at gaining an education while being a sole support mother to her daughter:

Sheila: [...] that's an example of how the system works they say to me to go to school and get subsidized daycare, right, you need 25 hours of class and study time. There was a course from 8:30 till 12:30, but she [the course instructor] says I need to be there at eight for her to answer my questions and stick around till one; five hours a day. That means I'm at my 25 but they still refuse me the daycare, that didn't even include my transportation of getting

to school they still refuse my daycare. I needed to leave home at like 7 to get there for 8 and then I would come back to get my child around 2 o'clock, they still refuse my daycare.

Sheila's experience of the childcare subsidy limitations restricted her ability to move forward with her education and ultimately her career.

The context of these women's lives is significant because it has an ongoing impact on, not only them as individuals, but on the texture and fabric of our society. It is within these contexts of sexism and racism (as well as the various other 'isms' of oppression) that we must assess and define the causes and solutions of poverty.

### *System Failure: Labour Market and Welfare*

As was discussed in chapter two, the labour market and welfare state have an interdependent (and somewhat contradictory) operating relationship. The welfare system was set up to provide social security to those members of society who provide labour outside of the market or who are otherwise unable to work in the market. However, the current 'workfare' structure of our welfare system offers no decommodification of individuals by requiring their market participation. This then does not address the existing needs and contributions of people who live outside the market; as seen in the case of stay at home mothers such as Jenn and those unable to support themselves through employment in our current labour market such as Joan and Mary.

Operating within the 'Principle of Less Eligibility', thereby offering extremely low assistance rates, the welfare system in Ontario has caused significant hardship, especially since the 1996 introduction of Ontario Works and Ontario Disability Support

Program. These legislation brought with them a significant reduction in welfare rates that has not yet been restored to pre 1995 levels, and tougher eligibility criteria which has operated to keep people in need (especially those with disabilities) waiting longer for income support (if they receive it at all). This lack of adequate system support was repeatedly identified in the interviews as a significant contributor to not only their inability to continue participating in Learn\$ave (as was shown in the *Learn\$ave Engagement* section of these results) but also to ongoing life struggles. This section reports on the experiences and limitations people experience as a result of system failure, first by offering a systemic oppression analysis from Ellen to set the tone, then by presenting the experiences of those required to subsist outside of the market.

Though not a recipient of welfare benefits, Ellen offers an insightful analysis of the welfare system as an oppressive force, citing the current welfare to work transitional policies that are ineffective and contradictory to the concept of offering support. She suggests that larger lump sums of money should be offered to people instead of a minor amount of monthly support:

Ellen: You see, people on welfare they say oh well I get \$500 or \$600 or whatever but they are not caring because they are saying if I earn more they take it away. So what's the use? Like they're not expanding they are not expanding [...] But if you have the money you are not controlled you can progress this is my idea Molly am I correct? I think I am because the money gives you freedom to do what you want, the way you want to, not by somebody else's control, by your own, you take charge of it you create whatever you are skillful for right. Which control keeps you in a hole and

it keeps you oppressed, you're not progressing you're not succeeding in whichever skill or idea you have.

Molly: You're always trying to get out of the hole and you're not able to...

Ellen: You can't because you are under control [...]

Ellen refers to what policy analysts call the 'welfare wall' which can be defined as the culmination of barriers (or 'disincentives', based on your vantage point) inhibiting a smooth transition from welfare to work income. This wall may include the higher costs of living associated with working such as child-care, clothing, transportation, reduced medical coverage etc. However, the oppression that Ellen refers to runs much deeper than this wall to include the very choices and opportunities available to individuals; as was illustrated in Sheila's experience with the childcare subsidy system.

The current system relies on the labour market and self-employment opportunities to be the mechanism by which poverty is reduced and people no longer rely on social assistance; the Learn\$ave focus on training, education or small business is one of many examples of this. However, there is a significant weakness in this framework in that the current labour market is not accessible to many people and in fact can be described as exclusionary; exclusionary because it favours workers who are perceived to have few needs and to be highly productive. Many participants identified that they would like to be able to engage in society through working, earning a living or at least supplementing their existing social assistance income. However, because they may require work environments to be flexible, supportive and accommodating in order to meet their needs and benefit from their abilities, they have not been successful in the current labour market:

Mary: I had a head injury and I've had brain surgery and eye surgery and I just, I can go in and work, I've worked with some of the best chefs and I'm a great assistant I pick things up very quickly but I blank sometimes and I have to be working with other people doing the same thing so I can pick it up and keep going [...]

Donna describes how she felt rejected by the labour market because she was over fifty years old and looking for work:

Molly: Okay so can you tell me how it is you are in this position now?

Donna: I traveled and was in and out of relationships and then I ended up back in Canada and due to the government, they said that they wanted all the programs for 19 to 24 year olds. That's what started it. And then ah, nobody would hire me, I mean come on I was 50 years old. They don't want to pay for my retirement.

Molly: So you couldn't find work when you returned to Canada?

Donna: And then my aunt died and I was on the street. And then my brother died and I was depressed [...]

Like Mary, Donna felt excluded from the labour market and identified this as significant factor in her poverty status today.

Similarly, Joan would like to be able to maintain a working life, though she found it impossible due to a chronic disease. She explains the impact of realizing that being able to earn her own income was no longer going to be possible for her which meant a future of fixed poverty having to rely on the approximately \$900/month from ODSP:

Joan: Ok, when I was in my 30's I had a big health crash because I had Crohn's disease. I knew it; I knew I had Crohn's disease. I could no longer work full-time; so I was working part-time and I wasn't able to make ends meet. Eventually things deteriorated to the point, because of all the stress too which is part of Crohn's, that I become completely disabled. [...]

Joan: I decided to live in reality and just accepting my situation, no matter. I didn't want to believe that this is the situation I'm going to be in and that's where I fielded that, "Oh no, no I'll just continue to believe that I can work again" but no. I finally came to place of acceptance. This is your income and what are your options. The Government will not provide, neither will your family and as ashamed as it makes me, I had to appeal. First I appealed to God and then it was people from the church started bringing me things like potatoes that I don't have to declare, sometimes they'd bring me money, because every month there's a deficit. And things like possessions, those curtains, like I can't afford anything. No budget for clothes, no budget for anything. Outs. That's the way I decided to be because social services does not have any compassion [...]

Molly: So you haven't worked for a number of years then?

Joan: I've worked, taken little jobs 4 years ago I had 5 jobs in 1 year out of necessity and then I couldn't continue so I stopped taking jobs cause I thought this wasn't fair to the employer. Because I was a little deceived, I



didn't want to believe that I was just going to have that income and nothing else. It isn't enough.

With the onset of reduced assistance rates came the exclusionary policies designed to keep people off the welfare system. This has been very evident in the numbers of people who apply for disability but must spend years appealing their repeatedly refused applications. Glen describes his past experience during the time when ODSP was denying his application for income support:

Glen: Oh background, well the disability came in 1997. I was actually homeless for six months, suffering from psychosis and problems with drug addiction and um really at that time, you see in most corner stores you could buy a cigarette for 25 cents. So I would go in the, if I was downtown and I was taking the subway I would actually go down on the tracks where I saw pennies and stuff collect pennies walk along or find pennies in the street, sometimes the windshield washers would throw their pennies out in the gutter and sometimes I would collect them, eat food off of the sidewalk once out of a garbage. But um, it was it was a slice of a pizza someone left on top of the garbage. I was, I think it was still on the board, but that, that, that took um, that was while I was waiting for disability.

Molly: You had applied already?

Glen: Yeah and I was turned down it took a couple, three years. Yeah almost three years before I got it.

The labour market was inaccessible to Glen due to his health constraints so he is put in a position of having to fight (for three years) in order to receive financial support from a

system that theoretically was designed to serve and support people in his situation. After that crisis period he then finds himself living in chronic poverty because the assistance rates are drastically low. Anti-poverty programs are then created to try and move Glen out of poverty.

As was discussed in the previous *Levels of Learn\$ave Engagement* section, many people could not keep up with the saving because they needed the money to survive. This finding cannot be removed from the context of inadequate social assistance rates because they are both intended to act as poor relief systems yet offer no mutual support for people to be able to achieve the intended (and hoped for) goals. Donna very clearly states this by saying:

Donna- Ah, the obstacles are obvious. You don't get any money to save welfare does not provide you with nothing. [...] I need a new pair of shoes right now, I can't afford 'em. I go buy a \$14 pair and they fall apart, you know? Like my cat had to go to the vet last month, I didn't take her. Thank god she got better, but you know things like that, emergencies, forget about it.

