

ADDRESSING FINANCIAL INSECURITY

Federal election engagement toolkit

ABLE Financial Empowerment Network
September 17, 2019



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1. CONTEXT: FINANCIAL INSECURITY IS A WIDESPREAD ISSUE IN CANADA

Despite Canada's strong economic growth, Canadian households are experiencing unprecedented debt and low savings, giving rise to high levels of financial insecurity and placing Canada overall at risk of a national debt crisis:

- The average Canadian owes \$1.78 for every dollar of household disposable incomeⁱ
- 44% of Canadians live paycheque to paychequeⁱⁱ
- Almost 50% of households lack savings to live for three months above the poverty thresholdⁱⁱⁱ
- 62% of workers are not covered by a registered pension plan^{iv}
- In, 2017 23% of Canadian adults surveyed delayed buying groceries because they did not have enough money.^v

Financial insecurity puts individuals and families at greater risk of poverty. It leaves them struggling to respond to unexpected life challenges and inadequately prepared for more predictable life events, such as retirement.

Governments at all levels can take steps to enhance financial security. These solutions were developed by the [Maytree Foundation](#), [Prosper Canada](#) and the [Common Good](#).

THE ABLE FINANCIAL EMPOWERMENT NETWORK - WHO WE ARE

The ABLE Financial Empowerment Network is a national coalition of community practitioners, financial institutions, researchers, academics, policymakers and funders dedicated to reducing poverty through financial empowerment initiatives that improve the financial security of vulnerable, low-income, community members. ABLE has a national Steering Committee, established to develop and actively promote public policies and regulation that help Canadians with low incomes to build their financial well-being.

2. OUR 'ASKS': PROPOSALS TO BUILD THE FINANCIAL SECURITY OF CANADIANS

We are asking federal Members of Parliament and candidates in the October 21 2019 election to commit to enhance the financial security of Canadians by implementing the proposals set out below.

Proposal	Description
<p>1. Expand community financial help services</p>	<p>Expand federal funding for the successful Financial Empowerment Champions initiative to 20 communities to enable 500,000 Canadians to build their financial health.</p> <p>Non-profit Financial Empowerment Champion organizations and local partners in 14 communities are providing free financial help services to vulnerable Canadians to improve their financial health. Services include:</p> <ul style="list-style-type: none"> • financial education • financial coaching/counselling • tax filing and benefit assistance. <p>In just 3 three years, these pilots have helped over 251,000 individuals to improve their financial capability and health at a cost of just \$61-100 per person. This includes:</p> <ul style="list-style-type: none"> • enabling 100,000+ individuals to access \$292M in new income through tax filing and benefits assistance • Enabling 89,000 to participate in financial education • Providing 33,000 with one-on-one financial help.
<p>2. Invest in cross-sector research and solutions development to address financial insecurity</p>	<p>Fund a Canada Financial Solutions Lab to mobilize partners from all sectors to build our understanding of the financial challenges facing vulnerable households and develop effective solutions.</p> <p>All sectors have a role to play in helping low- and modest-income households to build their financial stability and security.</p> <p>The Aspen Institute’s EPIC Program in the United States offers an excellent model for cross-sectoral engagement to identify and address the underlying causes of growing financial vulnerability in households.</p> <p>Modest public investment in a comparable Canada Financial Solutions Lab would enable us to mobilize the talent, data and resources of academic, business, community, and government research partners –</p>

	<p>as well as low- and modest-income Canadians themselves – to tackle key issues and build solutions to financial insecurity in Canada.</p>
<p>3. Help low and moderate income Canadians to build savings</p>	<p>Establish a refundable Canada Saver’s Credit (CSC) to match low- and modest-income Canadians’ TFSA contributions, up to a maximum of \$1,000 per year.</p> <p>Low and modest-income Canadians face challenges when it comes to building savings and are considerably less likely to have access to a workplace pension. This leaves them more financially vulnerable to income and expense shocks, and more likely to fall into/remain in poverty.</p> <p>Our current \$45B in annual tax expenditures to encourage saving in RRSPs and pension plans overwhelmingly benefits middle- and upper-income Canadians.</p> <p>Canada’s tax system can do more to help vulnerable Canadians to save by redirecting a small percentage of these funds to provide a comparable up-front incentive to low/modest-income savers who make deposits in their TFSAs.</p>

3. FIND YOUR MP AND CANDIDATES

The sites below will provide you with contact information for MPs and candidates in your area.

Who are the Members of Parliament (MP) in my area?

You can search for your MP by entering your postal code, city or province into the search box.

<https://www.ourcommons.ca/Parliamentarians/en/members?currentOnly=true&caucusId=4>

Who are the Ministers?

A current list of federal cabinet ministers can be found on this website. Clicking on their names will provide you with their constituency and contact information.

<https://www.ourcommons.ca/Parliamentarians/en/ministries>

Who are the Candidates in Community?

You can find out the candidates running in the next federal election by going to the elections Canada website and entering your postal code, city or electoral district.

<https://www.elections.ca/scripts/vis/FindED?L=e&PAGEID=20>

4. HOW TO ENGAGE THEM

You can find the addresses, phone numbers and emails of MPs and candidates through the websites listed in the *Finding your MP and Candidates* section above.

