

**Life Goals, Finances and Financial Service Choice:
Using 'Financial' Life Histories to Understand Low-income Peoples'
Financial Coping
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A Component of the Research Project:
***Financial Exclusion & Poverty in Canada: Individual Coping, Community
Action & Policy Reform***

Notes:

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For more information on this project please visit the website:
www.uwinnipeg.ca/~buckland.

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1. Executive Summary

This report summarizes the result of a financial life history method undertaken with fifteen low-income respondents in inner-cities of three Canadian cities between August 2006 and March 2008. It is a method that intended to understand the respondents' experiences with life goals, household finances and financial service choice over time. By *financial* life history it is meant that we asked respondents to tell about their adult lives and to relate their principal life experiences to their financial experiences and to their choice of financial services. We were particularly concerned to identify significant changes in people's lives and finances, and to examine how these changes interact with financial service choice.

Respondent interviews were recorded and later transcribed verbatim. In an effort to permit the participants to shape the direction of the study as much as possible, the first step in the analysis was to read through, or, where possible, listen to each interview and note general themes and common emphasis that emerged amongst respondents. We were particularly interested in examining periods of life and financial change, both positive and negative, in the lives of the participants. The transcripts were subsequently analysed qualitatively using three methods: mapping, summarizing and coding. The analysis was done of all respondents and by site and gender.

Throughout their lives, our respondents have endured a variety of 'negative' transitions, and achieved a number of 'positive' transitions, that help us to understand the experiences of low-income Canadians and can inform us on how best to facilitate the development of their wellbeing, financial and otherwise. These financial life histories have shed light on the cyclical relationships between poverty, mental illness and addiction in participants' lives, and demonstrated that financial hardship is most often the result of a series of unavoidable events that obstruct desirable change. In our study, these challenges most often involved mental illness and addiction, but institutional barriers also played a significant role.

Events in the course of our respondents' lives, and their goals, required finances, and financial services in order to manage them. Respondents told us that access to mainstream services would be beneficial for their saving goals. Unfortunately, few respondents were completely satisfied with the financial services available to them throughout their lives, and the exclusion from appropriate services has meant that finances and life goals have changed. Unexpected service charges often meant the end of mainstream banking for our respondents, whereas for people with access to more funds, it might have simply meant a temporary financial setback and a lesson learned. Respondents felt that fringe banking services filled holes in their communities left by mainstream banks that chose not to deal with inner-city clientele.

Amongst respondents, different income levels corresponded to the use of different financial services. Periods of relative financial wellbeing were characterized by the use of mainstream services, while periods of financial hardship, ill health and addiction were characterized by the use of fringe services. During low and modest income periods – defined qualitatively as reliance on social assistance and reliance on low-waged employment, respectively, as well as a number of dependents in most cases –, financial service providers were chosen after careful 'grazing,' – i.e., weighing of direct and indirect social and economic costs and benefits associated with each

option. These decisions were based on a variety of factors including, most often, direct economic costs, location, identification requirements, cheque holding policy, hours of operation and respect from staff. This grazing led to switching between one or more mainstream, fringe or informal service providers, based on rational decision-making. Mental health and addiction also determined the suitability of services by influencing the factors on which decision-making is based. This grazing pattern did not hold for all respondents. For instance, 'Frank' and 'Grant,' both in Toronto and both immigrants to Canada, are described here as having modest or low income and both maintained reliance on mainstream banks during their adult lifetime in Canada.

The popularity of Pigeon Park Savings amongst Vancouver respondents demonstrates that an alternative to fringe banking is appreciated, and community financial services can provide for needs left unmet by exclusive mainstream and expensive fringe services. In 'Henry's' words, "I really appreciate that I've got a bank account. It's like real...it's a victory for me." However, unsatisfactory hours of operation, time required for transactions, and the fear of disclosure to government agencies must be addressed if these services are to be a competitive alternative to fringe banking for our respondents.

Beyond being secure in the necessities of life, some respondents indicated that financial status was not necessarily related to the overall quality of their life. For example, they placed more importance on the emotional satisfaction awarded by a job than its remuneration. 'Doug' said, "although my friends are working for Fortune 500 Companies making way more than me...I'm happy, doing what I'm doing...I really am...I always went for the quality rather than the quantity..." and 'Donna' told us: "I've had a lot of money, I've had a little bit of money, I've had money in between, I've had no money. And I don't care about money. I need the bare necessities to get by, and I think I've got that down...I feel happier doing what I'm doing. It's less money...but it makes me so happy. I feel so good inside. That's more important to me." Many respondents seemed to prefer to speak to us about things important to them other than finances and financial services, particularly in Vancouver, where animated conversation often revolved around the Downtown Eastside. These respondents often had to be guided to make relationships with financial services for the purpose of the study. Those respondents that did independently speak of finances often did so without relating specifically to financial services. For example, they would elaborate on why they liked to spend instead of save, but did not name any financial service important to that process. Also, we have seen that mental illness and addiction, coupled with the fear of garnishment from social assistance, mitigates the potential benefits of a large singular influx of funds. This would indicate that 'positive' transitions require more than simply a higher income.

Respondents had diverse experiences with poverty and knowledge of the social services industry that should prove helpful for policy makers and anyone interested in better understanding experiences and opinions of low-income residents of Canada's inner-cities. The fears of garnishment and disclosure were significant barriers for respondents to accessing potential assistance from banking and government institutions. On the whole, the social services system has played a significant role in the lives of participants, and not often a positive one. While providing income described as insufficient, social assistance programs simultaneously discouraged employment and saving, and thus acted as a barrier to financial independence and inclusion. Interestingly, respondents expressed that they would rather see changes in social

assistance than changes to banking services. For example, we asked 'Bill,' "[What kind of changes would you need to see at the bank for you to start using them?] Not many changes in the bank, it's the changes in the welfare system. [Oh...in what way?] Financially. If they'd raise the welfare system up a little bit more, for single people. [So if you had more then you think it would be worthwhile to use the banks?] Yeah."

The nature of the life transitions of respondents, and particularly the 'negative' changes, - that is, that they are often due to circumstances beyond the control of the individual, and that they are mutually reinforcing, - can tell us something regarding the differences between low- and middle-income Canadians. According to data gathered from our respondents, poverty was instigated and exacerbated by health problems and substance abuse, all of which often came about originally because of accident or personal crisis. Respondents struggling with these issues made a pattern of similar decisions and actions once faced with them, whether they previously enjoyed a low, middle or high income. Respondents have dealt with poverty, mental illness and substance abuse rationally and in a manner that they believed was appropriate for their circumstances. However, the barriers created by these circumstances, enforced by government and financial service industries, made 'positive' transitions more difficult to achieve than for individuals free of these challenges. This study demonstrated no significant difference between low- and middle-income Canadians beyond the unavoidable outside events and institutions that have shaped their life paths.

2. Introduction

This report summarizes the result of a financial life history method undertaken with fifteen low-income respondents in the core areas of three Canadian cities between August 2006 and March 2008. It is a method that intended to understand the respondents' experiences with life goals, household finances and financial service choice over time. By *financial* life history it is meant that we asked respondents to tell about their adult lives and to relate their principal life experiences to their financial experiences and to their choice of financial services. We were particularly concerned to identify significant changes in people's lives and finances, and to examine how these changes interact with financial service choice.

The generosity and candour of our fifteen respondents provided us with insight into the important events, transitions and aspirations in their lives, and the related financial implications of these, from their perspective. Recordings and transcripts of their largely undirected interviews were analyzed qualitatively, and the result was a more comprehensive understanding for researchers of how respondents found themselves in certain past and present circumstances, i.e., often facing financial hardship, addiction, health problems and/or barriers put in place by reliance on social assistance. Respondents were particularly affected by a cyclical relationship between mental illness and/or addiction, and poverty. Respondents spoke from experience and with passion on each of these issues, and an effort was made to present the perspective of respondents in their own words as often as possible throughout the report.

Significantly, analysis of the financial life histories also allowed us to better understand how and when transitions occurred in the lives of respondents. They have lived rich and varied periods of life usually marked at beginning and end with some kind of transition. These have been both 'positive' and 'negative' transitions as described by respondents. They most often entailed a change in financial circumstance, and sometimes an ensuing change in financial service use. Data provided by respondents described the dynamics commonly at work in both 'positive' and 'negative' transitions. The lives of the respondents prove that change is indeed possible; however, there are many barriers obstructing 'positive' change, including ill health, addiction, social environment, personal crisis and the real or perceived structures of social assistance programs and banking institutions.

Finally, respondents made it clear that financial services were related to the various periods of their lives, their goals and aspirations, and the transitions that they were able to make. Mainstream banks accounts were often perceived as a goal in themselves because of their potential as a tool for saving and for safely storing money during addiction recovery. However, respondents faced many barriers to mainstream financial services, such as high fees, a lack of identification, and discrimination. Fringe services were perceived as more appropriate for the current needs of most of our respondents, and although mainstream services are perceived as potential aids in overcoming poverty and addiction, the use of these services was related to periods of full, formal employment and income that allowed saving and long-term financial planning. One significant barrier to 'positive' change, then, is financial exclusion. Community financial services have potential as an accessible third option, and experiences of respondents have proven their potential as catalysts for 'positive' change.

3. Method

One of the methods in the research plan is to investigate citizen perspectives on financial exclusion through the financial life history. This method was to be administered to six to nine respondents at each site in the first year. The goal of this method is to provide an opportunity for the respondent to discuss his/her main periods of work &/or unemployment, to discuss how finances affected these periods and then explain what financial services they used and discuss how these services helped or hurt them. In total fifteen financial life histories (five in each site, Toronto, Vancouver and Winnipeg) were completed from August 2006 to March 2008.

Recruitment was undertaken in each site using snowball sampling method. We began by advertising the research through local organizations and poster in the neighbourhood. Respondents must fit a set of criteria including: the person was an inner-city resident, and she/he had low-income (defined as reliant on social assistance or near minimum wage employment). In addition we endeavoured to represent various inner-city populations by recruiting both men and women, European-origin, Aboriginal and visible minority; and Canadian and newcomer or immigrant/refugee.

Respondent interviews were recorded and later transcribed verbatim. In an effort to permit the participants to shape the direction of the study as much as possible, the first step in the analysis was to read through, or, where possible, listen to each interview and note general themes and common emphasis that emerged amongst respondents. The transcripts were subsequently analysed qualitatively using three methods: mapping, summarizing and coding. In the first process, the details of key periods of life identified by respondents, as well as the financial services used at the time and the transitions between the periods, were drawn onto a table. This created a visual representation, or map, of respondents' financial histories, which helped to illuminate correlations between financial service use and other financial and personal circumstances. It also allowed us to better pinpoint significant life transitions. All respondent maps were then compared in order to find patterns of financial service use and life transition amongst respondents. Using the original transcripts as well as the maps, each respondent's financial history was then summarized in order to highlight those aspects crucial to the purpose of this study and to seek patterns and special cases (Appendix 1).

Transcripts were then coded into categories based on their theme. For example, comments related to the issue of 'identification' were grouped together. A new category emerged when there were at least three references to it within the results. Comments may appear in more than one category if they are related to more than one theme. Two distinct files were then created for each theme, one in which the responses were divided by research site and the other in which they were divided by gender. This allowed for analysis to be conducted to determine the overall feelings of the participants around these themes, as well as to determine any notable distinctions based on site or gender. Comments on each theme were read and re-read in an effort to become familiar with the data. Reflections on these results were written and then checked back against the categories in order to test emerging theories. Results were grouped into four major categories: 'Poverty and its Contributors: from the perspective of respondents', 'The Nature of Transitions', 'Barriers to Positive Change' and 'The Role of Financial Services: benefit and barrier.' Direct quotes from respondents were added wherever possible to support the findings and reinforce the voice of the respondents.

4. Respondents

In total fifteen financial life history interviews are reported on in this report.¹ The respondents were equally distributed from Toronto, Vancouver and Winnipeg (table 1). Five of the respondents were female and ten were male. On average, residents had lived in their respective neighbourhoods for five and a half years. The age of respondents ranged from 32 to 59 with an average of 48. Four of the respondents described her or himself as Caucasian, white or European-origin; two respondents described themselves as Métis or Aboriginal; three respondents said their ethnic origin was mixed; and, two indicated origins as visible minority. Education levels ranged from grade eight to completing a college diploma with an average educational level of twelve years. Average household size was small at 1.6 people but ranged from one to four persons. Fourteen respondents relied on some sort of social assistance and one was employed. At least four of those respondents relying on social assistance also had some form of informal or casual employment. Average annual gross income was \$12,725. Ten of the respondents had a mainstream bank account and four did not.

Qualitatively, respondents in Toronto had struggled much more than other respondents with mental health issues, and had suffered its impact in many spheres of their lives. Our information on this topic comes almost exclusively from participants in Toronto. To a lesser extent, Vancouver respondents were influenced more than others by substance abuse and other addictions. Study participants may not illustrate a representative sample of low-income Canadians, and it is possible that they are disproportionately affected by mental health and addiction issues. However, respondents in Toronto and Vancouver provided invaluable insight into these factors, which are pervasive, and influential where they do exist.

Where other significant site distinctions exist, they will be expressed in the results. Analysis was also undertaken with respect to differences by gender, although female representation was too small on certain topics to draw conclusions. Again, where differences exist by gender, these will be highlighted. Otherwise it can be assumed that no significant distinction could be discerned. To facilitate the presentation we assign fictional names to each respondent (table 2). Where transcripts are quoted, interviewer dialogue is indicated with brackets.

¹ Twelve financial life histories were undertaken in Vancouver. We purposively selected five of the twelve Vancouver financial life histories for this analysis for two reasons: one, to provide a balance of respondents among the three sites; and two, some Vancouver respondents had limited experiences with financial services so these interviews were excluded from this analysis. For this reason respondents from Vancouver are not coded with numbers one through five, unlike those from the other sites.

Table 1. Key Characteristics of Respondents

City	Toronto = 5 Vancouver = 5 Winnipeg = 5
Gender	Male=10 Female=5
Length of residency in neighborhood (years)	5.5
Age	47.6
Self- described Ethnic background	Caucasian/European/White Métis/aboriginal =2 Mixed = 3 Visible minority = 2
Number of Year of Education	12.1
Number household members	1.6
Employed or unemployed	Social assistance =13
Household annual gross income	\$12,725
Household annual gross income	\$8,134
Holder of a current bank account	Yes = 10 No = 4

Table 2. Fictional Names Assigned to Respondents

Toronto #1	Doug
Toronto #2	Edward
Toronto #3	Christine
Toronto #4	Frank
Toronto #5	Grant
Vancouver #1	Henry
Vancouver #3	Ian
Vancouver #4	Donna
Vancouver #6	James
Vancouver #12	Edith
Winnipeg #1	Aaron
Winnipeg #2	Bill
Winnipeg #3	Abbey
Winnipeg #4	Barbara
Winnipeg #5	Collin

5. Poverty and its Contributors: from the perspective of respondents

a) Experiences with Financial Hardship

As low-income Canadians, our respondents tried to convey to us the challenges that they faced when they lacked sufficient resources. Participants often had to go without important commodities and services when they lacked the financial means, such as child care and adequate food. ‘Christine’ from Toronto described some of the consequences of outstanding debt: “...not including what I still owe for my childcare, which is \$1100, so I can't access childcare even if I am working right now. Because I owe that money.” Frank, also from Toronto, spoke of challenges faced while he attended school: “[So for that ten months it must have been pretty tough. You were relying on, on the pension...] Sometimes we don't eat, sometimes (laughs). Sometimes... Yeah, it was tough, but then, we were able to survive (laughs). No, we get used to hard work, hard life...”

In our study, women alone spoke of the particular financial challenge of raising children. ‘Abbey’ from Winnipeg said: “After I had my kids, NOTHING was mine anymore. It was always for my kids. I don't complain about that, I don't have any regrets about that...it's just that that is when my learning started. Um that's when I started...learning about budgeting, and...you know having to stretch the dollar um as far as you could.” Christine had similar feelings. “But I always make sure my kids have the summer. It doesn't matter. I don't care if I have to do it with a struggle, fight, whatever. I always make sure that I pay for my kids for their camp. It costs me about \$250. For two kids, but it's worth it.”

For respondents in Toronto especially, financial hardship caused stress that sometimes led to poor physical and mental health, especially for male respondents. Frank explained the connection: “I am getting tireder also so sometimes I get dizzy. So I consulted the doctor. They gave me some stress pills. [So, do you...was the stress from...was it stressful having to do the work?...] I'm, I'm only thinking too much of the problems, you know, the financial problems.” Grant, also from Toronto, described a period in his life marked by both poverty and mental illness:

...being in the big city like this, being isolated is one of the worse things. I don't think people realize that, that there's a lot of people isolated in a city like this. If you're in the country at least you can make friends with an animal or something, you know, you don't have all these people around you, but when you're in the city and isolated, on welfare or whatever, family benefits, ODSP (Ontario Disability Support Program) and, it's so expensive to live in this city, and they look around and see other people spending money like crazy, even some young people, even not even high school aged spending money like crazy and you don't have that kind of money and that kind of clothes, you know, this can have an effect on your psychic, your spirit and everything too, so...all of a sudden that's when I began getting isolated, from the summer on, and things getting really worse for me, too, you know, too, so...A big part of that was financial, and also being isolated, too...It wasn't my recovery, I think I really slid down to a degree there, you know, I just was very stagnant then, isolated, not much money for food or anything, not the best living conditions, things weren't going too good for me here in Toronto.

Financial hardship also affected personal relationships. Doug from Toronto faced the end of a relationship amongst other stresses as the result of debt: “I can’t get the school paid off, I can’t take my girlfriend out to supper or buy anything to entertain ourselves without it coming from the car or coming from music or something...so, at the end of the year of that...the love of my life...I’ve ruined it, it’s beyond repair because I’m this kind of totally driven automaton...”

b) Mental Health and Addiction: symptoms of and contributors to poverty

Most ‘negative’ transitions in the lives of our respondents were due to circumstances largely out of the control of the respondent, such as accident, illness or interpersonal conflict. These often spiralled into addiction or mental illness (in the case of the latter, especially for men), exacerbating the ‘negative’ period and making it even more difficult to overcome. As told by respondents, circumstances leading to a ‘downward’ spiral are very understandable, and relatable. These transitions highlighted the mutually reinforcing relationship between poverty, addiction and mental health. For ‘Ian,’ from Vancouver, problems early in life continued to present challenges: “After I finished grade ten I went to Toronto that summer and I just didn’t go back to school. I was having too much problems back in Cape Breton at that time...Just problems with the police, my father, and stuff like that...I was sixteen. I started drinking a lot. Smoking a lot of dope.”

