

**Reading Brief to the National Task Force on Financial Literacy-
April 19, 2010**

Good Afternoon. I am Judith Kashul.

We represent the University Women's Club of Montreal Inc, which is affiliated with the Canadian Federation of University Women, a national voluntary, non-partisan, non-profit, self-funded, organization of 10,000 women graduates and students in Canada. CFUW works to raise the social, economic, educational and legal status of women and girls.

Last August, CFUW adopted a resolution advocating the importance of financial literacy for all Canadians. CFUW thinks that immediate action should be taken to put in place a financial literacy program for Canadian families by non profit organizations, employers and government agencies.

We present five topics for your consideration.

First, the financial literacy challenge needs to be shared between individuals and industry.

Most information about financial transactions is written in fine print and legalese. This needs to change. If citizens have a civil right to understand information that affects their lives then they must be able to read it. The finance industry has the opportunity to lead in clearer, simpler writing.

Second, financial literacy should be integrated within a natural framework of life events.

There is a need to develop ways of helping people to understand and develop their own personal and family financial values and to promote discussions about financial situations as they occur. Education is life long and the need for financial training is also life long.

How do you interpret your pay slip and turn that information into living within one's means? What do I have to do to learn about mortgages before I buy a house and how much mortgage can I carry? What does it mean to "save" and to manage debt and not be seduced by easy credit? Can we bring back the old-fashioned values of budgeting and managing a household?

Debt, unsuccessful investments, difficult money situations remain the final taboo for conversation in our society. This needs to change. People need to be confident to talk about their money decisions and problems. Too many people feel that the management of their money is someone else's responsibility. In many families the control of money rests with one person. We need to recognise that the many types of cohabitation can create financial vulnerabilities.

Financial fraud is a real and present problem and it needs to be addressed. Special attention should be made to protect vulnerable citizens against financial fraud. Financial literacy cannot accomplish this alone. Stronger regulation and consistent enforcement need to be put in place.

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Good Afternoon. I am Brenda Shanahan

Third, how can financial literacy education be funded?

Because delivery of financial literacy skills may favour the interests of the provider, it is imperative that program funding be entirely objective. We believe ordinary Canadians should not be required to fund financial literacy programming by taxes or by diverting funds from other programs. We propose funding financial literacy education on a national scale by a proportional fee levied on the financial services industry. Funds raised would be allocated to qualified non-profit organizations to deliver community-based programs. This style of funding financial literacy programming is already in practice in the UK.

Our fourth point is how would we deliver financial literacy programming?

Program delivery is currently fragmented by province, by region, by group interests and there is little continuity or long-term funding.

How can Canadians assess the validity of financial education programs and ensure that they are objective and not sales directed? Financial literacy programs must be delivered through accredited local, non-profit organizations.

Financial literacy curriculum should include a housekeeping / home management course to teach budgeting, personal finance, loans, and mortgages and so on to both boys and girls in a way that would raise the status of housekeeping to that of home managers.

One-on-one guidance about finances must continue to exist. Who can deliver this service?

Social workers. By adding financial literacy competencies to the standards of practice of social work, social workers would be equipped to act as trusted guides for their clients.

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Good afternoon, I am Johanne Desrochers

Our final point: we have a successful Canadian model in ParticipAction

In the years '68-'70 taking good care of one's health was not a very hot topic. But from 1971 on with the creation of ParticipAction slowly things changed. What can we learn from that experience? That it takes time and perseverance to change mindsets and cultures.

Motivate, mobilize, educate, impact. Those are the 4 key words under which ParticipAction achieved 30 years of action, a classic recipe that can also serve the purpose of making Canadians more financially astute.

We propose that financial literacy be delivered in small manageable steps accessible to all levels of education, all sizes of budget, all ages and origins.

We suggest that financial literacy for all Canadians will take time, just as ParticipAction took time. Wouldn't it be great to have such a national program that becomes the hallmark of learning about your own finances?

Thank you to the Task Force for your work for Financial Literacy