

BUILDING ASSETS AND OPPORTUNITIES

Issue 3 - Spring 2003

learn\$ave
A national demonstration project of
Individual Development Accounts for Learning

Savoir en banque
Un projet national de démonstration de Comptes
individuels de développement axés sur l'apprentissage

learn\$ave Helps One Small Business Flourish

Kerstin Stinson
learn\$ave Participant
Women & Rural Economic Development - Grey Bruce

I feel so honoured to be considered the start of a success story by WRED *learn\$ave*.

This is the story of woman who lives on a farm in the country who is still busy raising 4 children. When my children were small, I was married and working hard helping on the farm, and bringing in extra money by establishing myself as a seamstress and doing catering cleaning jobs, as well as childcare.

I have always loved flowers and have gardened for many years. Slowly my large vegetable garden turned into a flower garden. Over the years, I have established a majestic heritage floral stock.

When my marriage was over and I was raising 4 teenagers, I took the major step of looking for ways to help establish a floral business to complement being a seamstress. I had heard about the *learn\$ave* project, but did not really consider it until Marjorie McIntyre, of WRED spoke to a business women's dinner that I was attending. I quickly applied and have been in the project since the summer of 2002.

I am so excited about *learn\$ave*. I will use my savings and matched funds to turn my hobby into a livelihood, thus I chose micro-enterprise as my goal. I aim to save the maximum \$1,500 in the minimum time period allowed, and my income from a cleaning job goes into my *learn\$ave* account. I am focusing on the many areas of flower business possibilities - perennial sales, floral gardening, fresh flowers, floral artwork, workshops, consulting and public speaking. My *learn\$ave* funds will be used to establish this business with advertising, a watering system, and tools - the possibilities are endless! I have had to nickel and dime for so long that I can't believe that I can have my savings matched.

I have an ideal highway location for my business. I am so excited about my future. Thanks for all your guidance and support.

"I will use my savings and matched funds to turn my hobby into a livelihood"

Building A New Future In Vancouver

Debbie Johnstone
Office Manager
New Westminister CDS - Vancouver

Downtown Vancouver's Eastside is a low-income neighbourhood. High in numbers of unemployed people, it is an historic community that deals with serious drug addiction problems, prostitution, crime and a serious shortage of low-cost housing.

Tibor Makranyi knows this area well and he is trying to help.

"At a savings of just over \$40 a month, Tibor and his family are well on their way to building a new future."

Tibor is employed as a community worker at a shelter in the Downtown Eastside - a job that he loves and one that is much needed for the community. However, Tibor's position doesn't pay well for someone who is supporting a wife and four children.

"My wife and I have juggled night classes, family, work and finances for four years."

Tibor saw an ad for *learn\$ave* and thought it just might be the answer to continuing his education. With a family of six, education costs were always through loans and credit card debt. What attracted him most to the project was the matching credit, which Tibor says is "an incredible and powerful tool."

At a savings of just over \$40 a month, Tibor and his family are well on their way to building a new future.

Tibor is not quite sure where *learn\$ave* will eventually take him but he does know that he would like to complete a Master's Degree someday and continue to help those in need.

"This program will greatly assist me and my family. Thank you, so much, for this opportunity."

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A Note From the Editor

Welcome to a special edition of SEDI's Assets and Opportunities newsletter!

This issue focuses on the many successes of learn\$ave - the world's largest demonstration project of Individual Development Accounts (IDAs) for learning. In particular, it highlights the stories of the participants, from the perspective of the practitioners and Community Partners to the tales of positive experiences from the participants themselves.

Each of the 10 Community Partner sites have been working hard to recruit participants and introduce them to this unique project. To date, four sites have finished their recruitment (in some cases, months ahead of schedule) while the others get closer to their targets each day.

Currently, there are over 2,300 participants enrolled in learn\$ave, saving towards their goals, attending financial management courses and cashing out to go back to school or start their own businesses.

The participants of learn\$ave are our successes. These stories provide the evidence that learn\$ave is making a difference in the lives of low-income earners across the country!

