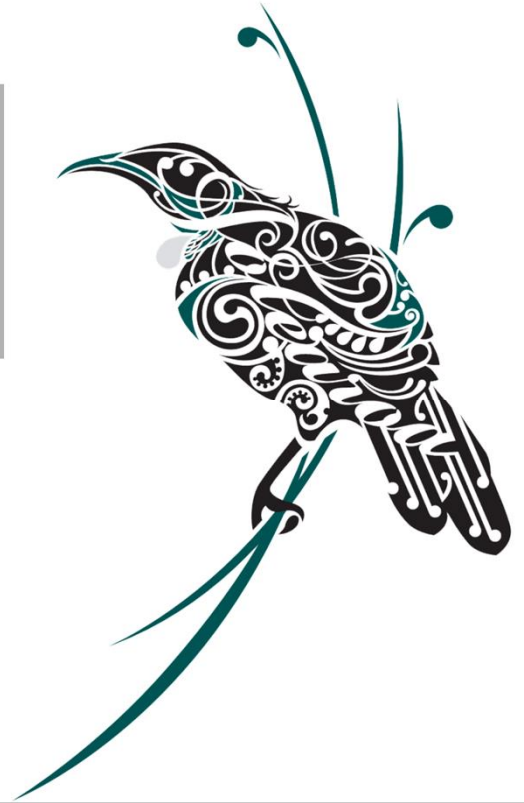
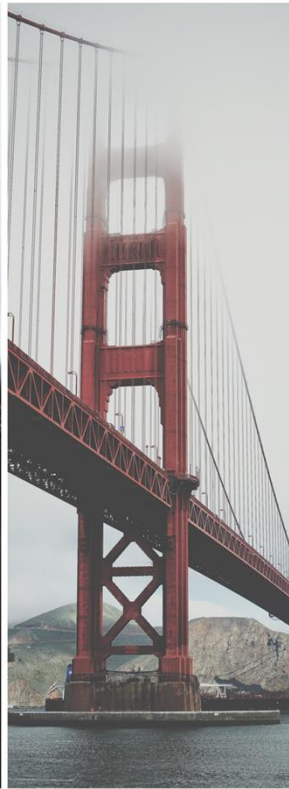


# Financial capability of vulnerable groups – Some insights from New Zealand





# The New Zealand Scene

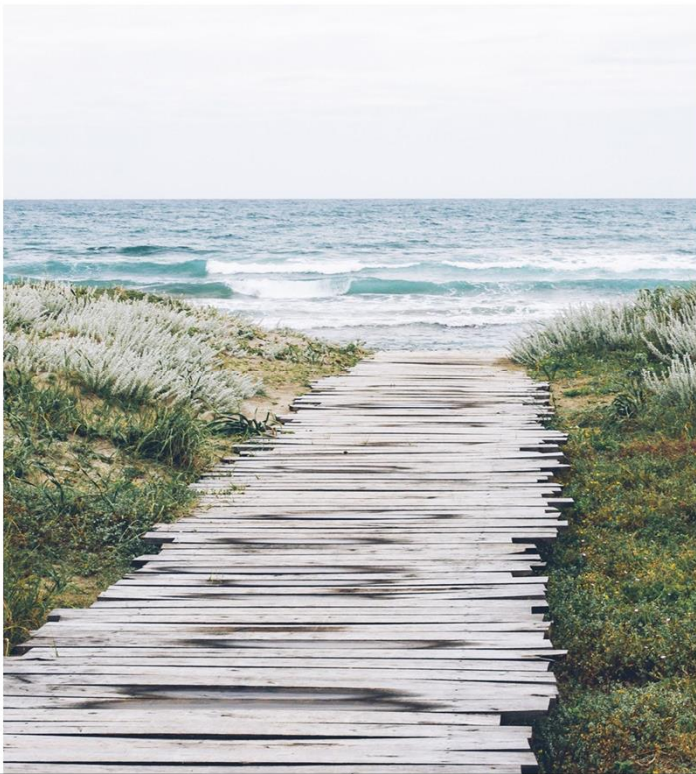
Dr Pushpa Wood ONZM•  
July 2017 (Open University)

Briefly explain the work of

1. Commission for Financial Capability
2. Westpac Massey Fin-Ed Centre
3. Ministry of Social Development's Building Financial Capability project
4. NGO sector
5. Finance/private sector

**We are not there yet - Still a long path ahead**

- Some things are clearer and we have come a long way **but**
- There is still a need for a well coordinated, joined up approach
- We are working on it



# Vulnerable population groups – are they changing?

Who are they?

- Without access & means
- Without motivation
- Without knowledge & understanding
- Without capability
- Age-based groups



- Our vulnerable population groups –
  - without access & means – not a big issue for us
  - without financial capability – yes still a large group
  - age based – NEET and senior citizens
  - some groups of women
  - people on low income
  - indigenous people
  - school age children

What have we learned  
so far from these  
different groups?