...major life crises, father has died in 1994 and my mother commits suicide in 1995...so I quit teaching just after my father has died and my mother is about to commit suicide...My mother takes her life...four children...her own car, her own home, vacation to wherever she wanted...three grandchildren...she takes her own life...rough on me...very rough on me...yeah, well, you know...because I am suffering from dad and I’m suffering from mom...then at this point...and from, we’re talking when mom dies in March 1995, I come back...I go on welfare...so, I’m a wreck, I’m a friggin’ wreck...I don’t know a job skill from a hole in the wall, all right? I’m a wreck. I don’t know how to apply myself because I’m in music all the time and this was one of the things that used to make me depressed as a musician unless its guitar or piano...and I can’t work...I’m overcome by grief...and then, two very bad incidents involving beatings make me a nutbar.

-Doug, Toronto

i) Mental Illness and Poverty

For respondents, financial difficulty led to stress and ill-health, both physical and emotional, which in turn led to increased financial hardship. Serious illness became a priority above all else, including financial well-being and addiction recovery. “...My addiction is at such a low priority in my life right now...having HIV, Hep C, epileptic seizures, I have to walk with a cane now because I have a pinched nerve in my back...so the addiction end is the bare minimal to me...” explained ‘James’ from Vancouver.

Respondents thus had difficulty achieving their financial goals due to ill-health. This was often related to an inability to work, such as in ‘Barbara’s case, in Winnipeg.”Well my knee went out on me, this knee, swolled to the size of a bowling ball & for about 6 months I could hardly move

and I went to my doctor and I was on medication but it wasn't helping much...I was unable to work...income zilch." Frank's long-term plans had been unachievable due to his poor health:

[So you still, still experience some of the same health things?] Yeah. [How often do you work?] It's my health now that I'm concerned...and my mother has cancer. It's a little bit tight about money...[Yeah, what did you feel the barrier was for you, um, to getting work? What was, what was getting in the way?] Ah...my health... My plans, my plans was to be independent, you know. And capable and independent, that's it, and to have some sufficient money. So my plan is to have a full-time job. But I can't find because my health.

For Doug, health impeded not only employment but ultimately his access to mainstream financial services. "[Do you ever think you would want to get a bank account again?] No. [Why?] Well...if I had a steady job but I can't work no more because of my health." Doug's health problems are partially the result of being injured intentionally by police:

...a couple of Ontario police officers, they're working the inner station...put the boots to me...almost cripple me...but, you know, maybe someone should tell the Minister of justice that the holding cells have no cameras...and you better do something, cause these men also ripped me off for \$40...and they're Ontario government employees!...'I need backup'...why do you need backup?...I've left the building...so they take me back into their little room and just put the boots to me...I suffer from chronic pain to this day...I ain't gonna prove anything, but what goes around comes around...I'm sure these guys lost their jobs because you can't have people like this meeting the public and ripping them off...taking \$40 out of my wallet not giving me any receipt taking whatever for taking my goods...rifling my pockets, taking whatever in my pockets...one of them took the bottom part of the leg, and the other, they're holding my legs with two arms...they go in opposite directions...don't ever come back here...and then in the elbows and the shoulders...and they carried me from the front door to the Union station...they ruined the arms, because they ripped the...supporting me and my handcuffs...so much force that my leather motorcycle jacket split from here to here...

Our male respondents seemed to have more health problems than their female counterparts, and men in Vancouver seemed to have a lot of experience with HIV and hepatitis:

You know....I haven't got nothing...and I'm bitter, very bitter. Bitter at our society, bitter at what's happened in the world and the whole thing. And the neglect, and so many people die. I go to the computer center, and since I've just gone to the computer center...a total of 54 people that I've known. [Sorry...there's 54 people....that...] ...that I know...that have died. [That have died...okay...like friends of yours over the years. People not necessarily older than you...or around your same age?] Yeah...and younger...and living down here. So it is very harsh. It's emotionally very difficult...Yeah...right now I'm just trying to hang on to my health. I'm still doing pretty good. And yet, for me to say quit that and get into a

program and get into treatment. I've had such rough experiences going through treatment and recovery.

-Henry, Vancouver

No Winnipeg respondent mentioned mental health issues, and one Vancouver respondent spoke briefly of a psychological and emotional problem. In contrast, all Toronto respondents spoke of mental health issues (one being a learning disability). The majority of information on mental health issues came from our male respondents. The break-up of relationships, death of family members, social isolation and financial hardship were all related by respondents to the onset and intensification of mental health issues, with financial hardship being the most significant of these instigators.

...there's lots of people in this city who are really isolated, 'cause, you know, if they don't have the money to get out and do things, then they're going to stay in their apartments and be, or wherever, and be isolated. And the government has to understand that, the doctors too, people don't have a metro pass, a phone, whatever, whatever, internet, cable, haven't got money for paying for things outside of paying for their apartment and food, in a city like Toronto they're going to be isolated... That was a big part of my problem, too, I was isolated, I was getting this, very little money from the government to live on, not the proper food, I got really skinny at one time, and moving to some pretty terrible places, terrible landlords, you know, get rid of some of these slum landlords, and really bad landlords, I think the city would be a better place to live in... so these doctors that have the offices (laughing), you know, in very nice areas of Toronto and have very nice offices and their patients, where they live, you know, they live in tinier rooms than this and they're not even as nice as this room, you know, where they're living, and they've got a big waiting area, bigger than, twice as big as the size of their office, and their office is twice as big as this and nice furniture, you know, and their offices in some of the nicest areas of Toronto these psychiatrists, and they don't, I don't think they realize what their patients are, the conditions their patients are, the environment their patients are living in, and the amount of money they got left over for food and whatever, you know, that's one thing that really surprises me, how you go to, even at Sunnybrook, their offices on the main floor there in the psychiatric ward, upstairs, and they have the outpatients on the main floor, you go into some of those doctor's offices, they're so nice compared to your own apartment, the furniture and everything, you know, so, that really amazes me.

-Grant, Toronto

Frank also attributed his stress to financial difficulties: "[So, do you... was the stress from... was it stressful having to do the work, and have... or was it stressful because, um...] I'm, I'm only thinking too much of the problems, you know, the financial problems... [Okay so having the debt increased your stress.] Yeah, yeah, yeah"; while 'Edith' in Vancouver was affected by personal relationships: "I started having ... I guess you would say relationship problems. And affected me severely, psychologically or... I wasn't prepared or educated to deal with issues like this."

ii) Addiction and Poverty

Related to mental illness and financial hardship is addiction. In fact, because of the many 'negative' cyclical relationships in which it was implicated, we can say that addiction was perhaps the most significant factor in 'negative' life transitions in our study. As Christine said, "at about the age of 25 I started my addiction, and that's where it was, went downhill." Ian told us that he "had lots of great opportunities, but I could never commit to them. I was just sick...using drugs has destroyed everything."

Our respondents indicated that substance abuse shares a very close relationship to financial hardship. In their lives, addiction and selling drugs were often results of insufficient resources, and in turn, addiction was a huge drain on finances, with a resulting difficulty to budget and an inability to save. Addiction represented perhaps the greatest obstacle to fulfilling and financially stable lives for those respondents that have struggled with it. Christine told us: "I didn't have any cash anymore. I was feeding my addiction. Basically, and I was struggling with bill payments, and so forth, my sisters weren't the best, but sometimes the addiction talks for you. That's being honest. It ruined my life."

During a period of substance abuse for Edith, an inheritance that she received of \$100,000 was gambled away in a matter of months. She then began pawning her possessions to pay for her gambling addiction, and eventually she was forced to file for bankruptcy.

I inherited money and it all went into gambling and because I discovered the online gambling...\$50,000 dollars – that was the second \$50,000 dollars now. My mother gave me \$50,000 dollars when I was in Boston and that took 2 ½ months. [And the second \$50,000 – how long did that take?] That took about 3 ½. [You were more frugal with it this time...] Well, actually it took about four. Yeah...solid months. But that was every single day. [Was that mostly online gambling or was that gambling.] It was simultaneous. You know. I couldn't do one without the other.

Addiction demanded all of respondents' resources, including emotional, physical, mental, temporal and financial. As James said, "I got into heroin and cocaine. And those are devils that eat up not just your soul, but everything..." Ian's financial desperation brought about by addiction led him into criminal activities:

I would never go shoplifting to go and get money for cocaine. But heroin is a drug where you need it...you have to have it...you know what I mean...you end up in a ball...I wasn't selling drugs to make money... Just to not feel sick I didn't have to spend that much...like I could spend sixty dollars a day to not feel sick. But I always spent money...and once you get rid of your sickness first thing in the morning, then you'd want to get high on cocaine...I was just selling drugs to make money to get high with you know...for myself. So I wasn't saving money or anything. [Okay. So it was just a quick turn around.] Yeah. Just surviving. Supporting my habit I guess... I could spend sixty dollars a day to not feel sick. But I always spent money...and once you get rid of your sickness first thing in the morning, then you'd want to get high on cocaine...[So your convictions Ian seem to be...and correct me if I'm wrong...seem to be originating from the need to use drugs...] Yeah...selling

drugs or shoplifting to get money to buy drugs. Selling drugs to get money to buy more drugs. Shoplifting to get money to buy drugs...yeah...that's all that's on my record, shoplifting and drugs. Its four pages long but it's all shoplifting and drugs...Social Assistance cheque was gone in a couple of days. I'd splurge like for two days three days...you'd just go nuts and then be broke and then back to where you were.

Respondents struggling with addictions also experienced great difficulty in keeping a stable job. Addiction often caused job loss, and was present during times of unemployment, underemployment and quick successions of short jobs, especially for men. Ian told us: "I could have kept working for that company too, but at the end of it the drugs and alcohol...I got a few full time jobs that lasted like six months or a year. I always...drinking and drugs always screwed things up for me. I had lots of great opportunities, but I could never commit to them. I was just sick...using drugs has destroyed everything."

I was a complete alcoholic, and I'm screwed up, and bushed. And when I drink, I'm having real big problems. And so I ended up quitting the forces. I got on with the Post Office here in Vancouver, and I worked for them for about four and a half or five months, and then I was drinking again too much, and I ended up quitting. So what do I do? I went back into the Armed Forces. And they sent me to First Battalion in Calgary at that time. So, I was there for about a year, and I'm drinking again, and I just quit.

-Henry, Vancouver

Addiction was sometimes paired with major health problems for respondents, again afflicting men most often. This further complicated attempts at financial stability, as in Ian's case: "I started using heavy drugs actually in the late '80s when I got into the heroin and cocaine. That's when I really, really went to shit. [...So once you started getting into heavier drugs, did you still continue to work or with less frequency?] Less frequency, yeah. In 1992 actually I got...I contracted HIV."

Addiction placed a strain on family life, stressing relatives and sometimes leading to the loss of child custody.

I lost a few guitars in the pawnshop. [And it was tough times...you were going through tough times so you couldn't redeem it?] Alcohol...I started drinkin'...me and my wife split up and I told her to take the kids you know I'm drinking too much I thought I might settle down somehow. I had no money, no more welfare...I lost a couple of guitars like that. [So you'd use some of your cheque to pay for alcohol so that would mean you wouldn't have the money to redeem the guitar.] Yeah.

-'Aaron', Winnipeg

Emotional issues were both catalyst and result of addiction, and addiction was also sometimes triggered by social discomfort, especially for men. Doug experienced isolation while trying to work at a job outside of the city. "...they asked me to move to Ajax...its for newly-weds and nearly deads...for a single person...they're lovely people...these are my students and parents,

but it's not me. I stick it out till 1993, living in Ajax, but I am miserable and the alcohol comes back..." Isolation also had serious implications for 'Edward,' from Toronto. "I was lonely. I didn't realize it. Sometimes we are, and we don't know we are. That's why we end up doing foolish things, ...I come into Toronto and I knew Toronto quite well anyways, I ended up meeting the wrong people, smoking crack, becoming an addict, losing everything, throwing everything away, every material thing, every part of me." Edith made a connection between her addiction and her emotional life: "[Do you think that your drinking was increased during this time period as well, or had it always maintained or...did it...] Yeah...I would say it increased yeah....Because my emotional problems became larger...if you walk the walk, talk the talk...you know...its like, how am I going to fit in? Who am I going to make friends with? I got to fit in here...and you do...disagreements, most of the time, it would be just for show...there's therapeutic access...it's like group therapy..."

For our respondents, especially male ones, addiction was also closely tied to crime, violence and confrontations with police. We have seen that before beginning methadone treatment, Ian regularly shoplifted to support his demanding heroine addiction. Bill from Winnipeg eventually spent time in prison after some violent activity during his youth: "I was drinking at a young age...my friends that I used to have, that was a bad crowd. You know they would go ask me to go jump a person."

The majority of our information on drugs, substance abuse and addiction came from respondents in Vancouver. Respondents were extremely knowledgeable about the informal economy as well as its association with drugs, both of which appear to have a significant effect on daily life in the Downtown Eastside. Respondents there spoke of public intoxication, drug dealers, street workers, and too few payphones (according to respondents, a municipal strategy to counteract drug sales).

[So if you were to crack down on anything in the Downtown Eastside...]...well...I hate the fact that they smoke rock in public. I just...I think it's appalling that they do drugs in public to be honest...Like where I grew up, you would never do this kind of stuff in public. You'd go to prison. [And who wants that?] That's insane. You knew the consequences right away. You knew if you were in public doing that, you're going to prison. Really. You are. And so people knew that...[That would be the one...like you were to change one thing...] It should be inside anyway. I don't understand why its not. A lot of things like that.... I mean, you go downtown L.A., okay you're going to find a group of course like this. You're also going to find a lot of cops. And so you're...I'm not saying they don't do it, they do do it. But not like this. I don't like it. Because it can be a trigger for lots of people including myself...I don't care, I don't judge them for what they do. I don't care...as long as...but I just think it's...I don't think it's right. I don't think it's right, but I understand why though...because they don't have a place to live, or kicked out, or barred. They're not wanted, they're...I understand all about that...I totally understand it...I mean that's why it happens. And so there is obviously a problem. And it's not necessarily on the person that's doing it. [Have you noticed whether or not the number of payphones in the past...like you've been here for so many years, that the number of phones have actually decreased. Or has it increased?] Totally

decreased. They don't want you to use the phones, and there's a reason for that. Drug activity. That the only reason why they don't, they don't care about the sex workers, they've got their cell phones. (laughing).... That's exactly why, and I think it sucks. I think it's one of the most unsafe things they've ever done. I can't believe they did it. Do you know how many people that don't have phones down here that need to use the phone at any given time of the day for whatever reason? Calling home to your mom because she might be sick. Calling home to talk to your kids 'cause you haven't heard from them in months. And you can't do that after six o'clock on a payphone.

-Donna, Vancouver

Many respondents worked informally while using drugs, and drug dealers were often a source of credit.

To subsidize my income down here I was...and to be accepted...because to look at me...you know...what are you doing down here? I mean...I don't fit the natural.... [The stereotypical folk that live down here...] Yeah...you know...the characters down here. I took up selling weed to as a cover...and to subsidize...and because I ended up being...collecting social services.

- Edith, Vancouver

And you have to realize that, selling drugs, was another issue as well...to maintain. And that started at about of the age of 25 and I did that for two years. [And that was sort of your full-time job kind of thing.] Part-time I'd say. Because I'm still working the streets, and on the side I was selling weed. It's necessary to survive. [And how was that ... for you? Was that a safe thing for you? Or were there things that were unsafe, that you look back on, now what comes out of that for you, that you would do differently?] Well #1, unsafe that the cops are going to come in and raid your house...cops, customers might come in and rob you, a number of issues.

-Christine, Toronto

James had a convenient financial relationship with his drug dealer. "My drug dealer, he would say....Like sixteen hundred a week I was bringing in. He'd take...I would pay him eight hundred that I owed him on the cuff we call it, and buy it for the next three or four days for another eight hundred dollars worth. And then he knew that my cheque was always couriered in on Wednesdays, so he always knew the money was always there. I was his best customer."

There used to be about five or six of us who all hung around like for years. And guys that used to front us the drugs, they all knew us for a long time for years...but...they were all pretty fair with us actually. I never had any problems with that. I mean...I remember this one guy, we were all into debt too...we owed him...and in a one month period we were fronting cocaine from him...and at the end of the month he said it was about \$2000.00...but I don't think it was that much...it was about \$1500.00 actually...but...Yeah...like three of us would go and get some one time, and then the two other guys would go at other times...and so...he's the only one keeping track of it.... [It's kind of hard to keep track...for sure... How did

you deal with that situation?] Well, that month every one of us had to take our welfare cheque and cash it and pool it all together and give every cent to him... [You basically just divided it up amongst the three of you and away you went...] Yeah...try and break it down even...yeah...
 -Ian, Vancouver

Recovery sometimes began with a rationalization after a very low period or singular event. For Christine, being pregnant with her first child convinced her to stop using drugs. “Your veins tend to react, after so much usage. It was because when I went in to have that child they told me, they wouldn’t be able to find your vein, if you didn’t stop, when you did. [This was with your first child?] Yeah, I stopped before him.”

[...so your habit is much more manageable now then...] Oh yes...it’s under control now. Because of the fact that I really had to take a real close look at my life, and decide what the hell was going to be going on...[For sure. What made you do that? What made you make that decision, or what change initiated in your life to make you see that...?] I went through a really down period you know. And of course when you hear all of this information, you end up on anti-depressants. I was in a real bad down slope, going nowhere. And I asked the doctor, like where the hell do they bury people who have HIV? I remember in the ‘70s what they did was they sealed them in stainless steel caskets and welded it together and buried them that way. They were so worried that this virus could get into the watershed or whatever...
 -James, Vancouver

Recovery itself represented a formidable challenge for participants, and success required appropriate employment, financial services and social surroundings. For participants in Vancouver who have attempted to maintain employment while recovering from addiction, remaining in the same community and neighbourhood presented an additional challenge.

So by this time, a bunch of people that we know from our hometown in Cape Breton were starting to come up and started to come to our apartment and crash there. We’d be going off to work, and they’d be sitting around smoking dope and drinking all day when we went off to work all day. So after a few months it started to get a little hard in the head you know what I mean. A little bit hard to handle you know...you come home from work and you want to get some sleep, and everybody is up drinking and partying all night. Then you start drinking yourself most of the time, and then you end up getting up the next day for work all hung over. Anyways...yeah...for another three months we both quit and said, the hell with it. We just quit our jobs...There’s another reason why I want to find another place. Because everybody I’ve known like for years are all in this area, and they’re all still using drugs...right...they don’t come and bother me...they know I’m not using...right...they don’t come and try and get me to use...but...it’s still hard seeing it all the time. It makes it harder...
 -Ian, Vancouver

I carried a tray for eighteen years. Ah, in bars, and what but not, but through all those eighteen years that I worked in the bars, I was also...Dealing with past drug dependency.... So...With me putting myself in that setting, I had to work extra hard at not doing, falling back into...I'm still a recovering addict...I don't think there's ever going to be a point where I'm totally recovered cause I still deal with it every day... after I got out of rehab, I didn't want to go back into the bars. Because I'm just it was just gonna slide me back again. I, I was aware of that so I didn't want to put myself in that situation.