Kathryn Verhulst
Communications Officer
SEDI

"With the information that I have learned through classes offered, I am not only confident that I can achieve these present goals but I am also confident in my financial future."

learn\$ave Participant
MCC Employment Development - Calgary

"I've been made aware of a whole new world out there of possibilities. There's a level of confidence and hope I haven't felt in years. I may be in debt and a low-income person, but I'm no longer a low-esteem person. The ultimate freedom is having choices"

learn\$ave Participant
New Westminister CDS - Vancouver

80% of Participants have family income under \$20,000
85% of Participants have less than \$250 in assets

\$604,000
in Participant Savings
\$1,900,000
in Matched Credits

124 - Total number of cash-outs to date
47 Participants have cashed out a portion or all of their matched contributions

learn\$ave 
Project Details
As of April 2003

2,303
Total number of
Participants enrolled

\$55
Average Participant
Monthly Savings

Savings Goals
64% Education
13% Skills Training
23% Micro-Enterprise

learn\$ave Sparking Opportunity And Motivation

Jennifer Lippold
CED Facilitator
MCC Employment Development - Calgary

When Thomas arrived in Canada almost a year and a half ago, he was ill equipped to effectively manage his personal finances. As a refugee from Ethiopia and the eldest of seven brothers and sisters, he was forced to seek security outside his homeland as the political repression experienced by him and his family became unbearable. He was eventually able to leave and begin constructing a new life in Canada.

Calgary has been his place of residence since his arrival. His first job was as a parking lot attendant. He quickly came to understand the challenges of living indefinitely on a low-income salary, and the harsh financial burden of pursuing a university degree. "I couldn't save lots of money, maybe just a little" recalls Thomas, "that's why I joined *learn\$ave*." After chatting with a friend who had already experienced success in the program, he decided to pursue this opportunity to boost his savings for his education. He contacted MCC Employment Development to apply and secured himself a position.

"Thomas admits that the 300% interest on his savings is 'a pretty good deal'"

Since he first opened his *learn\$ave* bank account, Thomas has been able to save over \$850, which allows for \$2,550 in matched funds, for a grand total of \$3,400 in just over six months. He has noticed some significant changes in himself since he started. "Whatever I was earning before I just spent. Even though I earned something small, I used to spend that money". He now understands how even seemingly insignificant amounts saved over time can really add up. As a result, he is much more conscientious about curbing those seemingly innocent nickel and dime purchases, and makes saving a priority each month even if it does not seem like much. He has also arranged a monthly money transfer from his chequing account to his *learn\$ave* account, proving it pays to be organized.

Thomas admits that the 300% interest on his savings is "a pretty good deal" and a great motivator, but he also points to the invaluable role of the financial management training (FMT) sessions. He has learned how to better manage his finances by attending workshops on topics such as personal taxes, budgeting, credit, consumerism, and negotiation. In addition, by learning in an environment that brings together community professionals and participants from diverse walks of life, he has been able to increase his social networks, self-confidence, and access to information and services in the financial sector. The unique combination of learning and development the *learn\$ave* program offers provides a rare path for low-income earners out of the despondency of poverty into new possibilities for prosperity.

The Winter Of This Account

Andrew Douglas
IDA Program Coordinator
SEED / Northend Stella - Winnipeg

The sky has been gray for weeks. Daylight fades into dusk, then into dawn with little to distinguish one from the other. Winds from the north bring arctic temperatures reaching lows of minus forty degrees day after day after day. But Hope lives in this environment. Dreams are conceived and are realized here. This is Winnipeg or more specifically, the Winnipeg *learn\$ave* site. Winter may be long, but spirits soar high and the people are strong.

One of these strong people is a *learn\$ave* participant. She joined the project in the summer of 2001 with the dream of starting a small business. Each month, she would deposit funds into her special *learn\$ave* account. The amounts she deposited were not always large, but her savings pattern was consistent. Bit by bit, her account grew. After she had been saving for 12 months and the matching credits were added to her own savings, she was finally ready to launch her small business.