Ashley, like Sophie and Sheila previously, identifies that a program like Learn\$ave is quite inaccessible to people on social assistance. She describes her experience with Learn\$ave in the context of living within the control of Ontario Works:

Ashley: The thing is though, when it's focused on people already low income or really at the bottom of the boat to be able to save is a huge huge effort. It's huge. So the fact that I was able to save even a thousand dollars is phenomenal. If a person is solely on welfare, I can't see that it's possible,

because at the moment, anything that a person makes, welfare takes half. So how can a person get out of that slump, that slumpy area? Even with a matched savings if they could scrap together a couple dollars a month, it's a toughie, it's a toughie. [...] But low income is tough enough, but welfare or Ontario Works as it's called now? That's even tougher, that's even tougher. I mean there used to be you could earn a certain amount of money each month and anything over that they would deduct a certain amount because they felt they had the right to do that. It still doesn't give a person a chance to get out of that because they are constantly being kept. And now apparently if you earn any money welfare will take half of it. So if you earn ten dollars you can say good bye to five of it (laughs) it doesn't seem quite encouraging and that has nothing to do with these programs it's just that it's very difficult to try on that low of an income.

In explaining this to me she also identifies that her rent costs more than her current OW income, and that she is constantly in a deficit situation.

### *Health and Wellbeing*

The social determinants of health argument has gained more leverage and support in the last decade, with research offering policy makers and program developers significant information from which to conclude that income plays an important role in determining people's overall health status (see Raphael, 2004). This section brings forth the experience these research participants have with poverty and financial stress and how significant of a role they play in one's health status. Sophie's insight that extra financial

pressure and demand is added when participating in a program like Learn\$ave, offers the suggestion that more consideration be paid to the health and well-being of anti-poverty program participants.

Alley was working full-time as a newly certified Personal Support Worker when she sustained a workplace injury that left her unable work for over a year and with little chance that she would be able to return to her profession.

Alley: [...] So then I had the accident at work and at the beginning I thought it was just something that happened maybe in two weeks three weeks it would be gone and I would be back to my regular job I will continue to do the things that I do but it just got worse and worse and my health because I have a herniated disc and the pain it was, I couldn't deal with the pain and the pain was not letting me do the things that I wanted to do and that created an awful distress and that I was not able to deal so I end up having a lot of depression and it was not....I never admitted or permit the word depression before that's no not me it can't be but it seem that I actually got in a deep deep depression because of the pain of losing financially is was a great loss and I am still here in deep in that problem financially...can't get out of it.

Like Alley, Joan describes the physical and mental health implications of her poverty and the lack of hope she feels for any future reprieve from it:

Joan: [...] And to be left like this. With no bull, and I think this is part of what contributes to the depression. Aside from heaven, which is, I have nothing to look forward to except getting poorer and poorer and poorer and

poorer and poorer and poorer. Cause the government doesn't hear us. I mean can anyone live on that?

Joan: [...] I'm one of [Doctor's Name] longest living patients. So in that respect I'm doing well but it makes it very difficult to maintain good health when I'm always under stress how I'm going to make ends meet. It works against wellness. If I had reasonable income without having to beg, and I despise begging, it would alleviate a lot of the stress, and I could eat properly too. [...]

The effect that labour market exclusion and poverty can have on someone's health and well-being and the added stress impact of trying to participate in a program like Learn\$ave was of great concern to Sophie. She explains her experience of developing health problems and her analysis of how significant the relationship between poverty and health are. She notes that when adding the extra stresses of trying to do a program like Learn\$ave, which requires more financial sacrifice, time and energy, health is an important factor to consider:

Sophie: [...] I think the one thing that we so often address when we talk about poverty well how can we help this person get food or shelter or blah blah blah. But we don't address the health part of it and I think that that's a big part of what you know so often when people are stuck in low income their health goes down hill so how do we help them to live healthily and also you know save the money they need. Cause I think you know for myself that's a major part of what went wrong.

Molly: Did it come down to one or the other?

Sophie: In a way it did but I mean I had to say okay I can't keep doing Learn\$ave because it's just too much of a toll on me. You know trying to maintain my health and trying to you know, stay in the program and do the courses.

[...] but um certainly when you're put in a situation like that you have to make a choice and I wonder too in the lives of other learn and save participants how often things like that have happened where you know being someone living in such a level of poverty has been a collision course with your health and then having to have to say well I can't do both [...] So I think that that's another part of it for as good as learn and save is it doesn't really address in terms of how you're going to help people with that part of it cause I think that's a biggy that gets ignored.

### *Summary of Life Context*

These results offer some insight into the complexity surrounding poverty as it is influenced by systemic oppression, labour market inadequacies and the importance of these social determinants on people's health. Mechanisms of marginalization are many and can be compounded to produce multiple barriers and limited options in peoples' lives. By looking at the results found in the *Level of Engagement with Learn\$ave* section of this thesis alongside the results from this section, we find that the lack of system support and the lack of options available to people are consistent themes. People who have been required to live on the margins have been offered minimal supports, fewer

options to realize success and little control over their lives. Based on the reasons people identified for not participating in Learn\$ave (not enough income to be able to save, the timelines and criteria for spending the savings were too ridged and did not necessarily meet their needs and goals) this particular Individual Development Account strategy does little to counterbalance this oppressive structure and in fact seems to support it.

However, we get a glimpse of the possibilities when examining the attraction people had to Learn\$ave, the benefits of Learn\$ave that they identified and in hearing how Glen's confidence and stamina improved from taking the college courses paid for with Learn\$ave savings.

#### How Learn\$ave Could Work Better For Participants

##### *More Room for Participant Decision Making*

Reference to their lack of options and decision making power within the program was identified by a total of nine out of the twelve respondents and crossed all three participant groups with various levels of engagement.

Glen and Sophie's experience in this respect was reported in chapter four under the *Level of Engagement with Learn\$ave* section, however Jenn also shared this opinion and offers this statement:

Jenn: What I'd like to do, have more options with the money that I've saved towards. Just in finding out that maybe school right now is not for me, that I could put that money on hold for a few years.

This structural barrier was the reason why Colin didn't continue with the program after enrolling. He states:

Colin: [...] I would just, something like Learn\$ave but where there isn't time restraints on the program. Like for maybe three years you could save up but they don't have a time-line of when you have to use those match credits.

As demonstrated, most people identified wanting more time in which to be able to spend their money, however it was also suggested that participants be given the opportunity to save and spend their savings more quickly than was allowed by the program. Alley explains how the long timeline of the program was a draw back for her while acknowledging that others may need more time. She recommends that the program be accommodating to individual needs and life stages:

Alley: And, I think would be for example to check where are you, what are your goals. Sometimes there are people that need faster to move on, for example me for instance. I just finished PSW it would be so good something to move right away to nursing so that would be great because I wouldn't have to wait so long. And some people are ready to just go on to move and some other people they might need some other, like go on to learn English, ESL, because they don't have that so it will take more time.

Alley's comments highlight the need to offer a program structure that takes into account various individual and family stages and needs. By offering flexibility and options, people are able to make decisions which best suit their circumstances therefore allowing for a higher program success rate.



A participant determined purpose for the savings and matching money was most strongly identified by people who had enrolled in the program but stopped participating but was also discussed in the interviews with the other two groups of respondents. They identified either: 1) the education, small business or training goals defined by Learn\$ave were not realistic nor useful goals for them or 2) the education or training programs approved by Learn\$ave were too restrictive and participant's ability to choose what would work best for them needed to be given more weight. This latter point was the case in Mary's experience:

Mary: Oh yeah, I mean I think the thing is, is that in all, like most people maybe they have, they're going to start a business and maybe they're not going to do something that is perfectly correct. I think you've got to loosen up on the rules and stop being so, I got a sense of real up tightness. No, no you can't do this you can't do that its like you know I think that even if I couldn't put my job proposal on paper, if I could have somebody help me, I have all the testing to prove my disability, to prove academically I should be in hospitality, I did all this stuff for government agencies that I, I mean I'm just a walking ticket of yes I have all the documentation to back up what I'm saying that this is the right program for me, no body was listening.

In keeping with the first point that education, small business or training were not goals that all participants felt suited their situations, both Ellen and Joan identified that they had other goals that, had an Individual Development Account been able to support them with, participation in the program would be more meaningful and successful for them.

Ellen: [...]so if the government is helping you with this account it is excellent the only thing is they should take away the restriction of the education and the you know give you the freedom of the money, give you the money to do what you would like to do instead of imposing on you to educate yourself or whatever, right? [...] if the government had given me the freedom given me the possibility to save the money for my own personal purposes perhaps I could have saved those \$10 better than, you know, because the purpose was different.

Molly: It was your purpose.