# NEET group

- Highly contextualised content with lot of fun element built in
- key messages need to be around delayed gratification, clever ways of saving for the things you want, minimising dependency on borrowing
- starting from a 'dream' stage and taking them through to SMART goal seems to increase their engagement & participation
- short term horizon

# Low income adults/families

- contextualised content and delivery
- based on life experiences
- positive messaging
- need for individual vs collective financial planning discussion
- long-term horizon



# Other groups

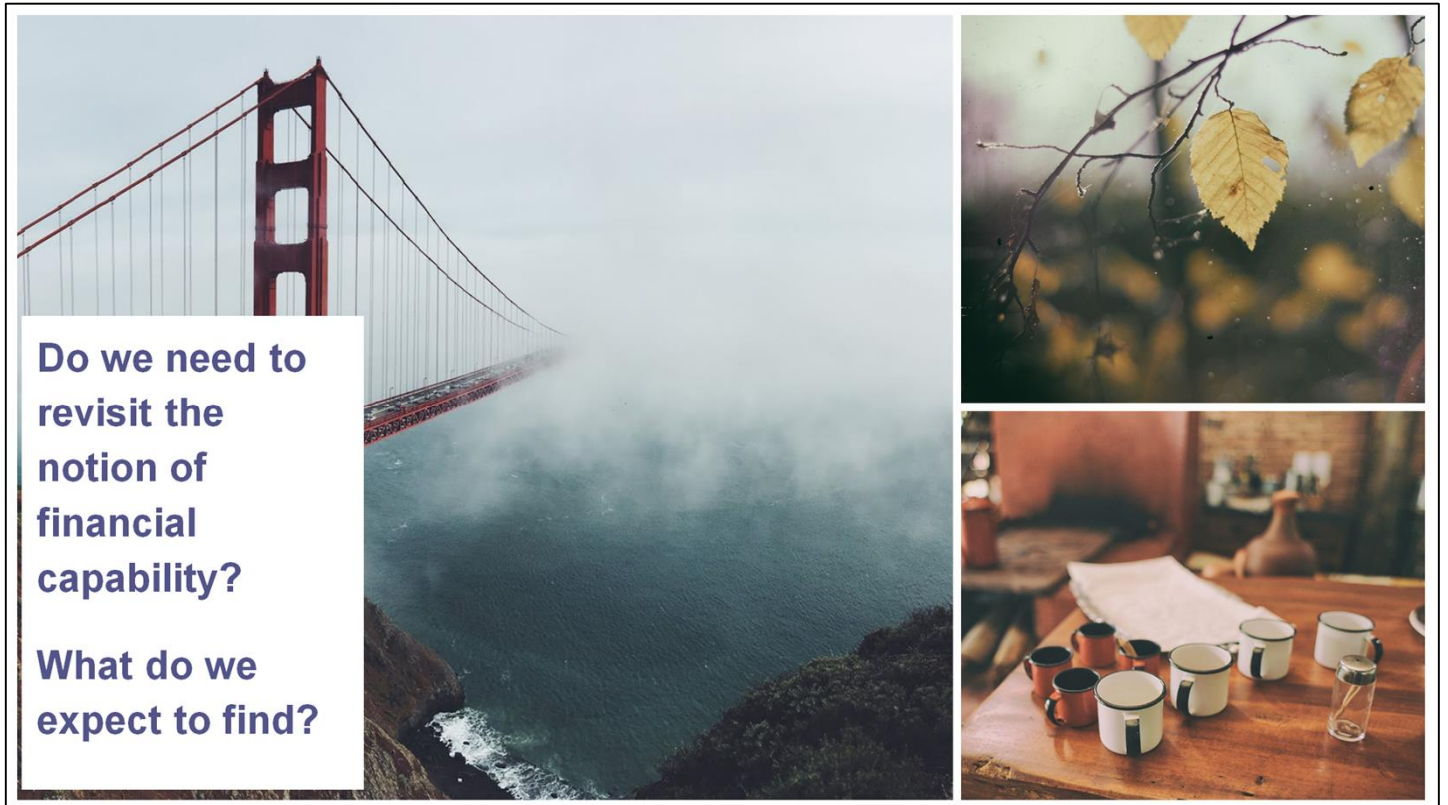
## Women

- gender based and ethnicity based discussions are better received
- planning for two generations
- safe guarding future
- cultural context needs to be empowering rather than a hindrance

# Other groups

## Senior citizens

- what happens to those who missed the boat –is there a hope/who will look after them
- elder financial abuse – a silent killer
- concern about safe guarding their retirement years
- leave a legacy behind OR live a comfortable life in retirement
- changing demographics
- resentment from millennial group