She has made a business out of helping people in her community. She picks up groceries and delivers them to

"Each month, she would deposit funds into her special *learn\$ave* account. The amounts she deposited were not always large, but her savings pattern was consistent. Bit by bit, her account grew."

people who are unable to easily get around. She takes people to appointments or other places they cannot get to themselves. In doing so, she not only provides a safe and reliable service, but

she builds relationships and keeps her clients connected to the community. The *learn\$ave* project is an important part of making this business possible.

learn\$ave has already helped many people in Winnipeg and its benefits to the community are wide-reaching and ongoing. Whether it is providing matching credits for education, training, or micro-enterprise or if it is offering financial management training and the opportunity to practice the art of saving, the Winnipeg *learn\$ave* site delivers an experience which our participants will carry with them for the rest of their lives.

Summer will reappear and the sun will return to Winnipeg, but our people will continue to be as strong then as they are during the harshest of winters. Our Hopes and our Dreams will continue to find life with the support of the *learn\$ave* project.



learn\$ave Makes Sense

The following is an excerpt written by columnist
David Swick of the **Halifax Daily News**
Jan 17, 2003

learn\$ave, a program sponsored by the local United Way and funded by the federal government, helps people learn how to save and pays them to do so.

"I was getting deeper and deeper and deeper in debt," said Jennifer King of Halifax. "It became clear to me this was something I had to face and **learn\$ave** is helping me see my way through it".

King is a single mother of two, smart and sincere. A telemarketer, she wants to return to school, to earn a bachelor of education to go with her B.A.

She's been in the program for seven months, and her mind has been opened to new possibilities.

"**learn\$ave** is not just learning how to make a budget and sticking to it" she said. "We look at the pros and cons to our personalities, why it's hard to meet our goals, and make plans to meet them. You have to live within the money you're making."

"Now I say no to going out to eat. And I unhooked the cable TV, because I can't afford it. In my spending journal, I was shocked at the number of coffees from Tim Hortons. I couldn't believe how it added up!"

"The emphasis is on learning how to save," said caseworker Cheryl Lynn Hagan-Deschamps, "and making the tough choices that saving requires. Jennifer is taking care of business. She's being realistic."

"Often we don't take the time to look at exactly where we are. We don't take the time for honest, critical reflection, and make a step-by-step plan to get where we want to go. Until we do, it's just a dream."

"This is a beautiful program, which will make a long-term difference. We have a better community, a better country, if we have self-sufficient people. And they will be self-sufficient because, having gone through the experience once, they can do it again."

When I first heard of **learn\$ave**, I was astonished. No, I thought, this makes too much sense to be true. King had a better reaction. "I took it face value," she said. "It made sense to me. It seemed natural. If the government can hand over millions of dollars to companies to increase employment, why shouldn't they help an individual who is trying to better herself?"

"If the government can hand over millions of dollars to companies to increase employment, why shouldn't they help an individual who is trying to better herself?"



learn\$ave Is Working In Toronto

Kris Sen
learn\$ave Participant
Family Service Association - Toronto

I am one of the participants of **learn\$ave** program. Through this program I am able to start my business with low budget. I think it is very helpful for those who are seeking an opportunity to start a business or to develop skills needed to pursue a career.

It helped me to organize, plan and budget for my business before starting. And I believe that it would help others the same way who are participating in this program now and in the future.

I thank the organization for introducing such program, which is beneficial to somebody like me.

"Occasionally life gives us a break, a chance to succeed, and this is one of those chances."

learn\$ave Participant
Family Service Association - Toronto



learn\$ave Received Well In Montreal

Karen Kerk
Program Coordinator
SEDI - Toronto

The Montreal NDG YMCA site recruited the target number of 150 participants in 10 months time - before any other site. Nearing the end of recruitment the Montreal Gazette reported a story on **learn\$ave** which resulted in over 300 inquiries at the site.

It's obvious that there's a lot of interest in asset-building projects in the Montreal area.