Ellen: Exactly

As illustrated in Joan's statements presented in the *Enrolled but Stopped Participating* section of this chapter, saving for education was something she felt was an unrealistic strategy for her to make any significant changes in her poverty status and therefore was not worth the immediate financial sacrifice. Joan identified other options for a saving strategy that would be more meaningful to her:

Joan: [...] But I would like something to leave my children. I have nothing; if I don't pay off my funeral by the time I die they will be left with that as a burden too.

Joan, Ellen and Mary's statements speak not only to freedom of choice but to dignity in both life and death. What is also overlooked in this particular program is the context of motherhood and the dignity associated with being able to teach and provide for one's children. As with Joan's statement above and Ashley's statement presented in the *Enrolled but Stopped Participating* section of

this chapter, Jenn and Gabriella identify that being able to provide for and invest in their children is highly desired though not an option in the tight structure of Learn\$ave:

Interviewer<sup>20</sup>: Gabriella said it would be good to help with the children of people like her. She has always lived in poverty so of course it is what she knows and so it's also what her kids know. If they could be part of a program like this, maybe with her so they could both benefit. She doesn't have the money to help them with their education, with their goals and future goals. She said "right from the socks and shoes that they wear to school to the extracurricular programs and courses I can't afford to get them into the stuff they want to do after school like college or something" she can't afford it. She goes on to explain that if there was a program that could help teach her and her kids the stuff that Learn\$ave taught her and also help with the money to pay for her kids to do some of the things they would like to do, that would be good. She wants her kids to have opportunities but she doesn't have the resources to help them get those kinds of experiences.

By focusing on the individual, Learn\$ave has not taken into account the function of the family unit. Like Joan and Gabriella, Jenn's statement below shows that building assets for their children is not only beneficial to the children but to them as well; increasing their confidence and sense of efficacy as mothers.

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<sup>20</sup> Reminder that due to a tape recorder malfunction, this quote is from the interviewer's notes which were written right after the interview with Gabriella was complete.

Jenn: I'd also like the option of transferring the money to RESP's for my children. I think that would give me more empowerment as a mother.

This concept of empowerment that Jenn brings up is significant in the fight against poverty. Like Ellen describes in her statement reported in chapter four's *System Failure: Labour Market and Welfare* section, if people feel they have some power to choose and have control over their lives they will be more productive in their efforts to make life changes. The recommendation coming out of this research that suggests participant determined and individualized program structures, directly speaks to the empowerment of people and the increase in self-efficacy.

#### *More Comprehensive Social System Support*

As shown previously in this chapter, not having enough money to save was a significant barrier for many participants; in fact six of twelve respondents identified it as a barrier to full participation in the program. When asked what recommendations people had to make Individual Development Accounts work for them, offering more financial supports was high on the list of responses. Although this recommendation also includes the increased financial support from Learn\$ave, the most evident financial deficiency is the income that people receive on an ongoing basis from social assistance. In Sophie's case, she saw the financial sacrifice people make to participate in a program like Learn\$ave and felt strongly that they should be supported in this respect to help insure the burden of saving is not detrimental:

Sophie: [...] Because I think it's one thing to say okay here's the money here's what we're going to do if you're going to save but you also have to

think what can we do to make it a little easier for that person if they're saving? I mean they're already living on the cusp so what can we do to ease the burden just a bit?

This burden is significant for many people who are struggling to survive on a less than adequate income and as we have seen in the experiences of people like Shelia, Joan, Ashley and Donna, their income level put them in a position of choosing between eating, paying bills or saving the \$10/month; understandably the first two options took priority over the third. In each case the respondents suggested that if they had some more income supports, they would be in a better position to save, but in their current situation they were required to live day to day thinking about how they would make ends meet for their basic needs.

It was identified by the participants that current low benefit rates and extremely low levels of allowed assets are policies that work against the goals of poverty reduction and certainly against the notion of building assets.

Sheila- [...]Ontario Works, like the issue of not being able to have any assets, like in my situation the maximum asset level is \$520. Maybe they should think of OW as a way of encouraging you to build your assets [...] \$2000 or \$3000 maybe they need to do that with OW so that Learn\$ave and OW are compatible, so when you leave OW and go on your first job you've already built up \$2000 so you don't have to do away with that before you apply for OW.

The need for integrated and comprehensive system support was emphasized. It was suggested that a partnership between social assistance programming and Individual

Development Accounts would increase the visibility, enrollment and participant success in a program like Learn\$ave.

Jenn: And I was wondering why haven't social workers working for social services not be telling their clients about the Learn\$ave program. To get them involved in it. Why wasn't it something that they knew about. You know it's supposed to be a social development program so that was kinda confusing. No one seemed to know anything about it [...]

*Summary: Working Better For Participants*

The identification that Learn\$ave needs to have more room for participant decision making and that there are gaps and contradictions in welfare policy and anti-poverty programming, which work in opposition to each other, are significant observations from this group of twelve individuals and deserve recognition from policy leaders. What is being communicated in this section regarding how Learn\$ave could better work for participants is that there are fundamental flaws in the regulatory structure of this Individual Development Account and inherent gaps in welfare policy and programming that federal and provincial governments must work to fill. Were these gaps to be bridged and more comprehensive policy and income support were to be provided, then individuals and families wouldn't have such a steep uphill battle when trying to fulfill their desires for a better quality of life.

## CHAPTER 5: DISCUSSION & RECOMMENDATIONS

The above results identified two main reasons why people didn't participate in Learn\$ave, why they stopped participating in Learn\$ave or otherwise wish they had gotten more from the program; they didn't have enough income to save and there wasn't enough room in the program structure for them to decide how and/or when they could spend their savings. Directly related to these reasons, and evident throughout the data, are themes related to the comprehensive support they required from the welfare/anti-poverty system as well as the power they deserve and flexibility in structure they require to make decisions best suited to their circumstances. All of this is rooted in, and informed by the context of their lives and their motivation for improved quality of living.

This chapter presents a *Discussion* and some *Recommendations* that can be applied to Learn\$ave, future Individual Development Account initiatives and anti-poverty work in Canada more generally. The *Discussion* section of this chapter works to incorporate some of the theoretical literature discussed in chapter two with the results from the qualitative research presented in chapter four. The *Discussion* is guided by the themes presented throughout the data and is therefore split into two sub-sections: *Levels of Citizenship in Poverty Reduction: Self-Determination vs. Regulation* and *Saving or Surviving: In Need of a Comprehensive Anti-Poverty Strategy*.

The *Recommendations* are also presented in two sections with the first set of recommendations coming directly from the qualitative data and speaking more specifically to the structure of Learn\$ave while the second set of recommendations has

been informed by the experiences of the research participants as well as by the theoretical literature explored in this thesis. The intention of this section is not to be exhaustive in discussion and recommendations but rather to offer points of departure for future discussion and study.

## Discussion

### *Levels of Citizenship in Poverty Reduction: Self-Determination vs. Regulation*

The participants of this research identified the desire for self-determination in the Learn\$ave process; linking such control to feelings of empowerment and at the very least, greater success in a program like Learn\$ave. The concepts of empowerment and self-determination are ones not easily found in government anti-poverty programming due to the historically accepted and practiced notion that the poor require some regulation (see Piven and Cloward, 1993; Little, 1998; Herd et.al., 2005). Mixing regulation, by way of restrictive policies, with dominant neoliberal ideology, produces government based anti-poverty strategies that are administratively heavy and are driven by the desire to create more individual responsibility and self-sufficiency. The results from this thesis suggest that an inflexible highly regulated program structure can act to exclude the people it is designed to assist. Though this may be, in the short-term, a more cost effective way to deliver programming- as was the rational behind Ontario Works' exclusionary policies (see Shragge, 1997; Peck, 2001; Snyder, 2003; Herd et. al., 2005)- in the case of Learn\$ave, these results suggest that it may have operated against the enrollment and successful outcome goals of the program. Within this last point, I am cognizant of the



fact that Learn\$ave's strict structure is likely influenced by the fact that it is a pilot project and therefore has a high priority of measuring outcomes in order to evaluate the effectiveness of the program for future program planning initiatives. However, this is too often the case in government funded initiatives and it must be recognized that much hope, effort and sacrifice, from individuals with few resources available to them, goes into participating in a program like Learn\$ave. It is therefore necessary, not only for the participants' benefit, but also for the success of future programs to consider the qualitative, long term and indirect outcomes of such a program. As Schreiner et.al.(2002) and Schreiner and Sherraden (2007) have alluded to, timeline flexibility and options offer more inclusive Individual Development Account structures.

In the final report of the American Dream Demonstration (ADD), Schreiner et.al.(2002) explicitly state their views on "the dysfunction of deadlines" in regards to time limits on savings withdrawals to receive matching credits (p.49). They state:

If the goal is to improve the well-being of the poor in the long term, however, then these time limits are not desirable. Some participants might be content to save without a specific purchase in mind, and it is not clear how they would benefit if forced to make a matchable purchase in a narrow time frame. Limits on funds are the result of time limits on ADD. A better design would allow accumulation and holding of funds for as long as participants wish (Schreiner et. al., 2002: 49).