-Abbey, Winnipeg

c) Housing

Respondents made it clear that comfortable, safe and affordable housing is an important factor in a healthy lifestyle.

...That house was where I, I just say it's in the middle of 'Hookerville' because there were like prostitutes like all around. And I had a big dog, but my big dog died cause it got cancer. So that meant that my yard could be cut through... 'cause people would stay away if they know a dog lives there. Nice or not. And....my barbecue was stolen. Um I had a truck parked in the back...it wasn't insured or anything it was just sitting there because it needed repairs. They set it on fire. I found used condoms in my backyard...you know I have to do what I have to do for me whenever or what you know had been happening in the neighbourhood and I have my kids to think of. And so I told (my landlord) I would be willing to pay a little bit more cause I was working if he had another place that you know would be as comfortable to what I have just in a better neighbourhood. And he found a place for me, but it was five hundred, five hundred dollars a month. And it's only five blocks anyway. But it's such a nice house and such a nice little stretch of the street. That block is well cared for. Most of the tenants look after their yards and their homes and you can tell that people that live there care that they live there. And so because I was working that extra money I was making enabled me to be able.....to not hurt too badly to pay the extra 190 a month...um for my rent. [It sounds like housing is a very key issue for you and your family, like that's a pretty important priority.] It is.

-Barbara, Winnipeg

When this type of housing was unavailable due to financial circumstances, respondents often suffered a deterioration of mental and emotional health, and began, intensified or relapsed into an addiction. As we have seen, this phenomenon seemed to be related to social isolation and inappropriate social surroundings.

No windows, you know, you couldn't open up the windows, they were painted over and you couldn't open up the windows, they were so narrow anyway, and it was this tiny little room and I was paying over 250 or three hundred for the room. And I only had around over one hundred dollars left over, and there weren't no proper cooking facilities, no proper fridge, there was a tiny little fridge, you know, and with the bugs and everything you didn't feel like eating there, so that's when I got really skinny...all of a sudden that's when I began getting isolated, from the summer on,

and things getting really worse for me, too, you know, too, so...A big part of that was financial, and also being isolated, too...I think I really slid down to a degree there, you know, I just was very stagnant then, isolated, not much money for food or anything, not the best living conditions, things weren't going too good for me here in Toronto.

-Grant, Toronto

[What year then were you getting back into the work force?] '97. But my housing was terrible. I had no place, and I couldn't fit in with anybody. The 'normals'...so called 'normals'...and here I am at forty-seven going back into the work force, who is going to identify with me right. Nobody...I didn't really know anybody. They all got their jobs their trying to hang on to...its just a difficult time at a difficult place to work... Anyways...then I was living at the Park Hotel. Everybody was using drugs. They all knew I'm working. Payday...twenty people at my door...knocking at my door...and I'm working. It was like Dr. Jekyll and Mr. Hyde. Hiding it from work, but at night living in this cockroach infested goddamn shit house...pardon my language...and everybody is on drugs, and I just couldn't take it anymore.

-Henry, Vancouver

This indicates that housing is a key factor in the cyclical relationship between poverty, mental illness and addiction. Respondents had vast experience with homelessness as well as with subsidized housing, either through government or community agencies. All types of subsidized housing were viewed as undesirable because of many restrictions placed on tenants.

I've lived in housing before, but when you are on welfare, and you are living in housing, your life is not your own. It's worse than living at home with parents. You can't do anything...you can't have friends, a friend come in from out of town for two weeks and wants to stay with you. You have to report it to housing. If you have overnight guests, you have to report it because their car might be parked in there, means you're parking overnight. Um... you know...all the rest of that kind of stuff. And.....and.....and the neighbours all tend to be know everyone's business and and if they don't like you they make things up. And and report you...and different things like that.

-Barbara, Winnipeg

However, these programs do appear to have facilitated savings.

And I also got my rent rebate, I found out my one, someone, I found out I could go back a couple of years and get my rent rebate where I'd been living before I ended up on the street, and even when I was there I got rent rebate and everything, and a GST I think at that time, too, and so I saved up most of my money. Maybe once a month I would buy myself a bag of potato chips, cream soda, and some cheese, you know, but outside of that, I didn't have to buy anything, they had everything there at the centre, at the boarding house...

-Grant, Toronto

Some respondents also suffered decreased financial security because of unreliable landlords.

1983, financially, was the worst period of my life...Why? Friggin landlord! January of '83, I get told to leave...I've sold the house I knew that...I knew it was coming. I meet a girl at a party and move into a home at Monty and Evanson...just finished Kinshaw's...so we're talking and 1st of March...beginning of May...get out, I've sold the house. Why the friggin' did you let me move in in the first place? So, I moved from there to Alberta Avenue and by September it happened again. They let me move in and they've sold the house...you bastards! The first guy did it right, the next two should never have taken me on as a tenant...And it happened twice in the same...and it wasn't my friggin' fault! What are you supposed to be when you're renting a room? Are you going to be selling the place in the near future? Maybe you should...I lose everything...I'm more or less living out of a cab because I can't keep up with all of this...I've got my stuff in storage, I'm driving a cab. I don't know how to live...until September '84 I drive a cab...I lose all my stuff in storage...

-Doug, Toronto

Homelessness sometimes occurred after a crisis, and respondents, like Edward, had great difficulty accessing identification without an address: "I ended up living on the streets in Toronto, that started in around 1996. [And that's how you came to not have identification...]No ID, no nothing." There was some indication that homeless people felt disrespect from social assistance staff compared to those with housing, and that having no street address represented a barrier in dealing with government agencies.

So they feel that if...if you're applying for the system, then there's no reason for you to be on the street. So they get really angry if you don't...if you're homeless, and they gotta keep giving you support, they just get mad at you, and they really try to...you know...they won't kick you off, they just give you a hard time...[Is it harder to get your cheque and stuff if you're on the street?...]...Yeah...because you've got to go in the line up cause there is no mailing address. So if you don't have a mailing address, you can use Life Skills or you can use Carnegie, but I don't think, I don't think those things are, I don't think you can use those addresses for those cheques, because it's a government cheque. I just don't think...I hardly ever see anyone at Life Skills ever pick up a SS cheque there ever.

-Donna, Vancouver

Vancouver participants demonstrated a need for help in accessing better housing, many having already applied to programs for this purpose but on long waiting lists.

I'm trying to find another better place...a different place to live...I applied for this thing called a Portable Subsidy...Portable Rent Subsidy. [Oh...what's that?] You go and you can find an apartment, and say the apartment is like \$8 or \$900.00 a month. You pay about thirty percent of the rent, and they cover the rest. So you can find yourself a really nice apartment...but it's going to take a few years for it to... [I bet there's a little bit of a wait list for that.] It's a wait now...so...I've also put my name on the list for...there's also other housing...other subsidized housing that they have.

I'm on the list for that...that's a little...It'll probably come up a little quicker actually...maybe two years or something. [That's a long time.] Yeah...
-Ian, Vancouver

Some Downtown Eastside residents felt that they were unwanted by the city.

I hate where I live now. I'm infested with bed bugs, the whole building. [Is it a place that your rent, or...] Yeah...I hate it. [And how have you dealt with that?] I'm moving. [Do you find that that's a big problem in the Downtown Eastside?] Yeah...it's absolutely out of control. It's intentional too...they want everybody out of the Downtown Eastside for the Olympics...It's true too. [I bet you right now that there's a lot of talk amongst the residents about that. How do you...] Yeah...they feel the same way...It's disgusting, it's nasty, and no one will do anything about it because it's too expensive. Plus they don't want us here, they want everybody out...I'm traumatized by it. I've never experienced it in my life. It should never have happened to me because I didn't bring it into my house. My neighbour infested me. And I haven't been able to be in my house for nine months practically. I've destroyed my health because of it. That's how traumatized I am...I can't even...I've barricaded half of my house off. About where they got infested...I can't even live there hardly anymore. I have to move out. Because they're everywhere. I have to leave. I'm going on the outskirts. The very minimum outskirts. Like Mount Pleasant, Marpole, Commercial. [Do you find the ability for you to live there, the property values there are somewhat higher than the Downtown Eastside.] Oh yeah...definitely. I'm going to have to come up with some extra money. [Any ideas about how much that is right now, or are you just starting to...] It's about the average, \$500.00, for very minimal.
-Donna, Vancouver

d) Incarceration

Time spent in prison was common amongst participants, and presents an interesting case study of the relationship between the factors influencing poverty and the ability to make 'positive' life changes. Sometimes incarceration instigated periods of transition, leading to an improved quality of life in some ways, but other times it was seen as a regrettable event.

I got in trouble. I went to prison. And that just ruined my whole life...There was nothing, it was terrible. I lost everything. I mean...not material...I lost my son...my experience with that, with prison was, I think that's what they want you to get out of it is never to go back. And I'm never going back. And I've already made that decision. And so far I've done very well. I mean I'm not going back...They took me away, they put him up for adoption when I was in prison because I lost all my rights...I just don't talk about that.
-Donna, Vancouver

Where it was instead seen as an opportunity for 'positive' transition, incarceration provided an opportunity for rational reflection on one's life course, and/or the opportunity to complete education and training. In one case, a rational decision was made to go to prison, when Christine

from Toronto found herself pregnant and struggling with an addiction at the age of 37. She decided that the best thing for her was to take advantage of the recovery and educational programs offered there, and hopefully to make a clean start. “I did all my own work,” she told us, “I didn't ask them for anything. I did my own shit. And that kind of surprised them, because they seems like I was taking more of an initiative in trying to make things happen, and I did it. And I never messed up my parole... That was the first time I never messed up anything. I just follow through. I guess I came to the realization that the only person who can help me, is me. And I have to take responsibility for my own actions, and by doing so I have to step up to the plate...” Edward simply told us that he “decided I’d had enough of crime... I had a talk to myself, and said Edward, you got to stop this you have to get an education. You have to do something with your life.” Other transitions occurred because of the desire to flee from convictions. When Ian began using drugs more heavily he was caught stealing government cheques to support his addiction. To avoid his court appearance, Ian left Cape Breton to live at his brother’s house in Alberta.

Sometimes incarceration was related to mental illness, and more often to substance abuse or the sale of controlled substances. Crimes committed by our respondents seemed to stem from need, either to support an addiction or to fulfill basic survival needs. Ian told us: “I was sixteen when it really started escalating. [How did you get your money to drink, to buy your alcohol?] I used to sell... I would like buy pot and just like sell joints back there.” Criminal records then became obstacles to travel and employment, presenting an additional barrier to financial well being and the fulfillment of goals to those with a history of mental illness or substance abuse. This was the case for Christine: “Where I had done courses through, I have about maybe fifteen certificates from provincial, through doing programs, but I couldn't go out there and get a job with them. You understand? ‘Cause it has, [From the jail on it,] Well it doesn't say from the jail, but it does say Vanier centre for women. Well Vanier school, whatever. But they put two and two together, come on, you know, so it was quite a barrier.”

Everything's for sale but of course you see my things are coming from criminal activities... I did. I did sell a lot of my own things, like my stereo, my television, oh yeah sold boat motors, and hand tools, yeah and once that ran out, and I was still with my crack addiction, I've always had an interest in Royal Dolton's... So I used to specifically, look for those. One night I got \$50,000 worth of those... just like the antiques road show, out comes the books.

-Edward, Toronto

6. The Nature of Transitions

Three participants spoke of luck or fate when describing the path that their lives had taken, and all of these were from Toronto. These respondents felt that at least some of the events in their lives have been out of their, or anyone else's, control. Christine said, “...my luck is somehow coming back to slap me in the face, somehow, someday,” and Frank hopes that luck will help him to fulfill his goals: “[...What do your financial goals look like now?] Now, ah... we are depending on that much more. [Depending on?] On luck... I am only an average. But if luck comes, who knows? (laughs)... Money is luck or what, who knows what...”

However, this feeling was not shared by most respondents, who pointed to concrete reasons that circumstances came about in each period of their lives. Respondents defined the different periods of their lives differently, although for women these transitions most often involved the birth and stages of development of their children, and men often divided their lives in terms of different periods of employment.

Family leads to some of the most significant ‘positive’ and ‘negative’ transitions in our participants’ lives, whether it was learning to budget after having a child (especially for women), being unable to work after a family member passes away, or having to move away because of conflict with family members. Abbey’s first child marked an important financial transition for her: “...When I took the responsibility of keeping my first child, that’s when I started growing up...that’s when I started...learning about budgeting, and...you know having to stretch the dollar, um, as far as you could.” Edith could no longer work after a family crisis: “I went for lunch and came back and found out that a good friend of mine was killed. So I ran back in and caught my friend that I just had lunch with and told her what had happened and she just went off the deep end. So not knowing much about death at all, I tried to do the best that I could and explain it to her, only to go home and find out my brother was killed. [You were hit hard that day.] So I quit.” Grant made a major life change by moving to the United States because of his relationship with a family member: “Ah, I just had a conflict with a member of my family, we didn’t get along, and I decided to take off like a lot of people do, you know, sometimes we all do.” James had an affair as a young adult and was subsequently divorced from his wife. Unable to see his child, he began using drugs and turned to crime.

Perhaps unsurprisingly, higher salary was an incentive for several participants to switch career paths. Doug changed careers from orthotics to teaching music because of the higher salary, although he felt that orthotics may in fact have been a better career path in the long-term. “Anyway...so first loan’s down...go to school...age of 21, I actually get a job in o/p working for a \$1.25 an hour...1.5 years of college, I get \$1.25 an hour. First music job that comes along, I get four dollars an hour...and what do you think I’m going to do? Might have been a better career path to stay in o/p, but what are you going to do...you gotta pay rent!”

a) ‘Positive’ Transitions

The desire for education and personal enrichment inspired change for male respondents. Doug explained his motivation to go back to school: “...A musician...there’s something different about...not only the scientific part of the battle of conquering the instrument...the creative aspect of course. You want more knowledge of course, you want more knowledge! Leona Boyd the classical guitarist wants a master class with Andre Segovia, you know?”

No, I didn’t necessarily worry about getting a job or anything...you, you always wanted to do things ever since around the time grade seven, grade eight, or high school, you wanted to do certain things, but you never got around to doing when you’re necessarily young, in high school, college, university, you wanted, or you did do some, you wanted, or you did do some and you wanted to add onto that, you know, you know like photography, you know, 35 millimeter...

-Grant, Toronto

While the end goal of education for men was more often the pursuit of education for the sake of knowledge or self-enrichment, women tended to use education as a stepping stone to more full employment, as did Christine: “It took me three years...I went back in the winter, and finished it off...Now, I am a certified addiction counsellor.”

For our female respondents, family played a role in their desire for, and ability to access education. They spoke of education being an important example to set for their children, and the age of their children determined the timing of education or training.

When I had my first child and I dropped out of school, ah after eighteen years I did go back and I graduated, but I did that not just for myself, but for my kids because I always instilled ‘you have to go to school. You have to finish school. You’re not going to...be able to...get what you need in life if you don’t finish school.’ And ‘cause of the way I raised my kids, they, I knew that they’d be ‘well you didn’t finish’ you know, so I did... I went back and I did graduate. And uh...Sure enough, like my kids followed suit so that worked out for me.

-Abbey, Winnipeg

It also seems that for women, especially, periods of employment were related to the age of their children, as they sometimes preferred to stay at home when children were young and look for other opportunities when they were school-aged.

[How did you come, um, Barbara, to the point of where you said ‘I want to get out of the, the full time stay at home mom, I want to...take some education or I want to do some work outside of the home.’ Like what, what, how did you come to that decision? Like was it simply that your kids were getting old enough that you felt that...] That, that was a large part of that. Um...’cause in, cause my kids are so far spaced so when I had the first two, I was a single mom with those two. I met my husband when my son, my second child, was about two years old...I kind of knew that once the kids were in school full time anyway there’s not a lot for me to do. At home it becomes very boring, and it’s...there’s nothing to feed me, nothing to feed my mind...So...knowing that...my youngest...that’s it...there is no more. And knowing that he was coming off on six, that was...that was there, that was kind of, he’d be in school full-time so there’s no reason for me to sit at home anymore. Like, um, I enjoyed my kids when they were small, I enjoyed being with them...there wasn’t any kind of a sacrifice for me at all.

-Barbara, Winnipeg

The need to take care of family members, either older or younger, was a priority for some respondents that changed other plans, and usually happened to involve a decrease of financial security.

I had to become an adult at thirteen years of age. My grandfather passed away, and I was raised by my grandparents, so I had to, more or less, take care of my sick and drunken grandmother. Until she was able to take care of herself...at the age of thirteen I started paying bills...Doing all of her banking, doing her shopping, being

an adult...[So at 24 you have your first child. And you are still doing these part time jobs with street work and with drugs.] But also I'm back home now with my grandmother. Just prior to that, my grandmother had a stroke, so I moved back home to help her. She had been in the hospital for a year. Trying to rehabilitate herself, so, some of this money was spent going back forth every day, to the hospital, making sure her needs were met, my needs were met.

-Christine, Toronto

I was doing quite well with my life all those years, and then I decided well maybe my mother's getting old, and I was away from the family a long time, and I knew my mother must have been, she was already 62 years old in '69 when my father died and I was only eighteen back then, and I thought about coming back to Canada and maybe building a new life, away from the military...and I had the money to do it, I had savings, and I'd invested money, and I came back...

-Grant, Toronto

Several respondents experienced 'positive' change in their lives primarily through the rational evaluation of their situation and the subsequent decision to change it. 'Collin', from Winnipeg, took responsibility for changing his life: "But there comes a time when I was like 42 when my brain started to develop, my brain was not developed till then. What I did was I realized that I had to make consciously some choices about my living...whatever I'd taken before I had to start putting back. So that's kind of what I've done."