Using learn\$ave To Help Beautify Kitchener - Waterloo

Meredith Miller
learn\$ave Project Staff
Lutherwood CODA - Kitchener

Our latest success story in Kitchener-Waterloo is about a woman who is our second participant to cash-out. She is a single mother raising two children and working part-time. She has been in the project since June 2001 and has had consistent savings throughout the past year and a half. This month she has enrolled in her first course at Conestoga College in an Esthetics program.

Using her **learn\$ave** funds, she was also able to purchase a computer to help in her studies as well as with the education of her two children.

We are very proud of this participant and wish her well in her studies.

When You've Got A Dream, A Positive Attitude & A Little Help, You Can Make It Happen

Jim Wilson
learn\$ave Facilitator
YMCA - Fredericton

Erin Maston, 26, a single mother of two was one of Fredericton's first participants to sign up for *learn\$ave*. She had thought her dreams might be unattainable until she heard about the project in May of 2001. Since opening her *learn\$ave* account and completing 18 hours of financial management training, she hasn't looked back. We are truly amazed by her accomplishments! Here is why: Sadly, Erin's story may be all too familiar. She was married young, had children young, found herself in an abusive relationship and had to get out. She found herself on Income Assistance, with her Student Loans in arrears, still one year short of her university degree. However, Erin's life was even more complicated. Her youngest child, 3-year-old Tiernan, has had very serious health problems since birth and has spent many months of his young life in and out of the hospital. In fact, just last summer Tiernan was in a hospital in Hamilton, Ontario for major surgery. (Thankfully, the surgery went well and he was able to celebrate Christmas at home for the first time!)

Determined to reach her goal, Erin sacrificed a lot of things such as cable TV, eating out, and other forms of entertainment. Since the children were young, "it would be a lot easier for them to do without those things now than it would be when they were older," she reasoned. She cut corners everywhere she could think of. With that kind of determination, in September 2002, with Tiernan on the mend and able to attend daycare, and 5-year-old daughter, Kalie, starting school, Erin headed back to University.

"If I hadn't found out about this project, I don't know how I would have gone back to University."

Erin is now a true believer in the IDA concept. She says, "The savings period is a short-term sacrifice for long-term success. I tell everybody I know about the program and try to encourage people to do it." She also tells us that, "If I hadn't found out about this project, I don't know how I would have gone back to University. Financially, it would have been impossible." Now, Erin is well on her way to obtaining a Bachelor of Social Work degree, which she plans to use to help others who, like herself, are facing challenges in their lives.

The YMCA *learn\$ave* staff in Fredericton have found that Erin is truly an inspirational person. "When I look at what Erin has had to deal with almost on a daily basis," says Ellen Whalley, Fredericton Project Coordinator, "I really am amazed at how she not only keeps going, but she keeps going with such a positive attitude!" Facilitator, Jim Wilson, agrees, "Erin must have moments when she's feeling down, but I have never seen it. She's always smiling and happy when she visits us, and you always *hear* her smiling when she's talking to us on the phone!"

Dreams Can Be Achieved!

Jonathan McClelland
IDA Project Officer
Western Valley Development Authority - Digby

Margot Lambert has made good on her goal of self-improvement. The Annapolis Royal, NS resident enrolled in *learn\$ave* when it was first offered.

"I entered the program knowing I wanted to go back to school. I never would have made it back to school without the *learn\$ave* project," stated Margot.

Although holding a degree from the University of South Africa, Margot found herself working in low paying jobs while her husband worked two jobs. When *learn\$ave* started, she jumped at this opportunity to go back to school. With *learn\$ave* matching \$4 for each \$1 saved, a one year educational support program at the Nova Scotia Community College course was now within reach.

"Without learn\$ave I'd be drifting. I wouldn't have had the money and would probably have never saved it!"

Upon enrolling in the project, Margot attended several sessions on financial management provided to all the *learn\$ave* participants. "This information - how to budget, set goals, open bank accounts, et cetera focused me, cleared out the clutter and I found direction."

This led to family financial planning sessions where financial goals were mapped out "so that we could see where we were going and why."