**Do we need to  
revisit the  
notion of  
financial  
capability?**

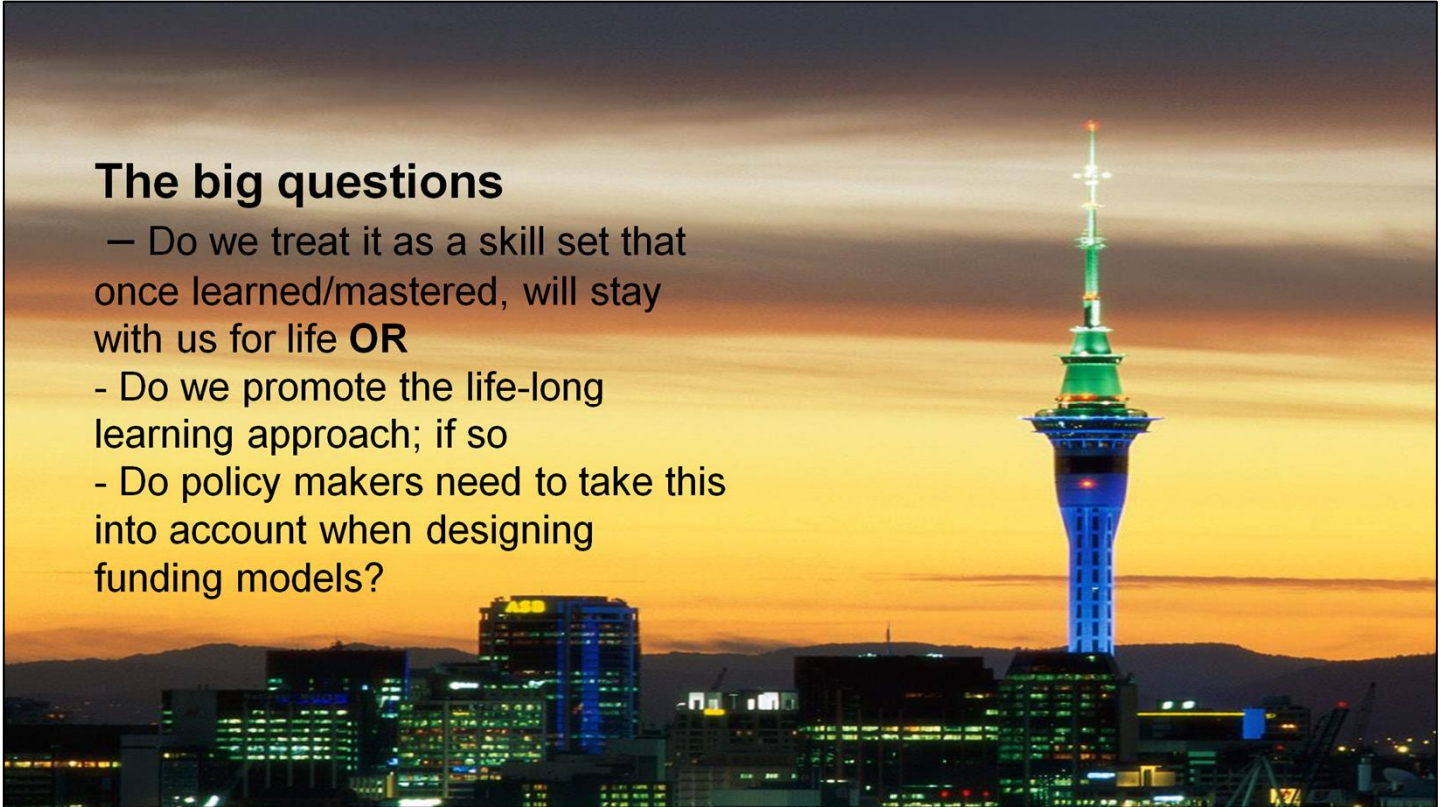
**What do we  
expect to find?**

Our work so far has also raised some questions for us that we are in the process of exploring

- is it time for us to seriously consider the different layers of success influencing the evaluation
- do we need to re-examine our language to talk to the different groups of people and to communicate relevant message
- If we are looking at/working towards people applying the knowledge and skills learned to change their practices, then should we not be looking at embedding a pedagogical approach to all our offerings?
- Do we need to widen our discussions to include individual vs collective capability?

## The big questions

- Do we treat it as a skill set that once learned/mastered, will stay with us for life **OR**
- Do we promote the life-long learning approach; if so
- Do policy makers need to take this into account when designing funding models?



### Some food for thought

- Do the policy makers need to consider funding the programmes vs individuals?
- Is it time that funding is stabilised to provide some long-term interventions that could help us to measure the real impact of financial capability programmes?
- Are one-off courses sufficient or should we be funding ongoing/long terms capability building programmes?



**Somewhat confused reaction –  
why/what/when?**



Frosty reaction to  
new approaches to  
redefine financial  
capability