Interestingly, this decision to make change occurred most often for our respondents in relation to crime and prison terms, as we have explored above. Bill told us that his youth included several stints in jail as well as alcohol problems. A major life change occurred when he was still a teenager and after a particularly rough period in jail. This change was made largely through self-reflection and the desire to live a better life. Bill took steps to curb his alcohol consumption and generally to be a better person.

b) 'Negative' Transitions

As we have seen, mental illness and addiction have affected employment and personal relationships for our respondents, and are present in some of the 'lowest' periods of their lives. Donna had a life story that exemplified the spiral that can be created by addiction. During her twenties and early thirties she worked in the United States as an accountant. She struggled with alcoholism and was homeless for a two and a half year period. In her early thirties she took in her estranged sister who was an addict. This triggered events that ultimately led her to being incarcerated for eighteen months. During this time her son was put up for adoption. Soon after Donna was deported to Canada where she began working as an accountant, but the Canadian tax laws were different and she had to quit her job.

Many other factors have been important in determining 'negative' transitions for respondents, most somehow related to each other, and significantly, to illness and addiction as well. The most common of these were accidents and personal crisis, such as the death of a close friend or family member. Abbey spent many years on social assistance and working as a server, until she completed rehabilitation for an addiction and no longer wanted to spend time in bars. She began

to work in sandblasting and made a very good wage, but she came into a period of crisis when she was hit by a car and her mother passed away. 'Edward' from Toronto could no longer work after a car accident at age 23, and in his thirties he instead began selling marijuana.

Mental and emotional problems often appeared simultaneously and exacerbated each other, and usually inhibited the ability of the respondent to pursue full employment. Henry told us about a particularly difficult period in his life: "I got married in '80 and my dad died in '81. So my son is born in October of that year '81. I'm working for CP Piggyback, and again...her mother comes to live with us...we're having problems, I'm drinking...so...I quit, and we go down to Trinidad... From there I got on as assistant manager at the Grand Prairie Inn in Grand Prairie. I didn't want that...didn't want to be in Grand Prairie. So, again I'm drinking. So I quit." Emotional problems also had significant implications throughout Edith's life: "[...at some point things must have started to go a little bit south for you.] It was always an emotional situation."

...My first music job, we're talking about that...because of the unhappiness...midlife crisis when I have a nervous breakdown, my music career is broken in half...I've got no job skills, but it's worthwhile and it's a good profession...and I'm lonely...and low self-esteem, cause I don't have a girlfriend...it's companionship...I've got low self-esteem...in Ajax, the friends I make are the toughest people in the area...these guys are as tough as nails, and I'm their friend...getting out of Ajax, and the banking there, and up to mom's funeral...and past that, I'm on welfare...and I can't work...I'm overcome by grief...

-Doug, Toronto

Financial status sometimes translated into an inability to maintain the lifestyle of respondents, especially in terms of housing and education. Many other transitions were due to financial service limitations, for example, not qualifying for student loans or having wages garnished by social assistance. This inaccessibility has changed the course of our respondents' lives.

Here I am at 22 years old...I had tried to do the orthodic prosthetic technique, which I studied at George Brown College, which was making artificial limbs, or orthopedic bracing. I was in the very first class in that...had to drop out...financially...that was what changed my friggin' life! I couldn't get a student loan...Come on !...Twenty years old...I'm in orthotic prosthetic techniques, I'm living on my own, my parents don't even live in the friggin' same city and you won't give me a loan?! I'm not asking for a grant...had to drop out of school.

-Doug, Toronto

You make one hundred dollars, you get one hundred dollars; you make two hundred dollars, they take one hundred dollars. And then you have to really know how to budget because it comes off of your next cheque. A lot of people, what a headache, there are some people who won't even work, at PARC (Parkdale Activity Recreation Centre), members who won't even take an honorarium because they're so afraid of getting, losing their benefits, because on medic-, certain medications for physical problems, too, and they're so afraid of losing everything they've got they won't even, they'll do an interview or they'll do something, but they won't take the money.

-Grant, Toronto

Many respondents, and especially men, had interesting and varied employment experiences in many different fields, but switching fields has meant a general lack of financial security. Henry summarized it like this: “I’ve got nothing today, I’ve worked all my life, I’ve got absolutely bugger all.”

You meet people in bars, they offer you a job...it might not work out, but he was a good guy...he got me to Banff and I worked in a hotel. From there, couple of Calgary airports...both the old and new airport...cleaning drapery and carpets...it was a home run business...but the guy had contacts and he did pay me, but I would never have gotten to Banff...I’ve worked for this chap...but it was coming down...I came back to Toronto and the only reason I’m going to Alberta...drag me in as bartender and got the diploma which would have been February of 1976...started the course in September of 1976, graduated in February of '77, did interviews with CN hotels...my very first interview as bartender...I get offered a job at Lake Louise...should have taken it...the fare was gone.

-Doug, Toronto

Ian’s experience hints at a possible cyclical association between casual employment and substance abuse: “The job only lasted a few months, it was just a clean-up of a high-rise... and it was over, and it ended up...I just worked a lot of casual labour type of things....So lots of time on your hands, nothing to do. I always had problems like drinking...I drank an awful lot my whole life...”

i) Relationships

Both the start and end of relationships are important transitions, and can be ‘negative’ ones in the sense that they can represent less financial wellbeing. In order to avoid this and retain financial independence, decisions were sometimes made by female respondents to remain single. Barbara was spurred by her divorce to begin courses at Red River College, and her experience in a relationship convinced her to aim for financial independence:

...this time he wanted to come back again and I said no. I said not till I can afford to support me and the kids because every time he’d leave I end up going to welfare... it’s bad enough when you’re being dumped, but it’s even worse when you have been dumped and you’ve got no resources and I think that’s why a lot of women stay in bad relationships cause they don’t want to end up going to welfare and saying “help me. He ditched me” know you or whatever.

For James, the start of married life meant serious financial challenges:

So I came back, and three days later we told her father that yeah...were going to be married. And in three days he found a preacher, a church, wedding gown, cake, everything. At that time....minimum wage was about \$2.75, and he showed me his cheque...and he goes...he covered up one of the first digits...and he says...this is how much you are going to be makin’ a month to support a wife and child. He said,

you're going to have a lot of tough times...and he was right. So to supplement that you ended up stealing from your employer.

Having to work long hours out of financial necessity sometimes put a strain on relationships, and often seemed to be one of the factors contributing to break-up. Respondent sometimes had to work so much that no resources were left to put into their relationships.

...so we were both on welfare, and lost our benefits, so we both had to look for work. Even though my baby was only a year old at that time...And then...ah, I found a job... 'cause you're not allowed to refuse if you are offered. And I got a job half-time, cleaning evenings. And I worked at that job for five months, and... basically...My husband was back to work. So then he would come home, hand me the bus pass and I would leave and go to work so we didn't see each other. And it was way too much stress on him. He couldn't handle it. So, and I only worked for five months cause he wound up leaving cause he couldn't...couldn't deal with never seeing me, never having a family life or anything like that...

-Barbara, Winnipeg

Relationship were highly important in the lives of our respondents, and therefore their dissolutions often led to emotional and mental difficulty, which sometimes instigated or exacerbated addiction. Edith told us: "I started having ... I guess you would say relationship problems. And affected me severely, psychologically or...I wasn't prepared or educated to deal with issues like this...all my transitions were always relationship related." One particular relationship of Doug's appeared to affect him throughout his life: "I'm not diagnosed with anything...bipolar schizophrenia or anything like this...believe the financial cracking all the time, the lawsuits, the love life...at the age of thirty I had a nervous breakdown...dreams can do that to you...when dreams die, particularly Sherry, I missed her for years...run of girlfriends in or afterward...I'm in my twenties, but I don't know...here I am...56 years old, still single..." James also experienced a 'negative' transition after the end of an important relationship: "...she asked me to leave a couple of months later. Since then I was unable to see my child again. Cause I wasn't...because after that I took to crime. I wasn't a very nice person."

Relationships were often involved in matters of debt, either influencing or being influenced by it. For respondents, debt was a clear strain on relationships. Similarly, in adult relationships, credit was sometimes a source of strain, and in a couple of instances credit problems were precursors to divorce. Barbara obtained a credit card when she was in her early forties but it was misused by her husband so that she is not eligible for a credit card now:

I can't get a credit card. I keep trying...I had applied for a Canadian Tire credit card...he got a card as well as me and he was the one who opened the mail that day. So it's not like if I had found it, and he hadn't, I would have not just let him know that it was there 'cause I know how bad he is with money. So and...he racked it right up. And I had no means of paying it back...My credit rating's shot, but...the original card is in my name so I know that I am responsible for it.

Collin told us how his wife's depression manifested itself in material consumption, which became a cause of financial hardship. He divorced and left his job because of stress, and worked several jobs at once, usually including working for a courier company, until a knee injury prevented him from working. At this point Collin went on social assistance and nearly became homeless:

Although my wife made a lot of money she was a big spender as well. So I had to become the frugal one... We discovered that, between her doctor and I, we discovered that she didn't need a credit card anymore. Because she would use that to kind of offset her depression to go on a shopping spree. It was nothing to spend a hundred dollars on clothes... So it was hard on me because I would have to go and use my money to pay off her money and the writing was on the wall. So by 1985 when I left Corrections because of stress, by 1986, a year later, her and I were separated and divorced.

Some respondents had small mistakes in earlier periods become large problems later in life. Doug took out a loan specifically as a scheme to win back a girlfriend, and this turned out to be the beginning of a spiral into debt that plagued him through most of his adult life. Throughout his twenties, Doug held a bank account and accessed credit from banks and finance companies, but since had trouble repaying these loans. Over the course of thirty years, his \$1,000 loan grew into \$7,000. This debt translated into problems in other areas of his life as well:

I'm getting into financial problems here... all I'm really trying to do is obtain my dreams. I didn't go into it with a larcen state of mind. I make the loan at Trans Canada Credit in good faith, you know? But then losing the girlfriend, dropping out of college and losing the job... well I don't have any money to give you! I've been really chasing my own tail around with the school, the job, the girlfriend, and just trying to have a friggin' life at the same time too... it costs money to live.

ii) Inheritance

Inheritance was sometimes a contentious issue that stressed family relationships, as in Christine's case: "I didn't get nothing from them. Whatever was given, it wasn't given to me. My dad had made a will, but I don't think I ever heard anything from it, and I believe that my family members made it a point, not to let me know about it, so I don't get any of it." Doug told us: "96-97-98, I'm living off my inheritance... split up the money because the sisters made it kind of real strange... about the money... real strange... greed, territorialism... my brother and I still get along like this, but the sisters kind of went crazy.... the F you money..."

Also, due to the fear of garnishment by social services, singular influxes of income, such as inheritance, were usually spent hastily by recipients. Grant from Toronto received an inheritance of \$12,000 when his mother died and spent it quickly on luxuries, out of fear of losing his Ontario Disability Support Program (ODSP) benefits:

I got \$12,000, but you see that's where things went wrong, too. I would have liked to have saved that money, or used it for good things, but then ODSP, community social services, if you get that money, then they cut you off everything, so you

know...[So you had to spend it, as much as you could, is that right?] Yeah, and I wasn't that kind of person, but I did. It was a shame, really, it was a shame. I didn't really think it out carefully, 'cause I was still very isolated, and things had gone wrong so I just spent it needlessly...but I would have liked to have kept the money and spent it on something worthwhile, you know...I get the money, I'm on ODSP, they're gonna know about it, soon enough, you know, so I spent the money...I would have put it in an account, you know, some type of a, even a retirement fund, you know...Yes, so, that was too bad that happened at that time.

This decision also seemed related to mental illness and, in other cases, addiction. Henry was struggling at the time that he received inheritance: "...and then I took off and went to Victoria, and I'm into the drugs. Then I'd get some money from the estate...And I'm trying to find my way again, and I'm on the streets and I'm sick..."; as was Edith: "I inherited money and it all went into gambling and because I discovered the online gambling...\$50,000 dollars." Experiences with inheritance demonstrated that a large one-time receipt of money did not seem to improve respondents' lives in the long-term, especially where mental illness or addiction were involved.

c) Barriers to Positive Change

i) Underemployment

Employment was a common goal for our participants. However, they experienced several barriers to employment and full employment. As we have already explored, many respondents, especially men, were unable to maintain stable employment due to addiction.

And I came out here and I made unbelievable money. I was bringing home like \$6,000 a month. [The tile setting?] My very first job here was a dollar a square foot, and all I had to do was stick them on it and have it grouted, and they were square foot tiles, so it was one dollar, two dollar, three dollars, four, five, six....so the money was anything that I wanted it to be. In all that, I started doing drugs pretty heavily out here. [What kind of drugs?] Cocaine...Before my bosses ever found out, I quit. I didn't want to bring down their company.
-James, Vancouver

Others, like Doug, faced job interruption due to relationship break up and other personal crises. "Still suffering from mother and on welfare...I try to work, but it doesn't work. I'm a bit too much of a lunch cake."

I actually worked for BC Tel three different times. Because the first time, I went for lunch and came back and found out that a good friend of mine was killed. So I ran back in and caught my friend that I just had lunch with and told her what had happened and she just went off the deep end. So not knowing much about death at all, I tried to do the best that I could and explain it to her, only to go home and find out my brother was killed. [You were hit hard that day.] So I quit.
-Edith, Vancouver

The newest Canadian in our study experienced difficulty accessing jobs in his field as well as a lack of information about employment resources upon arriving in Canada.

'93 I entered, then I can't find a job because it's different; I was schooled in the Philippines in the university for to have economics there...I should have consulted the community...I don't know, I mean my brother...It's only after two or three years that I went there (to) Human Resources. I could tell, I found, a job much more easier. I relied much more on, on rumour, grapevine. I should have consulted... [And part of your goal, I guess, in taking the computers, was to help with work later on, is that right?] Yeah, and to grow up with the times, no? Because, I have no computer when they are in the Philippines...Now I can operate the computer. And it is much more useful. But I can't find work in the field now.

-Frank, Toronto

Other common barriers included poor health (especially for men), a lack of education, criminal records (especially for women) and discrimination in the workplace. When asked about working, James replied, "I find that because of my health, I really can't do that...like this morning I was really so sick...that...at five o'clock I woke up and I just...I was just in a cold sweat...and I looked for my thermometer and I couldn't find it...I was so hot I was thinking of going to the hospital."

I am getting old now, because...But I work there and it's really tiring, you know, to work in general labour in the warehouse...So, now, right now I am on the ODSP, but if I want to work part-time, to supplement my income, I want to. But I'm a little bit dizzy now...[Um, did you have any financial goals at that time? Like...] Yeah, I had but in reality, in won't happen! (laughs). [Why, what were they back then?] Well my money, I'm gonna make money, I said. But then realistically, I don't have a full-time job, and I'm getting sickly so, I plan, I plan, I plan, but then...too much planning.

-Frank, Toronto

[And if you get the pardon will it change your work opportunities?] Well, yeah. Because I won't have the record hanging in the forefront, it is kind of like disclosed, and they can't access it then. [It will be easier then for you to find work?] Definitely. But also be able to travel, that's what I want to do...Do you see that charge there? That's what holding me back again from getting job. When they do a criminal check, it comes up. And it's an assault. It's brand new. One year old. It's not dealt with yet.

-Christine, Toronto

I don't have a really have a good work experience. I've done casual labour... I had casual work. But they didn't last very long. About three weeks. One was three weeks. There were about five different employees there. Then I had racist issues...So I just...why get into a fight or start up trouble so I just say okay I quit...Well I knew exactly damn well there was racism. I was told to my face. I would come back and my lunch had been tampered with. Shit had been put in my lunch. I'm not going to work in a place like that...

-Aaron, Winnipeg

Social services were also often a discouraging factor in the pursuit of employment because of fears that assistance and benefits will be garnished. Henry's medical expenses ultimately meant that employment was not an option for him: "So, I have to go into treatment, trying to get a hold of the employment assistance people, nobody is helping me. And they go...well, we can get you into treatment, but if you're working, you're going to have to pay this, this, and that. If you're on welfare...you don't. So, I just quit."

You have to be careful, like that's another thing, people have told me, they would like to work again, but I know there's a grace period where there's so many months, they give you up to six months where, after you begin working where they will reinstate you on family benefits if you lose your job or you don't work anymore, but after that, no. So you could be working for a year or two and then you could end up losing your job because of seniority, you know you don't have seniority and then you take forever to get back onto, you know it's not that easy to get onto ODSP anymore, too, so...

-Grant, Toronto

[So if you were to get a job, Donna, and say it was a part-time job or whatever, and you maybe made say fifty bucks a week. Just a little...would they deduct that fifty dollars a week...] Yeah...from me...dollar for dollar. [So there's no...] For regular welfare recipients...dollar for dollar. [So there's no real motivation for you to do.] That's why I've got to do it under the table.

-Donna, Vancouver

ii) Underfunded Education

While our participants demonstrated that education and training can be important stepping stones to financial and social improvement, they have experienced many barriers to accessing it. Many found it difficult or impossible to work while attending school, like Barbara: "I had to give up my job to be able to...keep to go to school...I was there for about...a year and a half." Frank also lived without income while going to school. "[So, you didn't have any, ah, part-time job, or anything...] No, no. It's, it's hard to multitask that, going to school. [Yeah. It's a full-time program, right?] Yeah."

Respondents also experienced little support from social assistance to go to school, and this sometimes prevented them from pursuing their education. A lack of education and training has also represented a barrier to full employment, completing a cyclical relationship that impedes improvement in our participants' lives. Christine told us: "...around about eighteen I started on social assistance. So that's when I started in social assistance. [And what made you switch from these low wage jobs to social assistance?] Because I had not finished my high school. So that was a great barrier for me. Getting the jobs that I really liked or wanted."

Several respondents experienced a premature end to their education due to the lack of funds. An inability to access student loans has affected the trajectory of the lives of these respondents. Doug had to drop out of college because his application for a student loan was denied, and he felt that this changed the course of his life. "Okay this was my first loan, but it didn't work. I

would have needed a lot more money just to keep the ball rolling to go into college and keep it going. So, I had to drop out of college because of money...” Christine had recently completed high school as well as a college program, but could no longer access childcare because the daycare considers her Ontario Student Assistance Program (OSAP) loan to be income.

When they were able to access them, student loans were, at best, a source of stress, and in many cases this translated into health problems. After winning a partial scholarship, Frank enrolled in a college computer course. Despite the scholarship, his education represented a financial burden because he could not work while in school and had to take an \$8,000 OSAP loan that he was still struggling to repay at the time of the interview. While attending school Frank and his mother both lived off of her pension and sometimes they went without food. Adding to his financial difficulty, he has been unable to find employment in his field, and the stress of having to repay his student loan has exacerbated his health concerns, which prevent him from working full-time. For Frank, then, his student debt is itself the source of his inability to repay it, and to become financially independent.