Margot has enrolled in the Educational Support Program and expects to have completed the course in May. Her goal is to work in a school under a teacher's supervision, with children with learning disabilities.

This mother of 4 has shown tremendous dedication and initiative. However, Margot gives a lot of the credit to *learn\$ave*.

Without *learn\$ave* I'd be drifting. I wouldn't have had the money and would probably have never saved it!

"This opportunity is very much like a 'dream come true'. Each month as I see my savings grow I know that I am that much closer to my goals."

learn\$ave Participant
YMCA - Fredericton

The following is the text of a speech given by learn\$ave participant Amanda Froehler at the closing plenary of the 2002 International IDA Conference held in Windsor, Ontario on Saturday, April 6, 2002.

My name is Amanda Froehler and I hail from Calgary, Alberta. I am one of the many participants that benefits directly from the *learn\$ave* project that is being piloted across Canada.

I'd like to share with you some of the wonderful things that *learn\$ave* has done for me. *learn\$ave* has changed my attitude towards money. Last year I enrolled in this program and one of the most important things that it has taught me is how to set goals. What's the first thing you would think to do if someone were to hand you a \$100 bill? Before *learn\$ave*, I would have immediately thought shopping! But now, shopping is replaced by goals. My first goal was to pay off my student loan, and the time I allotted myself was six months. Setting aside all other financial distractions, like partying, impulse buying, eating out and weekend trips, made my goal attainable. But what made my goal achievable was remembering to forget. What I mean by this is once that money is in the bank forget about it! Unless your goal is to save for a rainy day, that money should not be touched for any reason other than for what you've intended it for. With those two goals in mind, and a whole lot of hard work and determination, after six months I am debt free and can save for a second round of college. Let me tell you, the day the bank sent the statement "Amount Owing - Zero" was a day I will always remember!

"Educating people, young and old about money, how to use it to their advantage and how to respect it, helps them to avoid the financial pitfalls that plague our society."

Looking around the room I noticed that I am one of the youngest people here at this conference. I say this with the utmost respect especially to my fellow accountholders. On Thursday when we were doing our accountholder introductions, I couldn't help but feel that I didn't deserve to be in this program. Listening to some of the stories of hardship that some of these people had to endure and the hope that they have been given by these programs made me realize that my youth is my advantage. I can learn from their life experiences.

I attended a roundtable discussion on Thursday about youth IDA programs, mainly to find out what kinds of opportunities are being offered to different age groups and how these people are being reached. I've found that a lot of adults in IDA programs are looking for programs that their children can get involved in. Here at this conference, I found a perfect example. Wendy Martin is an accountholder from Vermont. She and her daughter,

Heather got involved in the Tangible Assets program four years ago. At the time, Wendy's daughter was fourteen years old. Now, four years later, Heather is eighteen and has built her own house. Now that is what I call empowerment!

But what about the kids that don't have a parent or relative in a program, or don't have a family at all? How are they being reached? My suggestion is this go to them! Go to high schools and shelters, ask the kids about their goals for the future. For a lot of these youngsters, college, university or homeownership isn't considered an option because of their financial state. Show them that there are ways to get around their financial obstacles. Empower them!

As a young adult, the most important aspect of the *learn\$ave* program is the learning component. Educating people, young and old about money, how to use it to their advantage and how to respect it, helps them to avoid the financial pitfalls that plague our society.

At this point, I have completed twenty-six hours of financial instruction on topics such as consumerism, bartering, the economy, positive thinking, credit, real estate investment, and the list continues on. Attendance to these instructional classes has been mandatory in the Calgary *learn\$ave* project. I feel that courses that teach people how to take control of their financial lives should be mandatory in high schools and for first year college and university students, as preventative measures.