This statement is consistent with the findings of this research; the imposed time limits of Learn\$ave presented barriers to people realizing full benefit from the program and for some, operated as a deterrent to continued participation.

The results therefore suggest that Learn\$ave's approach to regulating market behaviours has acted to deter and exclude some of Learn\$ave's participants and potential participants. This has been done by a) obligated market attachment via banking behaviours and human capital development objectives (remember that the returns on investment in human capital are to be seen through income increase in the labour market- see Becker, 1993; Courchene, 2001) and b) placing strict parameters around participant decision making by offering limited options or opportunity for self-determination.

The later point of these findings are consistent with those of Schreiner and Sherraden (2007) who state that "Given options, disappointed participants will be less likely to give up entirely." (p.324). I take this view further, however, and suggest that the options should not necessarily be "given" by the policy makers but rather should be decided by the individuals and families who might consider accessing an Individual Development Account program. This not only leads to fewer people giving up out of discouragement with their lack of power but it also allows for a process of empowerment and increased self efficacy to take place. When asking someone who runs a deficit every month to save money, even when offering them a return of two or three times their savings amount, a program needs to be sure that the goals and objectives of the program are shared by the target group and the structure is inclusive; this can be ensured by offering people the freedom to choose how and when they spend their savings. This empowerment and participatory approach is consistent with elements described in the human rights approach to poverty reduction described in chapter two.

The concept of inclusion is used by Schreiner and Sherraden (2007) to describe next steps in movement towards "inclusion in asset-based policy"(p.305). The context of

this word is imbedded in the theories of asset-based policy and neoliberalism which define inclusion in terms of market inclusion. As identified in chapter two's discussion of citizenship, the boundaries of citizenship are defined by the state based on laws and the state's rights and responsibilities to facilitate access and belonging via institutions, processes and services (Jenson and Papillon, 2001). By offering social policies and programs that are increasingly defining inclusion as economic and market inclusion, the state is shifting those boundaries of citizenship. This not only has larger implications within a human rights discussion but it deeply entrenches the regulation of the poor into market driven social policies.

Approaching this regulation from a gender and anti-oppressive lens, the tight human capital development restrictions on how people's savings is spent imposes a particular set of values and assumptions as to who the poor are and why they are poor; because they lack education, employable skills and integration into the market. As Jenn identified, she felt this emphasis devalued her, and her work as a mother. Others identified that human capital development choices were not consistent with what they felt would be the best for their savings, given their expert knowledge on themselves and their circumstances. I suggest that the attachment Learn\$ave has to the goals of immediate human capital development contradict its intention of being an anti-poverty strategy because it excludes those it is intended to help; those most vulnerable and impoverished many with immediate income support needs to assist their survival. From a human rights approach to poverty reduction, the needs of some of the respondents may fall within those requiring "immediate effect" as they require steps to maintain minimum standards of human rights such as adequate housing and food (Office of the High Commission on

Human Rights, 2004). The results of this research are consistent with Banting's (2005) critic of the social investment state in that they demonstrate that this strictly human capital development approach to poverty reduction may be too narrow in scope; ignoring the larger issues of marginalization, social exclusion and labour market trends. Drawing on the life experiences of the participants of this study we see that those living in poverty have various complex and overlapping histories which include the impact of injury, disease, abuse, social and cultural norms, gender roles, racism, ageism, classism and systemic inequality that has resulted in chronically inadequate income supports and protections. It is my conclusion that Learn\$ave does not adequately acknowledge nor address these complex socio-political layers and in not doing so, does not reach the status of an anti-poverty strategy.

*Saving or Surviving: In Need of a Comprehensive Anti-Poverty Strategy*

In 1995 the Ontario government reduced social assistance income benefits by 21.6% then introduced Ontario Works (OW) and Ontario Disability Support Program (ODSP) legislation. Ontario Works relies on the 'principle of less eligibility', meaning that they ensure no social assistance recipient receives more income than that of the lowest paid worker. The logic behind such a principle is that it offers little in the hope that people will stay off the system; under the assumption that the labour force is where they should be and low benefit levels will encourage them to make that 'choice' (Armitage, 2003). This principle has proven to keep benefit levels at a very low rate (especially considering that minimum wage was frozen at \$6.85/hr from 1995 to 2004) with some individuals living at only 35% of the poverty line (National Council of

Welfare, 2005). It is within this income deficit context, and ideological message of who is deserving and who is not deserving of support, that many of this study's research participants live. Living in chronically low income situations, as we have seen from the respondents experiences, has the effect of putting someone under constant stress and anxiety about where the money is going to come from for the next meal or the next bill. As Ashley states in chapter four "sometimes you just get so busy trying to keep things together there's hardly anytime for anything else". The sacrifice people are living under is already great, which makes it difficult and unrealistic to think that further sacrifice is something they should or could endure.

This statement is consistent with the policy critiques of Jenson and Saint-Martin (2003) and Banting (2005) who question the timing of human capital based approaches to long term poverty reduction when poverty rates are high and the income support base is weak, therefore not offering people a sufficient foundation upon which to take risks (like those risks being asked by Learn\$ave). The results of this research are also consistent with those found by the Learn\$ave evaluation team (Kingwell et. al., 2005) in the focus groups they held with people who did not enroll in the program. They uncovered valuable information about people struggling to make ends meet, the health issues often associated with poverty and the belief that further education would not be an effective route out of poverty. However, this valuable information regarding the systemic barriers to Learn\$ave enrollment were housed under a category entitled "Personal Problems" (Kingwell et.al. 2005:105). Their preoccupation with finding out why the Learn\$ave advertising campaign didn't work may have caused them to overlooked the larger

systemic, policy and marginalization contexts of why people were not enrolling; they forgot that the personal is political.

I am led to ask if the costs of saving have been weighed against the benefits of saving for those living below the poverty line, and can those social and health costs be easily reduced by increases in system support? This question stems from my concern that Individual Development Accounts are significantly influenced by individualistic middle and upper class values and possibly misguided assumptions about why the poor are poor. These may be rooted in controversial concepts of the 'culture of poverty' where it is believed that there is a cycle to poverty because the poor learn and behave through association that they are apathetic, helpless, dependant on others and unaware of the larger world around them (see Lewis, 1966). In exploring reasons for lower Individual Development Account saving rates among social assistance recipients Schreiner and Sherraden (2007) state that "welfare receipt might produce a 'culture of poverty' that decreases saving" or other "characteristics that cause a need for public assistance (say, alcoholism) may reduce saving" (p.279). This approach to analyzing the poor exposes a very individual and person as the problem based approach to poverty, shedding light on the vantage point that causes the Social Research and Demonstration Corporation to classify unemployment and poverty as a personal problem (see Kingwell et. al., 2005: 105). The results from this research support my concerns that the costs to saving could be harmful in this context of weekend or "rolled back" income support systems when hearing from people like Sophie and Sheila who feel that Learn\$ave is more suited to people in higher income brackets due to the significant and chronic financial stresses of those living below the poverty line. This leads me to question the appropriateness of

applying middle and upper class processes of asset accumulation to low-income populations who are struggling to make ends meet due to inadequate welfare and labour market policies

### Recommendations

The results of this exploratory research have offered many points from which further research and investigation can be done. Evaluative work of Individual Development Accounts, social investment state policies and human capital development initiatives as poverty reduction strategies is in its infancy. In honouring the principles of action based research I offer the following as a beginning to the recommendations and actions that could come from this research. By using research as a tool to learn from and to build on as well as a tool to be used for empowerment rather than disempowerment, it is my duty to share the results and confirm them with those that participated in its process. It is also my duty and intention to share these results with those in relevant positions influence over future Individual Development Account programming. This section offers two categories of recommendations. The first section is recommendations *At the Program Level of Individual Development Accounts*. These points are a synthesis of the most common recommendations that came directly from the feed back of the twelve the research participants. The second set of recommendations: *At the Policy Level: A Comprehensive Anti-Poverty Strategy* are rooted in the experiences of the research participants and the theoretical literature explored during the course of this thesis.