PHONE CALL

- Call the MPs and candidates in your community to ask them to support our three proposals to enhance financial security.
- At the end of the call, offer to send them the briefing notes found at the end of this toolkit:
Briefing note: Financial Empowerment Initiatives
Briefing note: Expanding Financial Help Services & Investing in Solutions Development

LETTER OR EMAIL

- Email a letter to MPs and candidates in your riding, asking them to support our three proposals. This takes more time than a phone call, but can have a larger impact.
- You have a number of options:
 - A personal letter
 - A letter from your organization
 - A joint letter from a group of organizations or collaborative
- You can use the attached sample letter as a template to help you get started. Feel free to modify it reflect the specific circumstances and issues in your region.
- **NOTE:** You are more likely to get a response if you send your letter by email

FACE-TO-FACE MEETING

- The most impactful you can do is to arrange for a face-to-face meeting. If you are in a region with MPs or candidates who are influential in their parties, it would be great if you could set up a meeting to advocate for our policies.
- Here is a suggested script for your initial phone call or email to request a meeting:

I am contacting you on behalf of (Insert name of your organization and collaborative) to request a meeting at your earliest availability to discuss our concerns about the financial insecurity being faced by many Canadians.

We are involved in delivering proven programs to improve financial well-being and we know that this is a critical issue for many community members who are living on low and moderate incomes.

We would appreciate the opportunity to share three policy ideas to enhance the financial security of Canadians.

- It often takes patience and persistence to get a meeting. You will likely need to follow this initial message with additional phone calls and emails to secure a meeting. Persist!

TOWN HALLS, ALL CANDIDATES MEETINGS OR DEBATES

- You can also ask candidates a question about addressing financial insecurity at town halls, all candidates meetings or debates in your community
- Open by saying a little bit about who you are and why you care about financial insecurity

My name is {insert your name} and I am concerned that many Canadian households are experiencing unprecedented debt and low savings, giving rise to high levels of financial insecurity and placing Canada overall at risk of a national debt crisis. {insert name of your organization or collaborative} has been working to build financial well-being through financial empowerment initiatives such as {insert financial empowerment initiatives}

- Ask a question about one of the proposals

If elected, will you expand investment in financial empowerment initiatives so that Canadians can get the help they need from trusted organizations in their community?

If elected will you Invest in cross-sector solutions to financial insecurity so that business leaders, community organizations, government research partners – as well as low- and modest-income Canadians themselves can come together to tackle key issues and build solutions to financial insecurity in Canada?

If elected, will you help Canadians build savings by establishing a refundable Canada Saver's Credit (CSC) to match low- and modest-income Canadians' TFSA contributions?

- At the end of the meeting, provide candidates with copies of the two briefing notes found at the end of this toolkit:
 - *Briefing note: Financial Empowerment Initiatives*
 - *Briefing note: Expanding Financial Help Services & Investing in Solutions Development*

September, 2019

5. SAMPLE LETTER

September 12, 2019

{Insert name of candidate or MP}

{Insert title}

{insert address}

Dear *{Insert name/title of candidate or MP}*,

We are writing to you as members of the *{insert name of network or collaborative}* to urge you to support three policies that will enhance the financial security of Canadians who are living on low- and modest- incomes. Our organizations have been at the forefront delivering proven programs to improve financial well-being and we know that this is a critical issue for many financially vulnerable community members. It is alarming that 44 % of Canadians are living paycheque to paycheque and almost 50% of households lack savings to live for three months above the poverty threshold. Furthermore Canadians living on low- and modest- incomes face challenges when it comes to building asset wealth and are considerably less likely to have access to a workplace pension.

We urge you to enhance the financial security of Canadians by committing to the implementation of the following policies:

- Expand community financial help services by building on the successful Financial Empowerment Champions pilot project
- Invest in cross-sector research and solutions development to address financial insecurity
- Provide low to moderate income Canadians with incentives to save for retirement by introducing a Canada Savers Credit

These policies are described in more detail in the attached briefing notes. If you have any questions or would like further information, please contact *{insert name}* at *{insert email}* or by calling *{insert telephone number}*.

Thank you for considering our policy proposals and we look forward to your response.

Sincerely,

Name, Title

Logo of organization

Name, Title

Logo of organization

Name, Title

Logo of organization

September, 2019

6. BRIEFING NOTES

Policy Recommendations: Financial Empowerment Initiatives

<https://ablefinancialemPOWERment.org/wp-content/uploads/2019/09/Briefing-Note-Expanding-Financial-Help-Services-Investing-in-Solutions-Development-Sept-2019.pdf>

Policy Recommendations: Expanding Financial Help Services & Investing in Solutions Development

<https://ablefinancialemPOWERment.org/wp-content/uploads/2019/09/Briefing-Note-Helping-Canadians-Save-through-a-Savers-Credit-Sept-2019.pdf>

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7. MORE INFORMATION AND SUPPORT

If you have questions or would like some support with your engagement efforts, please contact:

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REFERENCES

ⁱ First quarter 2019. Accessed June 21 2019: <https://www150.statcan.gc.ca/n1/daily-quotidien/190613/dq190613a-eng.htm>

ⁱⁱ <https://payroll.ca/PDF/NPW/2018/Survey/180820-CPA-NPW-Survey-National-News-Release-FINAL.aspx>

ⁱⁱⁱ <https://onlinelibrary.wiley.com/doi/full/10.1111/ijsw.12275>

^{iv} As of January 2016. Accessed June 21, 2019: <https://www150.statcan.gc.ca/n1/daily-quotidien/170721/dq170721d-eng.htm>

^v <https://www.ipsos.com/sites/default/files/2017-05/7645-eng%20report.pdf>