On a final note, I would like to share with you another little anecdote. When my mom relayed to my dad that I was getting a free plane ticket to go to Windsor for some sort of conference, he promptly called me up and asked if it was some sort of scam. "No Dad, I'm in this research project called *learn\$ave*, you save up to \$1,500 and the government will match it with \$4,500 for school or a small business." "You're sure it's not a scam? How do you know you're going to get your money in the end?" he asked. After explaining and reassuring, he asks, "So how do your brothers get in on it?" "Unfortunately Dad, at this point they can't. It's only in the experimental stage, plus they'd have to live in Calgary or in one of the other nine cities in Canada that they're testing it in". "Oh," he answers. After a minute or two he pats me on the back and says, "Well, good for you Amanda. It's nice to see that you're taking responsibility for yourself!" Yeah Dad, I thought so too!

In conclusion, I would like to say a few words on behalf of my fellow accountholders to the researchers, bank and government representatives and to all the program practitioners. It is wonderful to see so many people put such a grand effort into helping others achieve their goals and dreams. I challenge you to make these opportunities a reality on a global scale, allowing all citizens, young and old, in rural areas and urban centres, to have equal opportunities. It can be done; it just takes one person at a time.

Through SEDI's previous experience in the asset-building field it has been clear the market-based investment approach inherent in IDAs can lead to the improved economic circumstances of poor individuals and families. In an IDA program, low-income individuals have their savings matched up to pre-established limits and within a specified time frame. The matched savings can be withdrawn on the condition that they are used for approved purposes such as purchasing a home, repairs to housing, etc. Anecdotal evidence from previous and existing programs has indicated that these unique savings accounts lead to improved long-term self-sufficiency.

“... it has been clear the market-based investment approach inherent in IDAs can lead to the improved economic circumstances of poor individuals and families.”

As of February 2002 SEDI initiated comprehensive research, funded by Canada Mortgage and Housing Corporation (CMHC) and the National Secretariat for Homelessness. We utilized the project name of *Home\$ave* for this work. The outcome of the study depended, in large part, on consultations and collaborations with informed multi-sectoral stakeholders and members of Canada's low-income population. This consultation was undertaken on a national scale (Halifax, Montreal, Toronto, Winnipeg and Saskatoon) and has identified the realistic implications and possible applications of designing and delivering a national asset-based IDA pilot project for housing. The related research identifies current demonstrations and existing asset-based policies and programs that indicate positive results to date. In addition, the paper highlights the bi-partisan policy creation and related support for these programs through the US Federal tax system again providing evidence to support the creation of a National demonstration of IDAs for housing.

Despite the early success and the positive anecdotal results of the aforementioned projects, there are issues and approaches that must be considered and perhaps studied in greater depth prior to the implementation of a national *Home\$ave* program. These can be best examined through a Canadian demonstration project that would incorporate an appropriate research and evaluation component. The results of such would inform policy and procedures of a national program.

While strong support for a homeownership IDA was clearly identified through the research undertaken in this study, other uses derived from IDAs or derived through similar projects utilizing the IDA methodology were also identified and supported, in various degrees, by the Stakeholders and those taking part in the Consumer Focus Groups. These included assisting tenants of social housing to

purchase homes, providing incentives for homeowners to create secondary (or accessory) apartments and assisting tenants either in transitional or supportative or in inadequate rental housing to gain access to appropriate and stable housing in the private rental market. Utilizing the asset-building methodology for uses other than those associated with home ownership was seen, through this study, as positive but necessarily separate and apart from a *Home\$ave* project.

There is no denying that the lack of available affordable housing units is a key issue for low-income Canadians. However, strategies for income stability and increased self-sufficiency must be implemented in conjunction with programs for affordable housing construction so that those who are outside of the economic mainstream can escape the cycle of poverty and achieve the benefits of upward economic mobility. The related benefits of this mobility will not only complement the existing infrastructure but will be felt by all Canadians on a national scale. An inclusive asset-based policy approach is perhaps the most viable way of addressing these issues thereby allowing low-income Canadians access to affordable housing.