In keeping with the identified themes of access, self-determination and increased system support, it is apparent that there is much work that needs to be done to make Individual Development Accounts work for many of Canada's poor. The results of this thesis offer many points of concern regarding the overall political climate and value base within which Asset-Based welfare is being integrated into our social policy formulas. As illustrated in the final chapter, this concern has lead me to be significantly skeptical towards the whole Individual Development Account approach, especially for the purposes of human capital development. Having said this, the results of this research are clear in that people were drawn to the idea of a matched savings account and many identified the benefits it did or potential benefits could have offered them given the right conditions. These results combined with the rapid policy shifts toward social investment and asset-building schemes tells me there are many reasons not to simply dismiss this strategy as ineffective and move on. We must continue to build on this knowledge and work to improve the social conditions within which neo-liberal strategies such as Learn\$ave will operate. One might describe it as a harm reduction approach to policy advocacy.

*At the Program Level of Individual Development Accounts*

1. More Room for Participant Decision Making. There must be flexibility in the program to allow for a participant determined, individualized structure. This includes
  - a. No pre-determined deadline outlining when participants must spend their savings in order to receive matching dollars from the funder. Or at the very least a long and flexible timeline within which participants can decide how



soon or how far away they want to use the money. This must allow for participants to make a change in their saving and spending plans as circumstances change.

- b. Participant determined purpose for their savings and matching money. This includes allowing flexibility that could include wide possibilities such as: developing a nest egg, saving for emergencies, for retirement, funeral payments, children related investments such as extracurricular activities or post-secondary education, home ownership, car ownership, participant's choice in education or training or other types of investment.

- 2. Further comparative research of the various Individual Development Account designs internationally, to identify some 'best practices' based on the context of those programs and their participants' experiences.
- 3. More qualitative Individual Development Account research, that builds upon the knowledge generated here, to better understand why people don't enroll or stop participating in Individual Development Accounts. Through the process of conducting this small research project, it has become apparent that the experiences of this group of people is vital in determining why a program is not reaching many people it is designed to support. This method reframes the lens by which you are interpreting why people are 'non-savers' or 'non-enrollers'. By doing a quantitative analysis of the demographic and financial details of those people vs. those who were savers, you're getting a picture of whether they share characteristics or whether they don't but you are not capturing their reasons for non-Individual Development Account participation. This research has asked why people stopped participating, and

many of the responses have had the same or similar reasons. This method then requires a shift in lens from one that looks at the characteristics of a participant as determining whether someone will be a 'non-saver' to one that focuses on what common program qualities have influenced people to be 'non-savers' and 'non-participants'.

*At the Policy Level: A Comprehensive Anti-Poverty Strategy*

1. More Comprehensive System Support: More financial support is needed from the income support system. It was identified by the participants that current low benefit rates and extremely low levels of allowed assets are policies that work against the goals of poverty reduction and certainly against the notion of building assets. More income support is needed, so savings does not cut into current survival income and policy continuity is needed so that the provincial welfare systems support asset-building. This translates into a recommendation for a nation wide examination of poverty reduction strategies in Canada and internationally in order to inform the development of a comprehensive national poverty strategy that works in partnership with provincial, territorial and municipal governments so as to ensure the gaps and contradictions of current practice are eliminated.<sup>21</sup>
2. A cost benefit analysis of the economic, social and health costs incurred by households in comparison to the benefits households declare they have received as a

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<sup>21</sup> Useful documents to inform this work are: ♦Office of the High Commission for Human Rights (2004) *Human Rights and Poverty Reduction: A Conceptual Framework*. New York and Geneva: United Nations. ♦Jenson, J., (2004) *Canada's New Social Risks: Directions for a New Social Architecture*. CPRN Family Network Research Report. Ottawa: Canadian Policy Research Networks ♦National Council of Welfare (2007) *Solving Poverty: Four Cornerstones of a Workable National Strategy for Canada*. Ottawa: National Council of Welfare.

result of their participation in a social investment strategy such as an Individual Development Account.

3. Further in depth analysis and research in the area of financial training of the poor that takes into account dynamics of power, class and participant experience.
4. An in-depth analysis of the role, neoliberal ideology plays in the theory and practice of social investment state policy agendas. This must be done on a larger scale, by government bodies in order to learn more about the role and impact market attachment values and welfare capitalist structures have on the overall goal of long-term well being of citizens<sup>22</sup>.

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<sup>22</sup> See Leitner, H., Peck, J. and Sheppard, E.S. (eds) (2007) *Contesting Neoliberalism: Urban Frontiers*. New York: Guilford Press

## CHAPTER 6: SUMMARY AND CONCLUSION

### Summary

Asset-based welfare policy attempts to address the unequal distribution of assets by offering asset-building opportunities to the poor who have been traditionally excluded from mainstream asset building schemes. It theorizes that the wellbeing of individuals and families must be considered over the life course and that increased pools of assets offer more protections during drought periods of income receipt (Sherraden, 1991).

Asset building initiatives such as Individual Development Account (IDA) programs are already influencing social policy though they are still in the early stages of being tested in Canada and internationally. As the research works to catch up, the swift shifts of social policy have moved from a welfare state to a workfare state and into a social investment state; moving further away from needs based policies towards exclusively market based approaches to social security.

Asset-based policies have come to be described as the path that crosses both left and right ideology or the “new consensus” between right and left (Hartmann, 2004); also inferring that they have met the difficult balance between market and state and fulfill the social objectives of all political stripes. Individual Development Accounts offer asset-building opportunities that require the beneficiaries to actively participate and then spend their money in acceptably defined ways; therefore, offering opportunity to the poor while upholding politically responsible (and saleable) values. Schreiner and Sherraden (2007) describe a program that effectively manages this balance as one that is “well-reasoned

and politically defensible” because it does not “run the risk as being seen as giveaways” (p.327). This is without a doubt the criterion by which many would define good or bad social policy. In the interest of learning more about this increasing trend toward asset-based welfare policies, this thesis set out to explore the application of Individual Development Accounts as anti-poverty strategies.

Informed by theories of the welfare state and its relationship with increasingly powerful capitalist agendas, this thesis questioned the embeddedness of Individual Development Accounts in the values and discourse of neoliberalism and behaviour regulation of the poor. Focused on the building of human capital assets as a poverty reduction strategy, it appeared Learn\$ave may be ignoring mechanisms of marginalization and oppression particularly as they relate to labour market exclusion and unpaid labour visible along gender lines.

Stating that those accessing Individual Development Accounts were more representative of the higher ranks of the poor, tending to have more ‘income potential’, the literature supported the notion that Individual Development Accounts are not reaching the households living in deeper poverty (see Kingwell et. al., 2005; Schreiner et al., 2002; Reutebuch, 2001). Using Canada’s national pilot project Learn\$ave as a case study, this thesis set out to learn more about the experience of people who chose not to participate or who stopped participating in this Individual Development Account programme. In order to contribute to the understanding of whether Individual Development Accounts can be an effective anti-poverty strategy in Canada this thesis employed qualitative methods of inquiry to explore: 1) Why people didn’t or couldn’t participate in Learn\$ave 2) Why people who enrolled in Learn\$ave stopped participating;

3) What factors might have enabled an Individual Development Account to be successful for participants.

The findings of this thesis identified that people wanted more control over the terms of spending their savings; they were discouraged by the predetermined goals and structures of Learn\$ave, that offered little room for self-determination. They also revealed that the inadequacies of income support systems operate to ensure the pervasiveness of poverty, which acts as a barrier to Individual Development Account accessibility. People expressed interest and attraction to a government program that might offer them support in reaching their aspirations for increased quality of life however respondents generally did not feel there had been much movement towards these aspirations as a result of their connection with Learn\$ave.

The respondents' stories illustrate that complex mechanisms of marginalization and oppression exist, for these twelve people it was especially apparent in issues of gender, race, age and ability within the context of labour market exclusion and devalued social reproduction. In the spirit of action research this thesis presents recommendations for change to inform future Individual Development Account initiatives and anti-poverty strategies. These recommendations highlight the need for participatory approaches to policy and program development as well as a comprehensive design to reduce barriers caused by income security deficiencies and systemic oppression; which is notably present in the exclusively market based approaches to poverty reduction.