The repayment of student loans was difficult for nearly all respondents who spoke of any experience with them. Barbara said, “I couldn’t have done it otherwise without taking a loan or something and for me, that’s just not, it’s just too, it’s too scary. It’s too big to take out a student loan; to be able to and logically I can think about it oh yeah, but you’ll be working. And then I start to worry that what if I don’t get a job.” Some of our respondents were also fearful that government lending agencies would garnish assistance and bank accounts if repayments were not made on schedule. In some cases, respondents closed bank accounts in order to avoid this.

The daycare, the government daycare, considers that, [Considers OSAP an income,] Yeah, and I don't I understand it, because you have to pay that money back, so how is it income?...it's a loan that you have to pay back...[So...you owed a total of \$19,000, and now that you're done school they are going to start asking for it soon.] They're already asking. I'm just waiting for them to take my child tax benefit. [Can they do that?] Yes, they can take that, they can take my taxes, they can take everything that they want to, but, they can't take the Ontario Works but, but they can deduct it out of my account. So that I think I'm going to have to end up changing accounts again, so that they, [So what you would get is another bank account somewhere else, so that OSAP won't deduct your Ontario Works cheque?] One barrier for the next eh? [Is that a strategy that you're thinking about doing?] I may be left with no choice, and I'm just waiting to see if they try to take one of those cheques and then I'm beat...

-Christine, Toronto

Frank found it difficult to understand his repayment schedule and as a result had to deal with a collection agency. He has since been unable to access credit. “I tried to apply for a line of credit, only about, about one hundred or five hundred. But they turned me down because they, they saw my OSAP loan.”

iii) Discrimination

Discrimination has affected our respondents, not only at the bank, but also at their schools and jobs. They described being discriminated against on the basis of race, drug use, poverty, social class and neighbourhood of residence, and they recognized the effects that this discrimination has had in their lives, whether in employment options or emotional disposition. Donna had difficulty getting hired because she said she is considered 'borderline' by employers. By this Donna meant that she faced a social stigma as a member of her community:

...like for me, it's not easy to find work. And it's frustrating, because I want to work down here, in the community that I live in. But a lot of them won't hire us because we are 'borderline', that's what they call us. [When you use that term borderline, I understand that there is a medical condition borderline, but is that what folks are talking about...] Encompassing everything. Down here it's borderline. Like being a sex trade worker, you're borderline too.

My brother Brad stayed on his crew and those guys didn't like native people. And my brother Brad should have told me about that...(They'd say) 'Oh fuck, get out of my way Indian, I'll fuckin' show you how to do that'...I would find drywall or something in my sandwiches. I'll fuckin' take a bite. That was the last straw actually that sandwich bit. I threw my sandwich up against the wall and said fuck I'm out of here...You're a different colour you smell different, so what. If I cut the skin you still bleed the same colour of blood as I do.

-Aaron, Winnipeg

Here I am in a class of forty kids, this business practice teacher he's got us doing our circles practice...He's walking around the class, and comes up behind me, and says very loudly, 'you're not doing those right!' But they were identical to his...He was just singling me out because I was different. So I didn't say nothing to him, he just said, 'they better be right when I come around the next time.' I kept doing my work, just as nice as before...and a couple of minutes later all I heard was this great loud yell and this man teacher had, grabbed me by the back of the head and tried to slammed my head off the desk, and pulled me back up, and I broke away from him, and all these kids were traumatized. They were in shock, what's going on? He tried to beat on me, and I kept away from him...I was retaliating I was stealing I had lost these desires for even going to school. I was just a mess angry.

-Edward, Toronto

iv) Obstacles Presented by Social Assistance

(1) Supportive Inadequacies: Financial and Otherwise

Personal crisis often led to a dependence on social assistance for our participants, usually by creating an emotional or mental obstacle that made it difficult to work. Their reliance on assistance was therefore related to a very low point in their lives. Grant felt that he would have liked more support when he was trying to recover from a bout of mental illness. "Yeah, that's when I got onto ODSP. And I ended up in Sunnybrook in May '86, and there was the doctor there, my family doctor signed me, I don't remember that, signing forms, and I began getting

money. But it wasn't a lot at the time, I remember, it was only around three hundred dollars or something...It wasn't a lot of money, no, it wasn't a lot of money."

A lack of education was also sometimes a catalyst for using social assistance, instigating a vicious cycle between under-education and financial dependence. Adding to these difficulties, respondents overall were very displeased with social assistance. Respondents felt that social assistance was inadequate to provide them with a healthy lifestyle, and was unsympathetic to their plight. Barbara told us: "I require three bedrooms...one for me and one for each of my children...but they don't look at it that way, they look at it as three people, a parent and two children, so what they allow me for rent is \$310 dollars a month, plus utilities. Like, keep dreaming." Christine was also frustrated with her assistance: "I'm on Ontario Works right now. Struggling on it. Because my bills exceed my income...It's supposed to feed us. It's supposed to do everything. It's not working." While Frank was in school, both he and his mother had to live off of her pension. "[So for that ten months it must have been pretty tough. You were relying on, on the pension...] Sometimes we don't eat, sometimes (laughs). Sometimes."

After her divorce, Barbara had some difficulty dealing with social assistance staff regarding her new status. She felt unfairly persecuted by this worker and these problems affected other aspects of her life:

...every time he'd leave I end up going to welfare and welfare be like, giving me a hard time...because he didn't change his driver's license address. This is my fault how? Ah, he didn't change the address on his medical card...again, this is my fault how? Um, you know like and if he had back year benefits...I had one worker show up at my house...unannounced, and we'll say if I have 24 hours notice I'll have to let her in. But I've got nothing to hide. She came in and she's giving me grief over him still getting mail at my house. Again...this is my fault how?...Everything is my fault because he's not doing what he should be doing. Hmm....No...this doesn't make sense and I swear my son was born premature like by about three weeks because of the stress this woman put on me...She was an investigation worker and she kept threatening me.

Respondents portrayed the social assistance system as inflexible, unjust, unhelpful, and men, especially, also found it to be bureaucratic and meddlesome.

I've been on ODSP for quite a number of years, and I would like to get off of it, I don't like the red tape and everything, you know all the paper work and you never know, after Mike Harris, what he did, you know, you never know where you are with welfare these days...Because I got cut off from my, you see, I wrote them a letter saying I got money from my family so they cut me off from my money, so it took a social worker nearly half a year there at CAMH (Centre for Addiction and Mental Health) to get me back on. She had to get me to figure out, write this is where I spent my money, on, you know...
-Grant, Toronto

(At an eligibility program meeting) if you don't show up for the meeting, if you're three minutes late or four minutes late and that door's shut, they won't let you in. You know, they haven't even begun to start to talk yet. Like it happened to me a couple of times. And then I get stuck I gotta wait a whole week without issue because they won't give me my issue cheque. They won't give you that welfare cheque until you go back to that meeting. And I think that is a very, very stupid policy. Especially for someone with diabetes...it happened three times before.
-Aaron, Winnipeg

...that is where I had gone to see about going back to school and, and was told that yeah they would help me go back to school but I would have to get a part-time job and ...um...and I walked out of there feeling so discouraged ...and because if I had done that, going to school full-time, working part-time, having to study...when would I ever see my kids? So that was the end of that...I never went back. I never pursued it further after that so it was a very, a very disheartening process...And I went to see my worker and I told her that I needed, I wanted to get the up grading well for one, it would ah...look at lot better on my resume that I have grade twelve than if I had grade nine. In the garbage can you know. So, ah...but my worker was like what are you going to do after that? And I said well I don't know 'cause I'm thinking I've got plenty of time to figure that out while doing the up-grading and that's what I said to her. And she said, 'well no that's not how we work that way, we don't do that.' So again, no encouragement or anything.
-Barbara, Winnipeg

There appeared to be a mutual distrust between social services and its recipients, and some male respondents admitted to having abused the system in the past. At the age of sixteen, Ian became reliant on social assistance using the identification of his eighteen-year-old friend. Injuries and disease impeded the ability of respondents to work and therefore to be financially independent. However, some respondents, like Collin, felt that there was a lack of support for illness and disability in the social service industry, sometimes including a tendency not to trust that recipients are being truthful about their health. "Well my knee went out on me, this knee, swelled to the size of a bowling ball and for about 6 months I could hardly move...and welfare said 'get a job sitting down' and I said 'Well I can't, I can't sit,' 'cause my leg is at a certain angle...and they said, 'well', they didn't believe me." James described a similar experience: I applied for Disability and they refused me when I knew other people were getting it. I just didn't understand it. Then I ended up HIV, and I applied for Disability again, and the government said...they sent a letter to my doctor saying that I had faked the blood specimens." Medication can be extremely costly, which was another barrier to financial independence for recipients of social assistance facing mental illness. Grant gave us an idea of the financial burden faced by those who attempt to get off assistance: "...got me on the minimum amount of two different types of medication but even that is expensive, three hundred dollars for two little pills, 28 days, three hundred dollars. So even if I were to go and work full-time you have to think of that medication and dental plans, and things like that, to cover certain things, you know..." Henry quit working when he sought treatment for a drug addiction because he would have had to pay for it if he was not on assistance.

(2) Fear of Garnishment

Respondents believed that social assistance agencies seek as much information as possible regarding a recipient's personal finances, and that these agencies treat some recipients differently than others. As a result, respondents receiving social assistance felt that they had to keep a perfect record of their income and expenditures, and sometimes be purposefully deceptive about income or assets that they fear might be garnished. Grant told us: "All my big expenses, except for my groceries goes right onto the debit card, so even if social services say 'You spent that much money at Steve's?!' I say 'Yes, look how much money you kept back from me when I was working.'" Grant owned assets in the United States, but did not plan to liquidate them until he is off ODSP. If he did so, he worried that his ODSP would be reduced. Earlier in his life, the desire to escape the bureaucracy of social services led him to homelessness and a transition into the self-described lowest period of his life. "I think at that point I got to the point where I didn't want the money from the government, and I just wanted the work again, I didn't want to take any more money from the government for awhile because of the red tape and everything, so I ended up in shelters but that's not the best place for people to be..."

If you take out a rental promise that you're going to take a place, and pay the rent, and not secure the housing, they come back to slap you in the face, and take that money away from you. Ontario works does. [Interesting. So if Ontario Works decides to give you six hundred dollars a month, and you say two hundred dollars to three hundred dollars of that's going to housing, and then you don't keep up the housing, they start to take the money back?] They take some of it. They take a portion. So maybe forty dollars or fifty dollars a month, but that's a big chunk when you don't have much...[And you would lose the apartment. Where would you go at those points?] Well, friends, shelters, whatever would have you...

-Christine, Toronto

...your maximum rent through the ministry is \$325. But, since mine is subsidized because I live in BC Housing, my rent is only \$208, but I don't get that difference at all. So that's lost money, they keep that money. To me that's where the problem is. You see, just because I get...I've been able to find a cheaper place to rent...they shouldn't penalize me. I should be able to use that money now...to maybe improve...maybe use it for transportation, to get bus fare. To get to and from to look for a job since they're always on me to look for a job, right. Because they won't provide us with bus tickets, or meal tickets, or nothing when you've got to look for work. They tell you you've got to walk. So to me...some of that money could be used for people who...because they're always on me to get work. I mean they never leave me alone.

-Donna, Vancouver

Understandings of policies on garnishment varied amongst respondents, but all experienced fear based on what they perceived. In Toronto, most respondents understood that the ODSP garnished half of any income. In Vancouver, respondents believed that social services would deduct one hundred percent of any earned income. The fear of garnishment of wages prevented respondents from earning income, especially if they had medical benefits that may be in jeopardy. It also seemed to influence the decision to work in the informal rather than the formal

economy. At eighteen, Christine had not finished high school, and found that this was a barrier to getting fulfilling jobs. She then began relying on social assistance. A few years later she began working on the street and closed her bank account in order to hide the source of her income. Christine worked in the informal economy for most of her twenties, and then went back on social assistance when her grandmother suffered a stroke and needed care. Barbara discussed why it would be useless to work under the garnishment policies: "...so if I made \$515, I would make \$215 over and above what welfare would allow me in their, their assessment of what my budgetary needs are...So, um, it's actually done officials at work and make more than the \$115. To make just the \$115 just isn't really worth it because when you factor in bus fare and coffee money and things like that it really isn't anything extra so..." Social assistance also negated any extra help that she might receive from her ex-husband in the form of child support. "...he pays one hundred dollars a month. Doesn't matter because welfare deducts dollar for dollar anyway."

Respondents described living in fear of the social services system, and told us that the garnishment of wages had all but dashed any hope of financial independence. Grant spoke of the fear instilled by garnishment practices that prevent recipients from earning a wage: "A lot of people, what a headache...they're so afraid of losing everything they've got they won't even, they'll do an interview or they'll do something, but they won't take the money. They're so afraid, you know. And it shouldn't be like that. People shouldn't have to live in that kind of fear, you know..."

Donna believed that the social services system creates criminals by treating recipients as criminals, forcing them to work under the table and to hide their earnings:

...all they're trying to do is survive, just barely. Whatever they're doing doesn't matter. They're trying to survive. Like everyone else out here. And because we have to hide so much, and we can't be honest because they always think that we're all criminals anyway. 'Cause that's what they think about us anyway...that we're all criminals, and we're all bad people that's why we're on the system. So then that creates us to do bad things. Like hide money. Stash money. Work under the table. Sell drugs. Sell our bodies. Whatever. Steal. Boost...

Furthermore, because social assistance treats student loans as income, respondent have been prevented from fulfilling dreams of furthering their education. When relying on social assistance, accepting a student loan involved dealing with significant changes to income and benefits. Those relying on social assistance to cover medical costs, especially, faced serious consequences by taking out a student loan. James abandoned his goal of going back to school because the student loan would disqualify him from receiving methadone which he otherwise could not afford. Ultimately, his financial status coupled with his disease meant that he had no access to education:

Once I got on to the student loan thing, the government, without warning tells me that they're cutting me off of my methadone. So...I mean...they give you no assistance during this whole process, because I told them that I can't...I'm trying to get into school...[Did they give any reasons why they cut you off of your methadone?] Yeah...because you were supposed to supply your own healthcare

once you're off social assistance. [So being off of social assistance equalled to them your student loan. Okay...] Of course a student loan...I mean you know yourself...was just barely enough to get your books...[How much was your loan for?] For the six months, it was \$6,400 and something...which wasn't all that much...like nine hundred and something and change for each month. My methadone was going to cost me nine hundred dollars every month. You know...it was ridiculous...so of course...I quit school...take all your money and have a big party and blow it all...and then you go back to social services.

While providing inadequate support, then, respondents felt that social assistance also discouraged them from pursuing education or employment that would help them to be independent of it.

ODSP takes half of that money, community social services, so you're only working, you're making, you're making around eleven dollars an hour there at PARC, but by the time they're taking half the money, you're making five dollars. It's worse than those temporary employment places, you know...They don't motivate people to get back to work, they really destroy people in their spirits, you know, they don't really give people any incentive to get off of welfare.

-Grant, Toronto

Respondents found little recourse for complaints and little welcoming of their suggestions within the system. Barbara felt powerless to address the abusive treatment that she had suffered from her social assistance worker. "I had been sitting in the office one day in the welfare office downtown. And, um, somebody had come in to complain about their worker, and how they didn't get along. And the only thing that this guy was told was that if he had conflict of interests with his worker, all he could do was go off assistance and reapply. And then he would be found a new worker. And I thought no I can't afford to do that..."

(3) Financial Service Implications

Suggestions were made to increase social assistance, allowing recipients to do more in their lives, and therefore feel less isolated, hopefully diminishing the likelihood of mental and emotional issues.

I was just thinking of the last, since 2002 and, the number of people in the city, the places I've been and got connected with. I think that's so important, people get out of their isolation, get the proper supports in the community, get proper housing, decent, affordable social housing with, not tiny little apartments either but a decent, fair-size apartment, and get a proper income...I think a lot of people need an increase of at least forty or fifty percent, and then maybe they'd be able to do a lot more. They'd be able to get out there, take some courses, some training program where they might get a job, whether it's part-time or full-time, whether they want to go back to work full-time or part-time or do something with their lives, you know, meaningful, have a purpose in their lives, you know.

-Grant, Toronto

Other suggestions were made to increase financial support in order to give recipients the incentive to use mainstream banking services, however, discrimination faced by recipients of assistance at mainstream banks encouraged the use of fringe services.

At Scotia Bank there at Lansdowne and Queen, no, the service wasn't that good, you know, you didn't get treated that good. Maybe it's also because you're getting ODSP, family benefits, you know, welfare maybe, but that's why they aren't treating people that well, you know...And then when I came back here I noticed, it wasn't too bad at first, but since I got on welfare, you know, it's been, I notice they, I think they do discriminate against people on welfare, you know. A lot of people are, they use a cashing mart, or one of those where you just go and get cash and give a part, a percent of their cheque to those Money Marts, or whatever, and you see a lot of them in Parkdale and even down by Regent Park, and you know, you know, and some people don't feel comfortable going to a bank...

-Grant, Toronto

In Abbey's case, the inadequate financial support that she received necessitated the use of pawnshops to access credit, which exacerbated financial hardship and dependence on social services. "As the kids got older, I started pawning things, but then I wasn't able to get them all so what was I supposed to do...I was kind of falling in over my head, because um...My kid, my son needed medication. It wasn't covered by welfare, so I had to come with the extra money. So I had started pawning things like...lost all my jewellery, um...I lost a TV and I lost a stereo, and this is why I won't deal with pawn shops because...it's just putting yourself in deeper..." Several participants believed that the best course to financial wellbeing was to stop using assistance and become fully employed, and many aspired to this. However they also made it clear their ending dependence on assistance was a formidable task.

7. The Role of Financial Services: benefit and barrier

a) Financial Planning

With few exceptions, our respondents had highly developed budgeting skills, expertly taking many factors into consideration in order to make ends meet. For women, children necessitated especially careful budgeting, and for most respondents, budgeting skills and styles seemed to pass between generations. Having her first child encouraged Abbey to become financially responsible and begin living according to a budget. She was taught how to do this by her mother and she endeavours to teach the same to her children. While Abbey was raising her children, she bought school supplies and Christmas presents throughout the year, and her annual income tax refund was a source of many of her large purchases. Edith told us that her family was never without money and she believes that this is why she did not develop a good concept of money, and always spent everything she had. Although she was advised to begin a retirement plan, she never succeeded in saving money.

Respondents were also highly skilled at setting a goal and saving for it. During times of difficulty, financial or otherwise, however, goals were simplified and basic survival, or living day-to-day, become priorities. Christine listed her financial priorities: "Paying rent, buying food, buying clothing. Bare necessities. All in cash." Barbara demonstrated a similar strategy:

“Priorities for me are our rent...gotta have a place to live...um...food is the second priority. Um...and then the bills. And then if there’s anything left over, that’s what we play with.” Periods of mental illness, addiction and addiction recovery often instilled these kinds of goals. When Grant was struggling with mental illness, “I just wanted to slowly, it was mainly living from day to day, and I didn’t really have anything, I was so isolated, I just went for walks once in awhile and stayed in my apartment and listened to music or read, or got out and did a little bit of what do you call, window shopping...No, I didn’t save any money, you know, I wasn’t eating that good either at the time.”