In order to consider the full implementation of a national program, which would utilize IDAs as a means to increase access to affordable housing for low-income Canadians, one must consider the reasonable and responsible allocation of funds for such a project. In this case, as a large scale IDA project has not, to date, been undertaken for access to affordable housing within the Canadian context/market and, since this study has identified various issues requiring further investigation, it would seem appropriate to research these matters through a national demonstration project designed with a specific research and evaluation component aimed at addressing these issues. The findings from this demonstration could inform policy and procedures necessary for an effective National *Home\$ave* program.

“There is no denying that the lack of available affordable housing units is a key issue for low-income Canadians. “

SEDI is looking for potential funders interested in the *Home\$ave* concept.

Please contact Barbara Gosse at
416-665-2828 ext. 236
or via email at bgosse@sedi.org

Home\$ave **Building Investments** In Housing Assets - The Reports

Barbara Gosse
Senior Program Coordinator
SEDI - Toronto

CMHC will be publishing the two documents, in French and English this April, that SEDI has finalized through this national consultation namely, *Home\$ave: Main Report Study of Individual Development Accounts for Housing*, which summarizes major conclusions and key findings and *Home\$ave: Background Report Study of Individual Development Accounts for Housing*, which details relevant background information.

To summarize, the main report recommends a *Home\$ave* national demonstration and outlines the following programmatic issues and considerations:

- *Taxation of matched contributions.* It will be important to resolve the tax status of the matched contribution so that the benefits are not reduced thereby creating a disincentive for participation in the *Home\$ave* project.
- *Provincial income and asset caps.* All provinces strictly regulate the amount of cash and other assets that Social Assistance Recipients (SARs) can possess while receiving benefits. Since the matched contributions from *Home\$ave* could exceed the regulated asset caps, it is important to make sure that SARs can participate fully in this demonstration project.
- *Eligibility and screening criteria.* The participants should be selected based on (i) medium household income for a family of four less than or equal to \$50,000; (ii) not currently owning a house; (iii) having a desire to save; (iv) having financial assets of no more than 10% of their income; and (v) having manageable debts.
- *The allowable uses of the Home\$ave account funds.* The final report recommends that account holders should be able to put their personal savings and matched funds towards another use such as RESPs or RRSPs should home purchase be unattainable. In addition all personal savings should remain the personal property of each participants.

- *The match rate, savings maximum and savings periods.* IDA programs are considered to be more generous the higher the match rate, the higher the personal savings maximum and the longer the savings periods. For example, the *learn\$ave* demonstration offers a 3:1 match rate to a maximum of \$1,500 over a three-year savings period. A more benevolent match rate, savings maximum and savings period combination is also suggested to accommodate the higher cost of homeownership in metropolitan areas such as Toronto, Montreal and Vancouver.
- *Financial literacy course.* This includes economic literacy courses, periodic counselling, the co-ordination of peer support activities and ancillary services such as transportation and childcare. Its purpose is to prepare *Home\$ave* participants for homeownership responsibility and post-purchase difficulty. All current American and Canadian IDA programs provide such services.
- *Strategic partnerships.* The partnerships should include funders, an intermediary or chief executing organization (technical consultant), a research and evaluation team, financial institution partner(s), site or delivery partners and consultants on an "as needed basis".
- *Research design, evaluation strategy and measurement tools.* In terms of evaluating the efficacy of the *Home\$ave* demonstration project, the final report suggests the following measurement of outcomes: attitude and information; savings amount; accommodation acquisition; housing stability; and economic participation. The techniques include case studies, and cost-benefit analysis.

SEDI is currently planning the framework and related strategy to devise funding and project partnerships on a national scale to support a national demonstration project of IDAs for increased access to affordable housing.

For more information or to receive a copy of the aforementioned reports, please contact Barbara Gosse at (416) 665-2828 ext.236 or via e-mail at bgosse@sedi.org

Save The Date

SEDI will be presenting at the upcoming conferences:



April 9 - 12, 2003 (Toronto, Ontario)
*Communities In Action:
The Housing Agenda*
Canadian Housing and Renewal
Association Conference



June 15 - 17, 2003 (Ottawa, Ontario)
*11th Biennial Social Welfare
Policy Conference*
CCSD

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