## Conclusion

As discussed in chapter two, balancing the objectives of capital gain and social well-being has been an ongoing tension in state based welfare and anti-poverty programming for generations. Ensuring that enough state resources are invested in social assistance programming in order to maintain some form of social stability and cohesion comes with the limitation that governments must appear to be frugal and restrictive to avoid unaccountable social spending practices. Married to this restrictive approach is the longstanding notion that the poor must be regulated in order to ensure their morality and keep their abuses of public monies at bay (see Piven and Cloward, 1993; Shragge, 1997; Little, 1998). Within this current neoliberal “rolled back” state of spending on income security (Peck and Tickell, 2002, 2007) we see governments redistributing social spending dollars to longer term objectives described as social investments in human capital development (see Jenson and Saint-Martin, 2003; Banting, 2005). Touted as the unavoidable wave of the “new economy”, investments in human capital are designed to bring all members of society into the elite class of “knowledge workers”; a monopoly class in which membership and belonging is the only way to ensure you are not left behind by this competitive wave called the new global economy (see Becker, 1993; Giddens, 1998; Courchene, 2001). Rooted in confidence that the market is the only safe place to be as this wave pulls in, social spending and welfare policies turn to market attachment, economic development and the commodification of people as the route to combat poverty. The boundaries of citizenship as described by Jenson and Papillon (2001) are being set by the state to define belonging as that of market inclusion, where participation in the market is required (and legally defined by workfare legislation)

before entitlements to social security are granted. The level of access to citizenship belonging is framed by the institutional structures and systems designed by the state. For example, the poverty reduction opportunities available (that is the design, administrative processes and desired outcomes of such opportunities) are state controlled. Therefore, those people looking for support to reduce their level of poverty are limited to the options presented to them by the state; in the current policy climate it seems they will always be attached to the market therefore reinforcing the boundaries of citizenship and regulating behaviours to comply with dominant neoliberal values.

It is within this paradigm that Individual Development Accounts such as Learn\$ave exist; they both work to develop human capital while training the poor how to be good market citizens- at first glance the perfect strategy to integrate those who would otherwise be excluded from the market. However, the experiences of these twelve research participants illustrate the limits of promised market returns and the deterrent effect of regulatory program structures. Combine these two insufficient approaches with the persistent income deprivation people are forced to live within, and this seemingly logical approach proves to be externally invalid and inaccessible.

Based on the results of this research, it is my conclusion that Learn\$ave does not adequately acknowledge nor address complex socio-political layers of poverty and systemic oppression and as a result does not reach the status of an effective anti-poverty strategy. Due to the short turnaround time expected for education training or small business start-up as well as the identified barriers to access and self-determination, it is likely that Learn\$ave has also failed as a human capital development initiative. However, based on the feedback presented by the research participants, I suggest that there could be



a place for asset-based welfare policy in Canada's social policy framework, but we must expose the entrenched neoliberal values and work towards shifting the centre of power and knowledge development; we need to remind ourselves that the economy is of the people not the other way around. We must not put the cart in front of the horse. Before we ask people to save and before we invest our entire social budget in gains for the future, I strongly recommend we strengthen the policy platform that supports those living in the here and now. The work begins by valuing existing skills not just idealizing new ones. And then continues by recognizing that all skills are valuable and necessary to maintain a functional social structure. Not all citizens need be "knowledge workers"; nor should they be; nor can they be- it is simply not a realistic or useful policy goal. I remind policy makers that people cannot learn in school if they are hungry and homeless, and people should not be hungry and homeless if they cannot learn in school.

Human capital development is not poverty reduction though it could be one component in a much larger anti-poverty strategy framework. Developing a comprehensive National Anti-Poverty Strategy that works in partnership with provincial, territorial and municipal governments is vital to the future health of Canadian society. Such a strategy must adhere to a human rights approach; ensuring that rights and broad definitions of citizenship are not only upheld but are also accessible and inclusive. The development, review and continued maintenance of such a strategy must be transparent in the clearest sense so that governments are accountable, empowerment is possible and democracy is participatory. We must ensure that which is political, not be dismissed as personal.

## APPENDICES

### Appendix A

#### *Universal Declaration of Human Rights*

*Adopted and proclaimed by General Assembly  
resolution 217 A (III) of 10 December 1948*

On December 10, 1948 the General Assembly of the United Nations adopted and proclaimed the Universal Declaration of Human Rights the full text of which appears in the following pages. Following this historic act the Assembly called upon all Member countries to publicize the text of the Declaration and "to cause it to be disseminated, displayed, read and expounded principally in schools and other educational institutions, without distinction based on the political status of countries or territories."

#### *PREAMBLE*

Whereas recognition of the inherent dignity and of the equal and inalienable rights of all members of the human family is the foundation of freedom, justice and peace in the world,

Whereas disregard and contempt for human rights have resulted in barbarous acts which have outraged the conscience of mankind, and the advent of a world in which human beings shall enjoy freedom of speech and belief and freedom from fear and want has been proclaimed as the highest aspiration of the common people,

Whereas it is essential, if man is not to be compelled to have recourse, as a last resort, to rebellion against tyranny and oppression, that human rights should be protected by the rule of law,

Whereas it is essential to promote the development of friendly relations between nations,

Whereas the peoples of the United Nations have in the Charter reaffirmed their faith in fundamental human rights, in the dignity and worth of the human person and in the equal rights of men and women and have determined to promote social progress and better standards of life in larger freedom,

Whereas Member States have pledged themselves to achieve, in co-operation with the United Nations, the promotion of universal respect for and observance of human rights and fundamental freedoms,

Whereas a common understanding of these rights and freedoms is of the greatest importance for the full realization of this pledge,

Now, Therefore THE GENERAL ASSEMBLY proclaims THIS UNIVERSAL DECLARATION OF HUMAN RIGHTS as a common standard of achievement for all peoples and all nations, to the end that every individual and every organ of society, keeping this Declaration constantly in mind, shall strive by teaching and education to promote respect for these rights and freedoms and by progressive measures, national and international, to secure their universal and effective recognition and observance, both among the peoples of Member States themselves and among the peoples of territories under their jurisdiction.

*Article 1.*

All human beings are born free and equal in dignity and rights. They are endowed with reason and conscience and should act towards one another in a spirit of brotherhood.

*Article 2.*

Everyone is entitled to all the rights and freedoms set forth in this Declaration, without distinction of any kind, such as race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status. Furthermore, no distinction shall be made on the basis of the political, jurisdictional or international status of the country or territory to which a person belongs, whether it be independent, trust, non-self-governing or under any other limitation of sovereignty.

*Article 3.*

Everyone has the right to life, liberty and security of person.

*Article 4.*

No one shall be held in slavery or servitude; slavery and the slave trade shall be prohibited in all their forms.

*Article 5.*

No one shall be subjected to torture or to cruel, inhuman or degrading treatment or punishment.

*Article 6.*

Everyone has the right to recognition everywhere as a person before the law.

*Article 7.*

All are equal before the law and are entitled without any discrimination to equal protection of the law. All are entitled to equal protection against any discrimination in violation of this Declaration and against any incitement to such discrimination.

*Article 8.*

Everyone has the right to an effective remedy by the competent national tribunals for acts violating the fundamental rights granted him by the constitution or by law.

*Article 9.*

No one shall be subjected to arbitrary arrest, detention or exile.

*Article 10.*

Everyone is entitled in full equality to a fair and public hearing by an independent and impartial tribunal, in the determination of his rights and obligations and of any criminal charge against him.

*Article 11.*

- (1) Everyone charged with a penal offence has the right to be presumed innocent until proved guilty according to law in a public trial at which he has had all the guarantees necessary for his defence.
- (2) No one shall be held guilty of any penal offence on account of any act or omission which did not constitute a penal offence, under national or international law, at the time when it was committed. Nor shall a heavier penalty be imposed than the one that was applicable at the time the penal offence was committed.

*Article 12.*

No one shall be subjected to arbitrary interference with his privacy, family, home or correspondence, nor to attacks upon his honour and reputation. Everyone has the right to the protection of the law against such interference or attacks.

*Article 13.*

- (1) Everyone has the right to freedom of movement and residence within the borders of each state.
- (2) Everyone has the right to leave any country, including his own, and to return to his country.

*Article 14.*

- (1) Everyone has the right to seek and to enjoy in other countries asylum from persecution.
- (2) This right may not be invoked in the case of prosecutions genuinely arising from non-political crimes or from acts contrary to the purposes and principles of the United Nations.

*Article 15.*

- (1) Everyone has the right to a nationality.
- (2) No one shall be arbitrarily deprived of his nationality nor denied the right to change his nationality.

*Article 16.*

- (1) Men and women of full age, without any limitation due to race, nationality or religion, have the right to marry and to found a family. They are entitled to equal rights as to marriage, during marriage and at its dissolution.

- (2) Marriage shall be entered into only with the free and full consent of the intending spouses.
- (3) The family is the natural and fundamental group unit of society and is entitled to protection by society and the State.

*Article 17.*

- (1) Everyone has the right to own property alone as well as in association with others.
- (2) No one shall be arbitrarily deprived of his property.

*Article 18.*

Everyone has the right to freedom of thought, conscience and religion; this right includes freedom to change his religion or belief, and freedom, either alone or in community with others and in public or private, to manifest his religion or belief in teaching, practice, worship and observance.

*Article 19.*

Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive and impart information and ideas through any media and regardless of frontiers.

*Article 20.*

- (1) Everyone has the right to freedom of peaceful assembly and association.
- (2) No one may be compelled to belong to an association.