During addiction, any funds available beyond what is necessary for basic survival went to support the addiction. Ian was asked how much of his income went toward his addictions after rent and basic necessities during a particular period of his life: “...everything. [And back then, was it pretty much just liquor...or were you doing a bit of drugs?] A bit of drugs too. Mostly booze though...mostly drinking. Acid, smoking pot...stuff like that.” Edith had similar spending patterns when she was addicted to gambling. “...you’re making chunks of change like \$10,000 - \$20,000 [You were making that per sale or per transaction right...and did you find that you spent most of that when you headed down to Atlantic City?] Absolutely. Every last penny of it. [Was it mostly gambling or...alcohol...] Gambling, gambling, gambling...”

Tax refunds and credits were an important way to save money and played an important role in budgeting. Many respondents, like Doug, purposely did not file tax returns for a number of years in order to receive a larger lump sum: “[So how many years did you save up your returns?] Nine years...[And what year that was \$3400?] Really close to \$4000...[And what of the time you did it on your own?] I did four on my own...all one lump sum...good money...”

Back then that is when you could get your income done and everything came in one lump sum at the end of the year. So when I was, was lucky I guess luckier now than most of these girls nowadays because you don’t get that lump sum at the end of the year. I was able to back then like buy my big things back when the kids were younger. Like my deep freezer and the TV and the kids’ beds and the sofa and the movies...See, and now that everything’s changed for these young people, though they get this child tax every month, I just I think that’s it’s just easier to spend more money that way...That’s how I, that’s how I built my house up. You know what? I haven’t done my income tax um...in two years...because I would like to get like one big lump sum and I do have that coming...I haven’t gotten a child tax in two years...I’m a new grandmother and...um, I got another grandchild on the way and I’m going to be able to purchase a crib and dresser, like in one lump sum but you can’t do that with the income I have, so that’s my strategy...

-Abbey, Winnipeg

Food banks played an important role in the ability to make ends meet and sometimes to be able to save money. Christine told us: “I access a lot of food banks. I access a lot of resources. Trust me, in order to compensate...” Food banks are a key factor in Ian’s saving strategy: “I had to send a cheque to Dell for \$922 to cover everything, for the full price of everything. And the first month I put away like \$500...and then next month I took the rest and put it with that there, and wrote a cheque for \$922 and sent it off. [...and off it went. How did you live with those two

months?...] I was going to a lot of free food places. So, that's basically all you need down here is food. You can get that for free..."

The most commonly espoused financial goal for respondents, in several different periods of life, was to get off social assistance, find full employment and earn a stable income that might provide enough savings for a small safety net. Often these goals involved accessing mainstream services. Most financial goals were similarly 'modest', emphasizing stability over accumulating material wealth. Respondents with experience with addiction were able to pursue these kinds of goals only after a transition leading to some degree of recovery. When younger, goals often involved spending on consumer items, however, for our respondents, materialism seemed to be a symptom of young adulthood. However, some respondents, especially men, had made investments in computers or musical instruments. Many goals involved providing for, or accumulating enough to support a family. Bill's primary goal for the future was to gain custody of his daughter. To do this Bill must get a full-time job so that he can live on his own. Part of this goal also included opening his first bank account and beginning to save.

Men expressed the feeling that financial stability was necessary before marriage and children, and spoke of having their own family in the terms of a financial goal. Frank said, "I don't have a family also, I am single. I don't know if, if it changes when I will marry, if I get married, now if I can do a parental...job or responsibility, I won't anymore. Because right now I'm on ODSP, I know it's not easy to be a parent, it's not easy to get married. [So you're kind of concerned about how your finances might impact possibly a family, family life, or whether you'd be able to support a family, or ...] I keep thinking that." Grant also related family life to stable employment: "So, no I thought eventually about eventually getting a more, a permanent job, and then maybe if I met the right woman, the right woman or whatever, and then getting married and maybe having a small family, you know a dog and a cat and whatever, a couple of boys and girls, and that, and then retire by the time I was sixty or sixty-five, you know. That never happened." Doug simply said: "...what you see as a single man is a result of being poor." Few respondents were able to make any kind of long-term savings throughout their employment. Some wish that they had had enough funds or foresight to do so, while others were content to live day by day. James simply wished that his income had allowed him to save: "I was never able to see enough above water, I was able to keep my head above water just to eye level, but never enough to actually prepare for the future. So it was very...you know...disappointing..." However, Aaron thought that this kind of long-term planning was unnecessary: "I don't worry about stuff like that. It comes along. I live my life one-day at a time and that's it. Like I could get hit walking out of this office tonight & today, you know, anything could happen. So I don't plan like that."

Up until that time I was getting a paycheque, I'd get a paycheque, a hard copy. And then last time I was working for Revenue Canada, it was totally screwed up because we have to put our own hours in, which were always getting screwed up, because it was all direct deposit. I wanted to buy back my....I could not get a hold of the payroll department. It was just like a nonexistent payroll department...you put in your hours, and the computer wouldn't work half the time. I wanted to pay back my pension part because I worked for four different departments for the federal government. I was in the Armed Forces, I could have used all that time, buy my

pension time back, because I had just got on with the federal government which was back in '97 then. So I was like 46, 47 then. I had a chance to have something, and it got all screwed up, and I ended up quitting my job anyways.

-Henry, Vancouver

Frank found it difficult to fulfill most of his goals after immigrating to Canada, mostly because he could not find a job in his field of expertise and therefore never had the opportunity to become financially stable. Frank described his original goal as becoming "capable and independent" in Canada. After fifteen years in the country, however, he has had to lower his expectations.

My plans, my plans was to be independent, you know. And capable and independent, that's it, and to have some sufficient money. So my plan is to have a full-time job. But I can't find because my health... Too high, my goals. [So you, you kinda lowered your expectations.] Yeah, my expectations. [And what did that look like? What...] Oh, it was... because I have some high, some very high expectations, but then... you adjust, you grow older, experienced, lower your mind, become contented what you... I, no I used to be serious there when I was young that I can do anything. But then when you grow up, you need to adjust. Then, have some more comedy be the films, not serious films anymore (laughs). Just to lighten up the problems.

Credit was a goal for many respondents, but it was often inaccessible. Grant said, "I can't get a credit card of any kind, but... It's good to have if you can build up credit." A mistake early in Henry's life has prevented him from the credit he has required throughout his life: "I haven't had no credit for most of my adult life. That goes back to... in my first working days, I was delinquent on... I think... a payment on a television set. I've had bad credit ever since. When I got married, I couldn't even get credit to buy a diamond ring for my wife... I find that anytime I went to get a loan, I couldn't get a loan." Other respondents purposely avoided credit cards and chose to use cash as a means of financial planning. Frank preferred to avoid them: "No, no bills, credit cards. No. That will be an added problem for me," and Donna was also wary: "I have no credit here at all. I'm trying... I'm thinking of starting a small one, but I don't know yet. I'd rather pay cash. It's pretty much been that way. I'm a cash person."

Attitudes about using credit were sometimes inherited from generation to generation, and this seemed especially true amongst males. As Grant recalled: "So um, my father and mother never really bought anything on credit or finance, anything in their life, they always paid cash. I mean, they paid through their bank if they bought a house or whatever, so um, they taught me to budget my money."

...I was still fortunate from the old days. I was raised in a family environment on a farm where everything was bought and paid for by cash. So when credit cards came around, my father never owned one even though he probably could have had one. A deal was made for a \$90,000 new combine on a handshake... That wasn't such a bad way to live back then and I think I'm going to start adopting that now. And that's

what I've done so I kind of...so 'if I don't have no money to pay for it I don't need it,' attitude, so that's my attitude.

-Collin, Winnipeg

Using financial services wisely was a major part of budgeting for respondents, and having cash on hand instigated more spending than did using debit. To reduce her financial service fees Barbara withdrew lump sum amounts of money from ATMs. While this reduced her fees she felt that she spent money more quickly this way. A mainstream bank account was not viewed as necessary for saving, and respondents often preferred to stash money at home. This is despite the indication that for recovering addicts, money on hand can be a trigger to relapse. Donna's long-term financial goals did not involve any particular financial service due to her fear of government intervention. "I want to go down to Mexico. [Do you have any thoughts on how you would actually attain those goals?] Just save my money and go. [Save and go...excellent. Would you use your bank to save that money or...would...] Probably not. [How would you save it?] Just stash it. [So you would use like a cashier cheque...] I would just stash it, that way the government can't take it. I think the government has access to too much." James also liked to operate in cash, although this caused some challenges for his recovery. "I just watch where I'm spending it, and I try to keep the most that I can in my own pocket. But then again, it's a trigger. [When you have that money in your pocket it's a trigger?] Yeah...to do drugs. You know...as bad as that is, I at least what I end up doing is that if I have twenty dollars I'll go and spend...you know...five bucks of it so that I can't get two rocks, I can only get one."

b) Exclusion from Mainstream Financial Services

i) Unsuitability for Periods of Low-income and Informal Employment

Collin has moved from employment through unemployment to self-employment, and similarly his income has gone from middle-income through a low-income to a modest-income level. He has relied on mainstream banks when his income was middle or modest-level, but relied more on informal financial services, i.e., cheque-cashing at a local grocery store, when his income was low. The move from mainstream to informal financial services was catalyzed by abusing his line of credit at a bank. With a more modest income Collin now uses pawnshops to gain credit when needed.

Like Collin, most participants believed that the suitability of financial services was dependent on one's financial status; pawnshops were often a last resort and Money Mart was described as a good place to start banking. For Aaron, mainstream use was dependent on income: "Yeah, if my income was higher I'd go back to the banks." Barbara said, "I wish there were other options for people with lower income, but right now I don't know of any." While she was employed, Donna relied on mainstream banks for her financial services. She began to rely on cheque-cashers in her mid-thirties after getting out of prison and moving to the Downtown Eastside. Having a bank account was related for Abbey to raising a large family; when she no longer had three children at home, she did not feel that she needed one. However, if she went back to work she would like to open an account at a credit union. Abbey's innovative means to meet her family's needs, such as saving ahead for Christmas and making use of lump-sum tax refunds and benefits, did not involve the use of banks. Abbey has shifted over time between mainstream and fringe banks to cash her cheques based on convenience and fees. For example, for a period in her twenties she

closed her Canada Trust account because of high fees and cashed her cheques at the bar where she worked.

Direct deposit by social services or employers was a catalyst to opening a mainstream bank account, and the banking habits of family members influenced the choice of bank. Christine opened an account because it was required by social services. “Well, after a point in time they gave you a either or. It was either you go and get an account or we're not going to give you social assistance. They got to that point. Because they were having too many people come into the office to get their cheques, and I guess it was a way of deterring clientele from actually accessing their finances too.” Grant’s use of banks was more often influenced on the preferences of his family members. “I think it was at Toronto Dominion Bank, yes. I think it was that bank. ‘Cause my one sister got into that bank and she used to get me in grade seven and eight to take the money into the bank for her, with a deposit slip and put it in the bank (laughs)...another brother decided to move into the house after I did, around the same time, so he said, well he said he had an account at the Bank of Montreal, and okay, you know, he said ‘Why don’t you open an account there? It’s right up Queen Street,’ so I did.”

Many respondents endeavoured to open an account as a means of saving, at a time when they are employed or have enough money to be able to save. Mainstream banking was a goal for Bill. “I’ll have to get a, open up a bank account. [Is that something that you want to do?] Oh yeah, if I want to save some money so I don’t go and blow all in one day. So if she needs something for school so go to the bank machine and pull out whatever she needs... Money Mart because they don’t hold cash for you so I’d rather just go to a bank you know where I keep it in a joint account for (my daughter) and me.”

However, many mainstream services simply did not apply to the reality lived by participants. This is perhaps because, while mainstream banks offer a wider range of services than fringe banks, many of these did not apply to the circumstances of our respondents, who mainly compared the chequing features of these banks instead of services such as registered savings and investments. Edward told us: “Depends on how much money you have...a lot of people, myself included, live from paycheque to paycheque...Money Mart is a good way to get started...it’s a good starting point...I really had no problem getting a bank account at all...the thing about banks is...they’ll cut you off...they’ll say ‘we don’t want your business anymore’...”

Periods of significant income and stable employment in the formal economy seemed to relate to having a mainstream bank account, however, this was not true for informal work or work paid only in cash. Work in the informal economy, and cash industries (such as cab-driving) were apparently best served by fringe services, or stashing money. When Henry was 42 years old he moved back to Vancouver, lived in the Downtown Eastside and used drugs. At this time he continued with some work (telemarketing and cleaning) but was also unemployed for long periods. In this period he shifted his financial services from mainstream to a cheque-casher. Ian explained closing a mainstream bank account: “I just stopped going there, I didn’t have any need for it actually...I was selling pot and that so I didn’t have any need for banks...” After spending time in jail, James worked in the Alberta oil fields and as a tile setter, and earned a lot of money from selling drugs, turning an entire house in Calgary into his grow operation. Although James had a bank account, he stashed all of the money that he made selling drugs in his house:

Once we got rid of the grow op, then we started moving in a few plants, not too many, but just enough to keep a little extra income coming in. [And this is...during this time period was this when you had your Scotia account. And was that the account where your reportable income went to? And the money that you made with your growing pot...where did that go?] Yeah...that was just kept in a sock underneath the bed. [That must have been a pretty big sock.] It was...

In Toronto and Vancouver, many respondents believed that mainstream banks were not suitable for work in the informal economy because government agencies have the ability to gather information from banks about their income and deduct funds from their accounts. This led respondents to not have mainstream accounts at all, or to close them and open new ones often. Christine described her strategy while she was working informally: “We didn’t use bank account because we were scared that it was going to come up and slap us in the face... we didn’t want them asking questions in regard, to where your money’s coming from. Because we were not doing it legally.”

Respondents believed that fringe banks were more discreet than mainstream banks, perhaps because of the brief nature of the transactions, and the fact that no money is deposited. Donna told us: “...prior to that I just went to Money Mart...But I didn’t mind that. Because that way nobody knew where my money was coming from. Like the Ministry...I don’t trust banks...because they give...they let people come in and take your money. Like the IRS...” Simply stashing money was another method of avoiding disclosure and garnishment. Donna, however, pointed out that this is not an effective way to make a ‘positive’ transition. “I would just stash it, that way the government can’t take it. I think the government has access to too much...They can’t touch it. It doesn’t matter about how much I have...I’ve got none...but they can’t touch it...I’m stashin’ because I don’t want you to know that I’ve got it. And I shouldn’t have to. I should be able to put that money properly like any other person in a bank, or in a savings account or...so I can improve my life.”

ii) Unexpectedly High Service Fees

Both mainstream banks and Money Mart were viewed by respondents as being overly expensive. ‘Aaron’ in Winnipeg opened an account when an employer used direct deposit, however he closed it a few years later because of high fees on transactions. After this he has relied on Money Mart and then on informal cheque-cashing with grocers and landlords. In the interview, he did not foresee having a bank account because his health keeps him from having a steady job, although lower service fees would influence his decision to use a bank. He has moved between use of banks and fringe banks to cash his cheques and these moves seem to be made on the basis of fee size and of convenience. For instance, when Aaron was 21 years old the social assistance agency moved next door to a Bank of Montreal branch. This meant that it was convenient for him to pick-up his cheque and go next door to cash his cheque at BMO. About ten years later, when he was in his early thirties he found that he was paying \$1.25 per transaction for his bank account so that he decided to close the account and cash his cheques at a cheque-casher. In his mid-thirties Aaron once again shifted due to convenience and fees: he was able to cash his cheques for free at a neighbourhood retailer if he purchased his groceries there.

Some believed that mainstream fees have risen steadily, and that there was an injustice in the fact that banks were recording record profits at the same time. Grant, for instance, told us: “I’m really shocked at um...The service at the banks, and they’re making, I know from reading the New York Times, too, not only the Globe and Mail, and listening to CBC radio, and CBC TV and, certain magazines like the Economist, Canadian banks are making lots of money and yet they’re charging these service charges to their customers and they keep them waiting in line and they don’t seem to be as friendly at a lot of banks...” Christine said, “(At mainstream banks) They charge a fee. To be able to do those transactions... it’s quite costly. And this is play with your own money...They don’t respect money like how I respect it. And I’m an addict! And for me to say that, is quite much, but it’s being honest.”

Respondents feeling this way have chosen to switch to Money Mart. Many used Money Mart even when it was judged as being more expensive, because of a lack of access to mainstream services. Participants, and particularly those in Toronto and Vancouver, felt that they were unable to access mainstream services and had no alternative but to use Money Mart. In Henry’s experience: “Just take the cheque and cash it at Money Mart. They charge you...the higher the cheque, now that I’m on a higher disability, you get an eight hundred dollar cheque, I’m paying like \$38 to cash my cheque. [How did you feel about those kinds of charges?] Well...you just...you know... it bothers you...especially when you’re nickel and diming every day to begin with. [But at that point it was your only option.] My only option...yeah...” Donna told us: “...to cash those cheques at Money Mart is a lot. [Oh...okay. Do you think that’s a reasonable fee?] No, it’s very expensive. [What do you think would be a reasonable fee for that type of service?] I don’t know. I mean...if we all had access to the bank properly we wouldn’t have to pay it.”

Having to rely on Money Mart was generally seen as a satisfactory development in every respect except for high fees. Edward disliked the fees charged by Money Mart but felt that his patronage there was justified. “[When these new fees were introduced, did you decide to leave?] Yeah, but it was like...I’m not going to pay their fees... That was the start of my Money Mart... [And you feel good about the charges at Money Mart?] Yeah, you know, it’s like anything...charges are 2.5% or whatever the hell...bad medicine taken in small doses...it doesn’t hurt...and I think that’s how people justify it...and they’re not bad people...” Ian felt similarly: “[...tell me some of the disadvantages with Money Mart for you.] The only thing I was...a disadvantage for me was having to pay out a little more...pay out the money that they charge. But you know...I understand that they’re there to make money...so...and it’s been an advantage for me. [So there’s nothing all that horrible about the Money Mart for you?] No, not for me.” Bill had experienced inconsistent fees at Money Mart:

(At Money Mart) They take of 2.99 off of every hundred. [How did you feel about that?] Well sometimes I didn’t like it, plus another worker would take off more. Some of them would take off three dollars, almost four bucks off of a hundred, I said, ‘that’s not fair you know. I said I work hard for that for two weeks and you’re going to take off that much.’ [So some would take off more and others would take off less?] Yeah. That’s what I couldn’t understand. [Did they explain why they were taking more off?] No. One did but the other one didn’t. [So how do you feel about that?] Well I didn’t like it at first. But I just kept going back there, then they just kept doing that, 2.99.