*Article 21.*

- (1) Everyone has the right to take part in the government of his country, directly or through freely chosen representatives.
- (2) Everyone has the right of equal access to public service in his country.
- (3) The will of the people shall be the basis of the authority of government; this will shall be expressed in periodic and genuine elections which shall be by universal and equal suffrage and shall be held by secret vote or by equivalent free voting procedures.

*Article 22.*

Everyone, as a member of society, has the right to social security and is entitled to realization, through national effort and international co-operation and in accordance with the organization and resources of each State, of the economic, social and cultural rights indispensable for his dignity and the free development of his personality.

*Article 23.*

- (1) Everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment.
- (2) Everyone, without any discrimination, has the right to equal pay for equal work.

- (3) Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection.
- (4) Everyone has the right to form and to join trade unions for the protection of his interests.

*Article 24.*

Everyone has the right to rest and leisure, including reasonable limitation of working hours and periodic holidays with pay.

*Article 25.*

- (1) Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.
- (2) Motherhood and childhood are entitled to special care and assistance. All children, whether born in or out of wedlock, shall enjoy the same social protection.

*Article 26.*

- (1) Everyone has the right to education. Education shall be free, at least in the elementary and fundamental stages. Elementary education shall be compulsory. Technical and professional education shall be made generally available and higher education shall be equally accessible to all on the basis of merit.
- (2) Education shall be directed to the full development of the human personality and to the strengthening of respect for human rights and fundamental freedoms. It shall promote understanding, tolerance and friendship among all nations, racial or religious groups, and shall further the activities of the United Nations for the maintenance of peace.
- (3) Parents have a prior right to choose the kind of education that shall be given to their children.

*Article 27.*

- (1) Everyone has the right freely to participate in the cultural life of the community, to enjoy the arts and to share in scientific advancement and its benefits.
- (2) Everyone has the right to the protection of the moral and material interests resulting from any scientific, literary or artistic production of which he is the author.

*Article 28.*

Everyone is entitled to a social and international order in which the rights and freedoms set forth in this Declaration can be fully realized.

*Article 29.*

- (1) Everyone has duties to the community in which alone the free and full development of his personality is possible.
- (2) In the exercise of his rights and freedoms, everyone shall be subject only to such limitations as are determined by law solely for the purpose of securing due recognition and respect for the rights and freedoms of others and of meeting the just requirements of morality, public order and the general welfare in a democratic society.
- (3) These rights and freedoms may in no case be exercised contrary to the purposes and principles of the United Nations.

*Article 30.*

Nothing in this Declaration may be interpreted as implying for any State, group or person any right to engage in any activity or to perform any act aimed at the destruction of any of the rights and freedoms set forth herein.

## **Appendix B**

### *American Dream Demonstration*

Beginning in 1997 and ending in 2001, the American Dream Demonstration (ADD) was designed and implemented by the Corporation for Enterprise Development; with the Center for Social Development playing a key role in the research and evaluation of the project. American Dream Demonstration involved the implementation and evaluation of 14 Individual Development Account programs administered by 13 different organizations across the United States. ADD had a total of 2,364 participants<sup>23</sup> by December 2001. Requiring that participants attend financial education sessions and that savings be spent on “home purchase or repair, post-secondary education, microenterprise, retirement or job training” (Schreiner et al., 2002:19), the specific parameters of the program varied from site to site and between participants. The average matched savings rate was 2:1, with the program matching two dollars for each dollar saved by the participant up to a maximum amount, which averaged at a cap of \$1466 in total savings that would be matched by the program. The average length of time participants had to spend their savings in order to receive the matching credits was 36 months (Schreiner et.al., 2002).

### *The Saving Gateway*

Having completed the first phase of its pilot project in 2004, and the second phase in spring of 2007, the United Kingdom’s Saving Gateway “was launched in 2002 by HM Treasury at five sites in England” (Kempson et. al., 2005). In the first phase of the project, a total of 1,478 Individual Development Account accounts were opened and over an 18 month saving period, participants could save a maximum of 375 pounds that would be matched at the end of the saving period in a 1:1 ratio. The Saving Gateway is unique in that it imposed no requirements or restrictions on when or how participants were to spend their savings. As noted in the Kempson et. al. (2005) final report, “American Individual Development Account schemes tend to emphasize the acquisition of an asset. To date the UK emphasis has perhaps been more concerned with developing a habit of saving”(2) and collecting data on not only how people save but what they are saving for. The research and evaluation of this pilot was completed by the Personal Finance Research Centre at Bristol University. (Kempson et. al., 2005)

The second phase of the Saving Gateway (SG) was launched in six pilot sites in 2005. This is a much larger pilot with almost 21,500 participants across the United Kingdom. Offering financial education in five of the six pilot sites, the second phase of the Saving Gateway has a variation across sites in the ratio of matching credits (ranging from 20p for every pound to a 1:1 ratio) and the maximum allowable monthly deposit (ranging from 25 to 125 pounds). What has remained consistent in this phase of SG from the first phase, and continues to separate the Savings Gateway from other Individual Development Account programs internationally, is the option for participants to spend

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<sup>23</sup> The American Dream Demonstration defined a participant as “an enrollee with at least one account statement in MII Individual Development Account [the computerized savings account tracking system], whether or not the participant later dropped out of the program” (Schreiner et al., 2002:6)



their savings on whatever they like with no timeline restrictions (Institute for Fiscal Studies and Ipsos MORI Social Research Institute, 2006).

## Appendix C

Rebecca Roy  
*learn\$ave* Program Coordinator  
Lutherwood  
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Kitchener, ON N2H 3Z1

July 12, 2006

Dear *learn\$ave* participant,

Please find attached a flyer regarding a paid opportunity to participate in an independent research study. The study is looking to gather information about your experience with the *learn\$ave* project.

This research is being conducted by Molly Elliott, a student enrolled at Wilfred Laurier University in the Masters of Social Work program. Molly is **not** affiliated in any way with the *learn\$ave* project, Lutherwood, SEDI or SRDC and as such, *learn\$ave* staff have made sure that your personal information remains confidential. Should you wish to learn more about this opportunity, you will need to contact Molly directly. Her information can be found on the attached flyer.

If you have any questions or concerns about this process, please feel free to give me a call. I can be reached at (519) 743-1460 ext. 286.

Sincerely,  
Rebecca Roy

**Appendix E**

Penny Bethke  
*learn\$ave* Program Coordinator  
**ADDRESS HERE**

August 16<sup>th</sup> 2006

Dear *learn\$ave* participant,

Please find attached a flyer regarding a paid opportunity to participate in an independent research study. The study is looking to gather information about your experience with the *learn\$ave* project.

This research is being conducted by Molly Elliott, a student enrolled at Wilfrid Laurier University in the Masters of Social Work program. Molly is **not** affiliated in any way with the *learn\$ave* project, Family Service Association, SEDI or SRDC and as such, *learn\$ave* staff have made sure that your personal information remains confidential. Should you wish to learn more about this opportunity, you will need to contact Molly directly. Her information can be found on the attached flyer.

Sincerely,  
Penny Bethke

## **Appendix G**

**Table 2**

Participant Name* & LearnSave Site	LearnSave Engagement	Primary Income Source**	# of people in household	Gender	Age	Length of Time In Canada	First Language	Person of Colour***	Education Level
Colin Kitchener****	Stopped Participating	ODSP	1	M	31	born	English	No	High school diploma
Sophie Kitchener	Cashed out some credits	Employment	2	F	36	born	English	No	Some college
Ellen Toronto	Did not enroll	Family	1	F	58	38 years	Frulino/ Italian	No	High School diploma
Joan Kitchener	Stopped Participating	ODSP	1	F	49	born	English	No	High School diploma
Jenn Kitchener	Cashed out some credits	OW	5	F	37	born	English	No	High school diploma
Mary Toronto	Stopped Participating	ODSP	1	F	43	born	English	No	Grade 9
Ashley Toronto	Stopped Participating	OW	1	F	58	born	English	No	Some university
Donna Toronto	Stopped Participating	OW	1	F	56	born	English	No	Some College
Gabriella Toronto	Stopped participating	OW	3	F	46	born	English	Yes	Grade 10
Alley Toronto	Did not enroll	WSIB	5	F	38	15 years	Spanish	No	Grade 11
Sheila Toronto	Did not enroll	OW	1	F	51	38 years	English	Yes	Some University
Glen Toronto	Cashed out some credits	ODSP	1	M	42	41 years	English	No	Some university

\* Real names are not used for confidentiality purposes

\*\* Primary Income Source at time of Interview

\*\*\* As defined by the interviewer who is not a person of colour

\*\*\*\* Kitchener refers to the Kitchener site, which actually includes the whole Region of Waterloo.