Female respondents especially felt that they lacked information regarding fee structures, and all respondents felt a lack of control and trust from mainstream institutions.

...a lot of things changed in the bank services there and...that's again when I was being exposed the fine, the fine print...[Did anyone, did the teller ever explain the service charges or did anyone...] No...I was going to a bank, and I was paying out so much a month, and then all of the sudden I was getting nailed twice here, twice there...and not really understanding why and where...they got a lot of money out of me that I don't think that they...really had any right to do...it broke down for I'd say, for the last two years I that had the account, I think ended up paying \$1,300...below even the fine print, there was even finer print.
-Abbey, Winnipeg

A lack of information regarding mainstream services sometime led to unexpectedly high service charges and having to close an account. In Henry's case, the misuse and subsequent closure of his account were related to other crises in his life at that time: "I screwed up when my mom died. I gave my card to a guy I trusted. If you racked up...[Debit card?] Yeah...and then I was using it too. Maybe ten times at night. And this was going on for about a week. Well, of course after all the money's gone. Then the service charges come in afterwards. So I got like two hundred bucks of service charges. Well, I can't pay it. So they cancel my account. So I don't have an account now. So I was going to Money Mart and stuff like that."

The only reason I quit going to the Bank of Montreal was because every time I'd use my card, I'd, I'd, next cheque I'd be in there and it would be smaller and I would say well why is that? 'Well you have an overdraft.' I don't understand about the overdraft. They never explained that to me. They should have told me to leave at least eight dollars...to pay for those overdrafts. Or leave ten dollars in there. But they never explained that to me...It just was a waste of time for me. [Because of all those different charges.] Yeah. [And you didn't know exactly what was being charged and you show up at the bank...] Yeah and there's ten bucks missing and well I don't think I need the card that much to cash cheques.
-Aaron, Winnipeg

Automated Teller Machine (ATM) fees were considered high and were often the source of these unexpectedly high charges. This has influenced Abbey's money management strategies: "...child tax I paid all my bills first. Then I went and took the last three hundred dollars all in one shot. And I do that because it costs so much to take cash out of the bank machine in the neighbourhood. Like.... Three dollars doesn't sound like much but it does add up after a while." James explained: "...so many of the little places now that we have...ATM outside the...they're charging you two dollars for every transaction."

Participants found Money Mart's fee structure easier to understand and appreciated this feature, especially after feeling unsure of fees associated with mainstream accounts. They were able to tell us about fringe banking fees more easily than about the fees at a mainstream banks. Barbara was knowledgeable of the fees for payday loans: "[How did you find out the price, or the fees of

for the payday loan that you got?] I was told...by somebody else who had used the service. [So someone from the staff didn't tell you?] No. Well maybe they did when, when I went in and actually said I want to take out a loan. And I had started out with fifty. But the price didn't change from fifty to one hundred so I'm like okay, I'll take one hundred." James was also comfortable with the fee structure: "[How much were they charging you at Money Mart...do you remember?] Yeah...\$2.50 for each transaction, plus ten percent."

Pawnshop fees were mentioned much more often by men than by women, and were generally seen as fair overall. Aaron told us: "[How have you found the pawnbrokers – the workers at the pawnshop?] Yeah they're pretty good...I go shopping around looking for a deal. [And do you feel that the pawnbrokers are fair?] Yeah they're...you can negotiate with them. They're willing to drop it down...I guess it's kind of fair, you know, it's just like going into a loan office, borrowing money on your cheque." Ian implied that some pawnshop fees are more fair than others. "[...you mentioned BC Collateral and San Francisco. Why those two over other pawnbrokers?] I think they're the most...from the ones that you find down here...I think they are the ones that are most on the up and up. They'll charge you the going rates if you need to get a loan, how much interest you're going to pay back." Where available, informal services often offered the lowest fees. Aaron did not feel the need for mainstream banking services because of the relationship that he had with his landlord, who also acted as his grocer, and cashed his cheques without charge when he shopped at his store. "[How would you compare that charge with the charge you have to pay with the landlord?] I don't have to pay nothing – no charge. As long as I buy my groceries. I'd rather go shopping and get all my cash back."

iii) Additional Barriers

Ian outlined why, for him and many others, the higher fees incurred when using fringe services was the unavoidable result of an unfortunate lack of choices due to a range of restrictions at mainstream banks, such as limited hours of operation:

Sometimes I wasn't happy of having to pay that much money...I thought it was good because it was there, I wasn't disappointed, I was happy about it. [So what would be the pluses about the Money Mart. You said that they're always there.] Yeah...for me that was the only reason I needed it. It was available and I had no other way to cash a cheque. That was the only reason I ever needed it. [For an example, why would you need to cash a cheque at Money Mart?] Even late at night. I might have been working like a casual labour job, and you would get off late at night, and the employer would give me a cheque and there was no other way to cash it.

Holds place on cheques by mainstream banks were seen as too restrictive, and forced respondents to make use of fringe services when they were in need of immediate funds. Ian experienced this barrier when he tried to access mainstream services: "I was going to open an account one time at the Royal Bank, up on Main and Hastings. They said, well you'll have to put one hundred dollars in and you won't be able to touch that for thirty days. I just didn't open the account."

I still cash my cheques at Money Mart, and because when I put them into my account, they want to hold it. And sometimes, I have to pay a bill on that day, so that

forces me to go to the bank ...cheque cashing place in order to be able to access the money in order to be able to get those bills paid....Heaven forbid! I try and put my work cheque in there, because they'll hold it until the cows come home. [So you'll find that there's a five or seven day hold period on a work check.] Yes...Like I say, because I have bills that need to be paid, like now and not five days later, and I can't phone them and say, well I have to wait five days, because, they...owe money, it kind of makes it a little difficult for me. [So you're still using the Money Mart because you need the money right away to pay your bills because the bills are....So, then really changing that hold period on cheques at banks, would do something for you to increase your use of the bank accounts?] Yes...And in regard to the holds, I wouldn't mind if they held it for a day, but like five days and things like that, that's way too much, you know, and I know it's resources, is being able have people to do that...Tracking down and verifying it faster. But if the person has the shit coming in every month you obviously have the verification that it's coming in every month, so why should there be a hold?

-Christine, Toronto

Respondents told us that transactions at mainstream banks also take much more time than those at fringe banks. As Abbey said, "I have to make sure I budget my time as well as my money." This was also a pivotal issue for Doug: "I never had a bank account because I never had the fricking time." Like Grant, many respondents felt that banks were much too busy: "I'm really shocked, really, even if I wasn't getting welfare, even when I came back I was shocked at the line-ups."

For respondents in Winnipeg and Toronto, the location of services was a significant determining factor influencing their use, sometimes because their health limited their travel. Aaron told us: "[What if there was a bank located right here?] Sure. If it was close enough for me to go then yeah. It would have to be at least a three to four block range. Because there are some days that I can't even walk. The weather changes and my legs ache up to here. And I can't get around." Christine outlines the costs of transportation to access financial services: "...it costs me thirteen dollars for my chequing account...And the reason why they do that, is because if I go to another branch and I want to take out money it costs me \$2.50 each time. I do that, unless I'm going to my own branch which isn't around my area, that kind of stuff, between a hard place and wall again. So it was either or. Either you cash it at the bank or through the Money Mart, and you still have to go find a bank in order to cash it, so it's transportation costs to get there."

Respondents generally gave the impression that mainstream banks have moved away from core areas, and also that fringe services purposely situate themselves near residents that lack identification. Edward explained: "...crack addicts don't have identification. We don't have anything. So how do you get a bank account? And Money Mart and places like that, they know these things and situate themselves in areas like Parkdale." There was no mention of the issue of location in Vancouver.

Aaron summarized a feeling of discomfort and disrespect at mainstream institutions that proved to be a barrier for many of our respondents: "I just don't care for banks...They look down their nose at me all these years." Toronto respondents felt that Money Mart was a less discriminatory

environment than were mainstream banks, and one respondent in Vancouver believed that pawnshops take advantage of the poor. Respondents informed us that the social environment at mainstream banks can be uncomfortable for some lower-income or ill people, and felt that they were treated differently by mainstream staff depending on the size of their account and whether they received social assistance. For example, when Collin and his wife were both employed full-time, they enjoyed a very comfortable living. Collin felt that during this time they enjoyed excellent and very accessible financial services from CIBC. However, during less prosperous periods, Collin experienced racial profiling at stores and inner-city banks.

I was treated a lot better, you know, even when I was really in clothes, you know, I wore pretty good suits and ties and jackets and ties...If you're working, or got a good income or whatever, I suppose also I was with the military, so you know I was respected, with the government, they treat you quite well actually, yeah...I think they do discriminate against people on welfare, you know. A lot of people are, they use a cashing mart, or one of those where you just go and get cash and give a part, a percent of their cheque to those Money Marts, or whatever, and you see a lot of them in Parkdale and even down by Regent Park, and you know, you know, and some people don't feel comfortable going to a bank...

-Grant, Toronto

Some female respondents noted that their attitude as a client can also affect the service that they receive. Christine offered some advice for how to engender the best service at mainstream banks: "It's how you present yourself. If you presenting yourself very openly, chances are you're going to get more willingness to help you. Whereas if you're going in there with an attitude, and they say no, and you get upset, it's going to put a barrier for the next person who comes through the door...I've done a lot of acting too."

Finally, many respondents believed that opening a mainstream account would be difficult, and this belief prevented them from making the change from fringe to mainstream services. Barbara told us that the benefits of mainstream banking were not worth these hassles: "...their services have gone down...their service charges have gone up, and...uh...I don't really think it's worth it but I've heard from so many other people how hard it is to open a bank account period. I'd rather just stay where I am and save myself the grief."

Suggestions were made for more respectful, sympathetic and communicative staff, and to make mainstream banking more accessible overall. Grant offered a model to strive for: "In the U.S. you can get a comfortable seat to sit in, you know, you've got CitiGroup and American Express, if you needed to negotiate anything or, anything or find out anything, they'll take you to an office, sit you down, ask if you want a cup of tea or coffee or something, water, like you did today, and you know, um compared to Toronto I'm really shocked..."

[Are there any other things that you can sort of think about that might, if you had to sit down and huge role like create a whole new bank tomorrow, what changes would you make to have the banks to do right now, to make to use the bank more?]

Accessibility, for those who don't feel comfortable. I know it's quite difficult, but, how can I put it, I guess that if the bank's employees were more sympathetic, I

believe, and more genuine, when they are speaking with people, and using more listening skills, because I find that when you're in anything that has to do with corporations, they just don't have the concept of communication with people. They struggle with that themselves, and I find, because I find myself coming across this a lot of times, is ... just reinforcing and saying is this what you mean? And getting a clear definition of what the person is asking? And using those listening skills can open doors to those who are coming across with barriers. A lot of the clientele cannot read, that I deal with. That is the biggest barrier. So if you throw this piece of paper at them they are going to be so overwhelmed that they're not going to want to come back to the bank. Maybe having, how can I put it, a listening device that they can be able to have this read. I have a program at home, which can scan this document and read it to me. But having that accessibility for those who have those problems can make banking a lot more efficient for them...Not attaching a stigma or a label on every person who walks through the door. That would be a little kinder.

-Christine, Toronto

Only participants in Winnipeg mentioned credit unions. Collin had experiences as a client, and he felt disappointed by claims that Assiniboine Credit Union was committed to supporting the community, while they have failed to support him in his endeavour to start a small business. “[Assiniboine Credit Union] lies, lies, lies, ‘we support small business,’ no you don’t support small business.” However, he said that he would not use mainstream banks because of his distrust of them. While another respondent had no prior experience with credit unions, she expressed a desire to join one. She demonstrated trust in them and believed that they may offer convenience and low service fees.

iv) Financial Exclusion and Addiction

The mapping process demonstrated that periods of addiction were overwhelmingly characterized by the use of fringe banking in the lives of our participants. While suffering from addictions, they faced even more inaccessibility to mainstream services, and were not able to make use of the services that they needed. Financial services became part of the ‘downward’ forces during transitions marked by addiction. Edward summarized this experience: “I come into Toronto and... I ended up meeting the wrong people, smoking crack, becoming an addict, losing everything, throwing everything away, every material thing, every part of me. All bank accounts...”

Addiction sometimes spawned the abuse of a mainstream account and its subsequent closure. In this way, respondents had the sense that mainstream banks can “cut you off,” but that fringe banks are always reliable, and are generally more appropriate for those struggling with addiction.

It was just before the experimentation with crack...right before I tried the crack...drinking a lot together...go to the bank machine...how much do you want out?...put in an empty envelope...make a deposit for fifty dollars, take out fifty dollars...that's fraud!...Did it twice due to the alcoholism...lost the account...learned a lesson... the woman said, "Mr, you've taken money out of the

bank without having an account, and you know we can't give you any banking services."

-Doug, Toronto

When her grandmother fell ill and needed care, Christine applied for social assistance in order to make ends meet. During this time Christine also struggled with an addiction and spent most of her income on drugs. After overdrawing on her account in order to buy drugs, her bank closed her account. As a result, and because she lacked the identification required to open a new bank account, Christine was forced to begin using Money Mart.

No, I'm not using a bank account at this point...Because of my, I had a chequing account, and I could get cash, and I used it for drugs, so I kind of messed it up...[You took too much money out kind of thing, you took an overdraft, and then they closed your account?] Yes...[Okay, and when that happened, do you remember if the bank let you know that they were closing the account? How did that go down?] Well, I went to the machine, put my card in sucked it in, and they knew. [They didn't give it back.] So, whereas I had to go start cashing my cheques at Money Mart...

Other respondents lacked identification during periods of addiction, and appreciated the accessibility of fringe banks. Edward had long stretches in his life where he relied exclusively on mainstream banks, but a drug addiction in his mid-forties led to dramatic changes in his life, including the reliance on a cheque-casher instead of on his mainstream bank. He explained that this was because during this time he did not have identification. Also, the cheque-casher was convenient, and many of his friends were using it. "In 1994 that's when I became a crack addict. That's when I started finding out, and using places like Money Mart, because you know crack addicts don't have identification." Henry felt that his lack of identification resulted in his exclusion from society at large. "I've gone to the bank because of my ID, I got photocopied ID from welfare. They just won't cash that. So they force you to go to [How do you feel when that happens?] It's frustrating. You feel excluded out of society almost. It's such a convenient world for everybody else, but it's so damn inconvenient for the poor."

Mainstream banks presented additional challenges during periods of addiction because of strict appointment times, long lines and respondents' feelings of being judged. They felt a stigma associated with addiction at mainstream banks that they did not feel when patronizing fringe services, which were described as offering more convenient, comfortable and respectful service to those with addictions.

[The five years without a bank account, in some ways was Money Mart takes money from you but on the other hand it was easier?] Yes. More convenient and not so much of the labelling. It's bad enough that you're an addict. But when they're putting the labels and stigma on you...it can deter them from being able to access better choices...[Now, those five years between ages thirty and thirty-five, when you didn't have a bank account. Did that pose any challenges for you?...] A lot of challenges and barriers, because of a time frame you know you have to be at the office at a specific time, in order to get your cash, the times when they are open, when you have a card you can go anytime, so that's one of the barriers. Long lines,

when you are an addict, you don't like lines and standing in lines, so chances are that's going to be a great barrier for you, and your appearance. If your appearance is not that up to date, they'll be talking about you, behind your back. So that's another barrier.

-Christine, Toronto

I think a lot of the problems when we come to talk about banking that it's profiling too. An aboriginal woman walks into the Safeway in the inner-city, specifically Sargent, and she wants to have change from a one thousand dollar bill. That's what she has, from the bank. [She was given a thousand dollar bill from the bank?] A thousand dollar bill. That's what she had or she had got it from her husband who worked up north. I don't know. They looked at her and said 'what are you doing with a one thousand dollar bill? You must have stole that from somewhere.' And then they called the police on her. And she had to explain where she got this thousand dollar bill. You see what I mean? So you go to the inner-city and try to get them into the banks you're not going to have very much luck. There's not much trust in the banks in the inner-city. Money Marts and pawnshops are quick ways of turning paper into cash.

-Collin, Winnipeg

Christine told us that for these reasons, Money Mart provided a more comfortable environment for her when she was an addict. She felt more comfortable with the clientele and more respected by the staff. Respondents also told us, though, that mainstream accounts can be a useful tool in recovery, when having cash on hand can be a trigger for substance abuse.

[You don't remember, ever, when you're 33 years old going: if only I had a bank account!] Oh yeah, I did that all the time. [Why would you do that?] Because I wanted, to have a better avenue to save money. Okay. It wasn't always my addiction. I dropped out of it sometimes, in and out. I guess, that's when I felt the need for a bank maybe more than the Money Mart. Let's be honest. Maybe having a place to hold your money so you don't have access to it. Money was a trigger for me, big trigger. Sort of growing out of my addiction. It kind of helped having that bank account, not having so much access to it, [Not having money under the bed.] Yeah, you know, because of the simple fact, a lot of times I didn't want to use. There's some days when you just don't want to use, but the drug takes such a control on your life, that you have no choice.

-Christine, Toronto

Unfortunately, due to the barriers described here, most recovering addicts must do without the kind of support that can be accessed at mainstream banks.

c) Community Financial Services and Other Community Organizations

Community services have been an important way for participants to access the kinds of financial services that can facilitate 'positive' transitions, even when they are excluded from mainstream services, and they were very grateful for the support that they have received through these organizations. Henry spoke about the benefits of his association with Pigeon Park Savings in

Vancouver: “I just think this is...you need it. Even though you sort of get shoved out of society, and we do have to stay that part connected and I think ...you have to have a bank account. With the little money that we get on social services as it is, to be paying thirty-eight or forty dollars to cash your cheque is way, way too much. An institution like this is very much appreciated.”

The single reference to Cash and Save in Toronto was very positive with regards to fees as well as support to the community. Christine said: “They’re pretty good. Because with government cheques they don’t charge you. That’s why I utilize them. And for cheque-cashing they’re not too bad. They only charge, I believe is \$1.99...So that’s not too bad. Now with your work cheques it’s a different ball game. They take out a little percentage but it’s not as much as lots of the...cheque-cashing places...They really are there to promote, to help those people...”