**Table 3**

LearnSave Engagement Levels	Did not Enroll	Stopped Participating	Cashed out some credits
Number of Participants	3	6	3

**Table 4**

Primary Income Source of Participants	OW	ODSP	WSIB	Wages	Family
At time of Learn\$ave Recruitment	5*	4	--	2	1
At time of Interview	5	4	1	1	1

\*Two of these participants stated that they had employment income as well as OW income at that time.

#### Participant Profile by Demographic

*Age:* All the participants in this study were between 31 and 58 years of age, with a fairly even distribution of ages within that range; four being in their 30's four in their 40's and four in their 50's

*Gender:* The participants were predominantly women; only two men were interviewed.

*Race and Culture:* Two of the participants were women of colour, one of the women identified as having South American aboriginal status, for two women English was not their first language and four of the participants were not born in Canada.

*Ability:* Five of the participants identified as having a disability in the areas of disease, mental health, learning and/or injury.

*Household:* At the time of Learn\$ave recruitment<sup>24</sup>, seven of the interview participants lived alone with no dependants, four of the participants were sole support mothers of 2, 3 or 4 children, and one of the participants lived in a household with her husband and three children.

*Income:* At the time of Learn\$ave recruitment, five of the interview participants received Ontario Works social assistance as their primary income or as a supplement to employment income; four of the participants received Ontario Disability Support Program social assistance as their primary income; two participants cited employment wages as their primary income; and one participant received financial support from a family member as her primary income. At the time of interview, two interview participants cited that their income level had increased a fair bit since they enrolled in Learn\$ave due to regular cash gifts from family or household composition change that brought in a second wage earner. However, ten participants stated that their income had either remained the same or decreased since they inquired into Learn\$ave. The following income scales represent the participants income level at the time of interview in this study: \$400 to \$700/month, four participants all who are single; \$800 to \$1000/month, four single participants and one participant with two children in her home; \$1500 to \$2500, two participants both in households of five people (4 children and 3 children respectively); and one participant with a monthly income of \$5000 (gross)<sup>25</sup> shared between two adults.

<sup>24</sup> At the time of the interviews for this research, household composition had changed in four of the households from what it was at the time of Learn\$ave recruitment; generally due to children no longer living in the home and in one case due to marriage.

<sup>25</sup> All of the other incomes are reported in actual take home amounts, only Sophie, the wage earner reported her income in gross.

*Education:* Nine of the people interviewed (or 75%) had a high school diploma and five of those eight people (42% of the total participants) had some post-secondary education though they did not complete a post-secondary degree or diploma. Three of the participants (25%) had not completed high school with the lowest education level being grade nine for one participant.

*Learn\$ave Site:* Eight participants were residents of the Toronto area and therefore were associated with the Learn\$ave project in that city administered by Family Service Association and four of the interview participants were residents of the Waterloo Region and therefore were associated with the Kitchener based Learn\$ave project administered by Lutherwood.

*Engagement:* Three of the participants interviewed inquired into Learn\$ave but did not enroll in the program, all of whom were associated with the Toronto site. Six of the participants enrolled in the Learn\$ave program, attended some or all of the financial training seminars, and attempted to participate in the saving process but did not cash out any savings or matched credits. I am describing this group as people who enrolled but stopped participating in Learn\$ave; two of which were associated with the Kitchener site and four with the Toronto site.<sup>26</sup> Three of the people interviewed enrolled in the program, participated and cashed out some savings and matching credits; one from Toronto and two from the Kitchener site.

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<sup>26</sup>Participant reasons for the level of engagement is described in more detail in the section of this thesis titled *Learn\$ave Engagement*.

## Appendix H

### INTERVIEW GUIDE

#### Demographic Information

*(to be gathered by interviewer at beginning of the interview)*

- age
- gender
- family/household composition
- income level
- income source(s)
- education level
- self identify as member of minority group? How identify?
- Country of birth? If not Canada, how long lived in Canada?
- Languages spoken (list). Identify first language

#### Interview Questions

- 1) Can you please describe the financial situation of your household?
- 2) Why is your financial situation this way?
- 3) How did you hear about the Learn\$ave program?
- 4) When did you hear about the Learn\$ave program?
- 5) What was your level of engagement with the program?  
*(clarification question: To what extent did you get involved or look into getting involved in the program)*
- 6) What was your motivation for this level of engagement?  
*(clarification question: Why did you get involved or look into the program to this extent?)*
- 7) What is your experience with the program?
- 8) What were the points that led to your decision not to enroll in the lean\$ave program? (Or for those that did enroll but have since withdrawn or are not actively participating: What were the points that led to your decision to withdraw from the program or stop participating?)
- 9) What were the benefits and obstacles of the program?
- 10) What things needed to be different for the Learn\$ave program to work for you?

11) Do you have any recommendations as to how Individual Development Accounts could work for you?

12) Is there anything else you would like to add?



## **Appendix I**

### **WILFRID LAURIER UNIVERSITY INFORMED CONSENT STATEMENT**

#### **Individual Development Account Accessibility: Learning more about whether Individual Development Accounts can work for Canada's poor**

Molly Elliott (principle investigator)  
Lea Caragata (research advisor)

You, \_\_\_\_\_ are invited to participate in a research study called Individual Development Account Accessibility: Learning more about whether Individual Development Accounts can work for Canada's poor. The purpose of this study is to learn more about why some people did not participate in the *Learn\$ave* program in order to gain a better understanding of the role Individual Development Accounts can have in the lives of low income Canadians.

#### **Information about the Study**

This study is being conducted by Molly Elliott, a Master of Social Work student at Wilfrid Laurier University in Waterloo Ontario, under the supervision of Dr. Lea Caragata who is a professor in the Faculty of Social Work at Wilfrid Laurier University. In no way is this study part of the *Learn\$ave* research and evaluation being conducted by Social Research Development Corporation (SRDC) and therefore SRDC, Family Service Association and Lutherwood are not responsible for the actions of those who are not SRDC or *Learn\$ave* staff.

The process of this study will include:

- An individual interview with you, as well as 10 to 20 other participants, lasting about 30 to 60 minutes in length. These interviews will be audio taped and will include questions about yourself, your household, your financial situation and your experience with *Learn\$ave*.
- Each interview participant will receive \$20 cash to compensate them for their time.
- The audio tapes will be transcribed (keeping information confidential from the interviews) and the researcher will analyze the information you and other participants have shared.
- The researcher may contact you once she has completed her analysis and ask if you are interested in participation in a focus group to discuss the results of this study. You are under no obligation to participate in such a focus group and there will be a separate consent process at that time.
- The researcher's analysis will be compiled into a final report that will contribute to her academic requirements. Publications (such as news or academic journal articles) and/or other forms of public distribution of this study's findings may result. This could happen for an indefinite period beginning as early as Spring 2007.

If you would like Molly to contact you regarding any publication coming from this research please indicate by stating your preferred mode of contact and contact information (phone, email, mail etc.) here:

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### **Participation**

Your participation in this study is voluntary; you may decline to participate without penalty. If you decide to participate, you may withdraw from the study at any time without penalty and without loss of benefits to which you are otherwise entitled. If you withdraw from the study before data collection is completed your data will be returned to you or destroyed. You have the right to omit any question(s)/procedure(s) you choose.

### **Confidentiality**

Your identity, will be kept confidential and remain disconnected from any direct quotes used for publication purposes, unless future consent is given otherwise for policy advocacy purposes. If the researcher intends to use direct quotes that may contain identifying information you will be contacted. Documentation containing personal information as well interview notes, interview transcripts and the audiotapes of the interviews will only be viewed or listened to by the research team, which includes Molly Elliott, her research advisor Dr. Lea Caragata and possibly and outside transcriber. These people will ensure all information is kept confidential. This information, including the audiotapes will not be used for any additional purposes without your permission. This consent form will be kept in a secure location, separate from the interview transcripts and tapes. All information will be kept in a secure location and all identifying information will be destroyed no longer than six months after completion of the final study report.

If you DO NOT want any direct quotations from your interview reported please indicate by checking here \_\_\_\_\_.

### **Potential Risks and Benefits**

The results of this study could provide some benefit to the overall relevance and effectiveness of future Individual Development Account programming in response to the needs identified and recommendations made by yourself and other participants of this study. However, such changes cannot be guaranteed by the researcher. The researcher does not anticipate there will be any risk to you as a participant though the interview process could generate discussion about sensitive topics that may be upsetting. The interview can be paused or stopped as needed to ensure the comfort and safety of the participant and if you desire, the researcher can identify potential support services or counselling options.

### **Contact Information**

If you have questions at any time about the study or the procedures, (or you experience adverse effects as a result of participating in this study) you may contact the researcher, Molly Elliott, at Individual Development Accountresearch@yahoo.ca and 905

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