Four of the five Vancouver participants spoke of their experiences with Pigeon Park Savings, which was also unanimously commended for low fees. When asked about these fees, Henry answered: “I heard they just charge five bucks a month. I didn’t even have any money, so it will come out of my first cheque. And that’s no problem at all.” Most Vancouver respondents accessed direct deposit at Pigeon Park Savings, and providing this service seemed to facilitate their employment. For example, Henry recently began working for the Pacific National Exhibition, and required a bank account to deposit cheques, so he decided to open an account at Pigeon Park Savings. However, suggestions were made to improve operating hours at Pigeon Park Savings. One respondent indicated that the limited current operating hours were disrespectful of clients.

I think Pigeon needs to redo their hours completely. We’re working around their schedule instead of them working around ours...See...our lives...we’re not on a schedule. The majority are not on a schedule down here. We’re on survival mode every day. So that schedule could be from anytime to anytime. But we have to work on peoples’ schedules down here. We work with their schedules, they don’t work with ours...They need to change those hours, ‘cause it’s not normal banking hours...Obviously we’re working on your schedule because you’re obviously thinking to yourselves, well these people don’t do fuck all, all day. They’ve got nothing better to do all day, so we can open up anytime we want and close anytime we want because they’re going to be wanting their money and they’re going to come to that bank and get it. That’s how...and that’s not right. [...So if those hours were different...] I would be banking more often if they change those hours.

-Donna, Vancouver

Respondents also made it clear that safety is an important consideration when speaking of hours, for example, Pigeon Park Savings ATMs may be open 24 hours, but are only safe to use during daytime hours.

...if you use like GVC Financial up here, there is no ATM fee, and you can take out a minimum of ten dollars. That’s one. If you use... [Okay...and is that one open 24 hours a day?] Yeah...it’s just not always safe. A lot of them are not safe to go to. That’s one of ...there’s two open...I mean it’s right on the front stairs of a building on Hastings. And it’s on a street where there is a lot of activity at night...I don’t go

there unless it's during the day. And I'm always feeling safe, but I don't go somewhere where I know it's not. I know somebody can come up behind me and take everything I've got. So why put myself in that position...there are two other ones down here. One in Chinatown and I'm sure VanCity too, where they won't charge you. And, but that's the only one that I think you can take out ten dollars...Actually now that I think about it, the only place to go after six...an ATM downtown...no bank...actually no bank....the only thing you can do is go into the little store and use there ATM little machine that costs you like six bucks for the charges.

-Donna, Vancouver

The time required for transactions was also a drawback, and this led many to continue to frequent Money Mart, even while having an account at Pigeon Park Savings. Donna explained: "I don't go to Pigeon very much because it's too crowded. It's too long, I don't have time. So I only go actually to Money Mart, and I have direct deposit at Pigeon...But a lot of times...Pigeon's too crowded, which is most of the time...You think I've got a half day to spend there? Oh my God...No."

Respondents also preferred Money Mart because they feared that accounts at Pigeon Park Savings may be used by government agencies to gather information about their sources of income. Before the establishment of Pigeon Park Savings, Donna patronized Money Mart, and she appreciated that it was not concerned where her money was coming from. At the time of the interview, she used both services, but did not frequent Pigeon Park Savings because it was too crowded and took too much time. Donna only had her assistance cheque deposited at Pigeon Park Savings and did not use it for her informally earned money because she was afraid that the government would be able to identify and garnish it.

Community financial services and other non-governmental organizations have played an important role in helping respondents to access mainstream services.

[And you've accessed a little bit of financial support in terms of getting bank accounts, like you, Sean Conway with the banking project...] Yes. That was the first time I ever had to, I tried to go do that again, when was it? Before I got him, I tried to open an account on my own, and they wanted things like, certain identification like a driver's license, and I didn't have a driver's license anymore, or they wanted a passport, and I didn't have that at the time, or they wanted, you know, they wanted certain identification so they could open up an account, and I didn't have any photo identification at the time, and so, it was only when I went to PARC I got my Canadian citizenship card, my OHIP (Ontario Health Insurance Plan) and things like that again, you know.

-Grant, Toronto

Many of the respondents aiming to build credit have already consulted, or plan to consult the services of a community organization to help achieve this goal. Doug described his plan: "...we've already got everything...she showed me all the steps...[You can do it...] On my own time frame...and what was the other thing...she gave me that was unique...the advice about the

lump sum, income tax, and another piece of advice...pay off the lump sum and you get your credit rating back...” Christine said: “I’m going to look into, I’ll definitely need a credit counsellor to help me with this.”

Participants in Toronto and Vancouver spoke of support from other types of community resources. They told us that a connection with good community support groups, organizations and programs instigated very ‘positive’ transitions in their lives. This often had to do with beginning a program of training or education. Respondents especially appreciated programs that enabled them to make a lasting transition, that is, that do not simply end and leave the participant “at square one.” Grant told us: “eleven years ago I was going to Redirection through education at George Brown, yes, in ’95, ’96, ’97 I did some phases and I, I really did quite well there, and that was the beginning of me on my road to recovery but there was a period in between where some of these programs don’t have a continuation, you get to know people at the college and then all of a sudden you’re back to square one...”

Respondents in Vancouver expressed a need for support in their goal of achieving better housing in a timely fashion.

I’m trying to find another better place...a different place to live...I just went up to AIDS Vancouver actually, last week, and I applied for this thing called a Portable Subsidy...Portable Rent Subsidy...You go and you can find an apartment, and say the apartment is like eight or nine hundred dollars a month. You pay about thirty percent of the rent, and they cover the rest. So you can find yourself a really nice apartment...but it’s going to take a few years for it to... [I bet there’s a little bit of a wait list for that.] It’s a wait now...so...I’ve also put my name on the list for...there’s also other housing...other subsidized housing that they have. I’m on the list for that...It’ll probably come up a little quicker actually...maybe two years or something. [That’s a long time.] Yeah...

-Ian, Vancouver

For respondents with experience with mental illness, connection with community members and involvement in community organizations, including the Parkdale Activity and Resource Centre (PARC) in Toronto, were important factors in making ‘positive’ transitions. Grant credits a network of organizations and friends with getting him on track to being healthy. PARC has been especially important in his life, and they helped him set up the bank account that he still uses today. “Over the last seven years, eight years, from around the end of winter 2000, then slowly got better. Especially since I’ve come to PARC, that’s the big, I really made really good contacts in the community, new contacts, um, got reconnected...PARC has made a big difference, I’ve made so many friends there at PARC... that’s what I found at PARC, I found kind of a new meaning on life, you know, a purpose.”

Appendix #1: Respondent Summaries

Toronto Respondent #1, Doug

Toronto respondent #1, 'Doug' is 56 years old and has lived in Parkdale for two years. He completed grade twelve and some college and he presently relies on social assistance and does some informal work, providing him an annual income of just under \$9,000. Doug lives alone and did not describe his ethnicity. He has a bank account and says that he relies on his bank for 90% of financial service needs. The remainder of his financial service needs are met through fringe banks (2%) and informal financial services (8%).

Buying a car for transportation to college was the beginning of a spiral into debt that has plagued him throughout most of his adult life. Doug had to drop out of college because his application for a student loan was denied. He feels that this event changed the course of his whole life. Doug changed careers from orthotics to teaching music because of a higher salary, although he feels that the orthotics may have been a better career path in the long-term. He worked for many years in music in various capacities, and returned to school to study music, which he found to be very difficult financially. After being overwhelmed by work and school, Doug quit both and began working various service and retail jobs. He worked for a time as a taxi driver, and lived out of his cab. He incurred several traffic fines and eventually lost his driving license because he was unable to pay these. The resulting lack of identification has affected his access to banking services. Doug has had many transitions throughout his life due to various crises such as deaths of close relatives, alcoholism and mental health issues. Currently he is looking for work and living on \$730 per month from social assistance. Doug endeavours to pay his debts and restore his credit rating, and to repair his police record.

Through his twenties Doug held a bank account and accessed credit from banks and finance companies. He had difficulty repaying some of these loans. Since the age of 26, he has an outstanding loan of \$1,000 that has now grown to \$7,000. In his early thirties Doug faced growing personal problems including mental health issues. It was at this point that he first started to use a cheque-casher, Money Mart. A catalyst for switching to a cheque-casher was that he felt that service quality declined and fees increased when his bank merged with another. From this point forward Doug follows a pattern of switching between relying on a cheque-casher and a mainstream bank to primarily access liquidity services (cheque-cashing or direct deposit). The reason for switching between mainstream and fringe banks seems to relate primarily to convenience. For instance at the (approximate) age of 32 when Doug worked as a mail clerk his employer used direct deposit of pay so he shifted from relying on a cheque-casher to relying on a mainstream bank for accessing cash. Another example is that when Doug was working several jobs at once he felt that he did not have the time required to utilize a bank account so that he used cheque-cashers. He eventually opened another bank account because he wanted the ability to keep his money safe. Another reason for switching to a cheque-casher was at the (approximate) age of 53 his bank closed his account because he withdrew money he did not have in his account by falsely depositing a cheque into an ATM.

Doug currently has a bank account and occasionally loans money to friends. He expressed that the suitability of fringe and mainstream services depends on how much money he is dealing with.

Toronto Respondent #2, Edward

Toronto respondent #2, 'Edward' is 59 years old, lives alone and relies on a government disability pension. He has completed some college education and has lived in his present apartment in Parkdale for one and a half years.

Edward had a fondness for making money and developed an entrepreneurial spirit in his youth. When he was a teenager this evolved into stealing and he spent time in and out of jail. After working legitimately for a time, he was involved in a car accident at 23 and could no longer work. Later his business sense helped him in selling marijuana, which Edward did while in his thirties. Throughout his life he has intermittently relied for income on social assistance, selling drugs and casual labour. He feels optimistic about his future and endeavours to begin working and stop receiving disability support (through Ontario Disability Support Program). He believes that he needs further education in order to accomplish this goal. The theme of education as a key to a better life runs throughout his life.

Edward has had long stretches of his life in which he relied exclusively on mainstream banks. However, a drug addiction in his mid-forties led a dramatic change in his life and also led him to rely on a cheque-casher instead of a mainstream bank. Edward has always kept some money stashed at home, as well. For a time he closed his account because a misunderstanding led to an ATM withdrawal in excess of his account balance. During that time he kept all his cash at home. In his mid-forties he became addicted to cocaine. Edward related becoming addicted to his first time use of a cheque-casher. This is because during this time he did not have ID and the cheque-casher was convenient and many of his friends were using them. By his late forties Edward stopped using Money Marts in favour of an account at the Royal Bank.

Toronto Respondent #3, Christine

Toronto respondent #3, 'Christine' is 44 years old and has lived in Regent Park for five years. She lives with three children and she has completed grade twelve plus some vocational training. Christine is presently reliant on social assistance, which amounts to an annual income of just under \$20,000. She describes her ethnicity as African and Chinese. She presently has a bank account.

At the age of thirteen she began looking after her alcoholic grandmother, including shopping, paying bills and banking. At eighteen Christine had not finished high school, and found that this was a barrier to getting fulfilling jobs. She then relied on social assistance. A few years later Christine began working on the street and closed her bank account in order to hide the source of her income. Instead she simply kept her money at home. She also began selling drugs out of necessity, but felt unsafe doing so. Christine worked in the informal economy for most of her twenties, and then went back on social assistance when her grandmother had a stroke and needed care. At this time Christine struggled with an addiction and spent most of her money on drugs. Around age thirty, the bank closed her account because she overdrew on her account in order to buy drugs. As a result of this and due to a lack of ID she was then forced to begin using Money Mart. About five years later when Ontario Works instructed her to open a bank account in order to get cheques deposited, Christine opened another account with some difficulty because of a lack of ID. While pregnant at age 37 she intentionally went to jail in order to take advantage of the programs offered there and to make a clean start. Recently she completed high school as well as a college program, but can no longer access childcare because the daycare considers her student loan (Ontario Student Assistance Program, OSAP) to be income. Currently she is struggling on Ontario Works, overwhelmed by bills that exceed her income. Christine hopes to

find work and also dreams of traveling but her criminal record poses a barrier to both of these goals.

Christine believes that addicts experience particular barriers to using mainstream banks because they can find it difficult to travel long distances and especially to wait in long lines. They may also be concerned about what people around them are thinking. Because of these reasons, Money Mart provided a more comfortable environment for her when she was an addict. Christine felt more comfortable with the clientele and more respected by the staff. Although she has a bank account, she occasionally uses Money Mart to avoid holds on her cheques. She is considering changing bank accounts because she fears that OSAP will garnish her tax credits.

For much of her life Christine alternated between mainstream and fringe banks relying on cashing cheques or direct deposit. The reasons for switching have to do with convenience, how respectful bank staff are, level of anonymity and the consequences of her abusing her bank account. By her early forties she made some major steps in her life to meet some major goals. She completed high school and training to become an addictions councillor. These steps required access to credit from mainstream banks. She now owes \$19,000 in student loans. While Christine still uses cheque-cashers since beginning her studies, she now relies primarily on mainstream banks.

Toronto Respondent #4, Frank

Toronto respondent #4, 'Frank' is fifty years old and an immigrant to Canada from the Philippines. He has lived in Parkdale for thirteen years, and has completed high school and some university. He is presently reliant on a government disability pension and does some informal work. He lives with one other person with a family income of \$24,000 per year. He has a bank account and relies on it entirely for his financial services.

Frank immigrated to Canada from the Philippines at the age of 35 with his mother, and they both immediately opened bank accounts at TD Bank and began receiving social assistance. One year after arriving in Canada he found manual labour employment through a temporary employment agency. Five years later, after winning a scholarship, Frank enrolled in a college computer course. However, finding a job in this field has been difficult. Despite the scholarship, his education represented a financial difficulty because he could not work while in school and he had to take an \$8,000 OSAP loan that he is still struggling to pay back. While attending school Frank and his mother both lived off of her pension and sometimes they went without food. Frank planned to get full-time work, but over the last several years he has been dealing with health issues that prevent him from working as much as he would like to. One of his health concerns is stress caused by his OSAP debt. Frank relies on disability support through ODSP as well as some casual part-time labour. He cashes his cheques at his bank. Frank would like to get married in the future but feels that his finances would first have to improve.

Since Frank arrived in Canada he has travelled back to the Philippines twice, paid for by his family. Occasionally he sends \$100 to his brother in the Philippines through a Filipino service or Western Union, but feels that this is very expensive. He used a cheque-casher once but found it too expensive. Frank has purposefully avoided credit cards so as not to exacerbate his debt. He has tried to access a line of credit but his employment status and OSAP loan have made this impossible. He has kept the same TD Bank account and he especially appreciates online banking services. Even though Frank has modest means, he seems to rely almost entirely on mainstream banks. The exceptions are the use of a money wiring service to send money to relatives in the Philippines and one experience with a cheque-casher.

Toronto Respondent #5, Grant

Toronto respondent #5, 'Grant' is 57 years old and has lived in Parkdale for three years. He lives alone and has completed a three year college diploma. He relies on a government disability pension and some informal work amounting to an annual income of \$16,200. He describes his ethnicity as mixed. He has a bank account and relies exclusively on it for his financial services.

In his youth Grant delivered papers and collected bottles. The money that he earned went into his father's bank account but ended up funding his high school education. After completing college, Grant moved to the United States and joined the military for ten years. He made a comfortable living and saved money for the future. His mother was growing older and he decided to move back to Toronto to care for her and live off of his savings, taking courses and doing other things that he had always dreamed of. Grant moved back in with his family and for a few years he spent most of his savings, working informally for his family. A time of indecision about his life then took place in which he felt isolated and began having mental health problems. Grant went on disability support (ODSP) and for a period he stayed in and out of hospital, his family's house, apartments and shelters. He received an inheritance of \$12,000 when his mother died and spent it quickly on luxuries, out of fear of losing ODSP benefits. Grant then attended a retraining program. He credits a network of organizations and friends with getting him on track to being healthy. A local community agency has been especially important in his life, and they helped him set up the bank account that he still uses today. A few years ago Grant was able to save up for a vacation to the U.K. to visit family, and he plans to do that again. Sometimes he regrets leaving the military because now he would be retired with a very good pension. He is currently living alone and is supported by ODSP and several honoraria. Grant hopes to begin working part-time in the near future. His medication is quite expensive and if he was to work full-time he would need to determine how he would pay for it.

Grant felt much respected by bank staff when he was in the military, and believes that banks discriminate against people on social assistance. Nevertheless, Grant has relied on mainstream banks for most of his adult life with the exception of a five year period in his late thirties when he relied on his sister to cash his cheques. He feels that ODSP does not give people enough incentive to work. Grant still owns assets in the U.S. but does not plan to liquidate them until he is off ODSP. If he did so, he worries that his ODSP would be reduced. Grant endeavours to build his credit rating and he has applied for credit cards but was declined. He believes this is because he is reliant on social assistance. He has invested in musical instruments and plans to begin saving again soon. He currently has a bank account at Scotiabank, and has never tried Money Mart because he has heard that it is very expensive.

Vancouver Respondent #1, Henry

Vancouver respondent #1, 'Henry' has lived on Granville Street for 11 years. He completed a college diploma, lives alone and relies on social assistance amounting to \$15,900 per year. He describes his ethnicity as Canadian and he presently has a bank account at Pigeon Park Savings.

Alcoholism has represented a barrier in both his working and personal life. As a young man Henry worked for several airline companies and for the armed services, and always had a bank account but was unable to save. After his child was born he and his family moved to Trinidad. Henry traveled back and forth, eventually separating from his wife. He continued to work various jobs and often quit due to alcoholism. He quit working when he sought treatment for a drug addiction because he would have had to pay for it if he was not on assistance. Henry is

HIV positive and still uses drugs, but tries to keep healthy. He is beginning a university course in the Downtown East Side and a job with the Pacific National Exhibition.

For much of his adult life until his early fifties Henry relied on mainstream banks for his financial services although he did use pawnshops in his thirties. Then when he was about 51 years old he lent his bank debit card to a friend leading to an abuse of the account. As a consequence the bank closed his account. Henry then used Money Mart exclusively for a few years because he lost his ID and could not afford to replace it. He also pawned several items to access credit. Henry recently began working for the Pacific National Exhibition, and requires a bank account to deposit cheques, so he opened an account at Pigeon Park Savings. He also borrows money from a money lender every month and this involves repaying double. Henry described his financial situation as a pattern of borrowing and repaying, but aims to get out of this debt cycle. Henry seems to have shifted in his fifties from relying primarily on mainstream banks to relying on cheque-cashers. With the advent of the Pigeon Park Savings in the Downtown Eastside he has recently shifted his business there. It would appear that the move from mainstream to fringe banks is associated with some important transitions in his life. First, while Henry struggled with alcoholism in his thirties, for most of this time he was either working or taking training courses. Mainstream banks were his choice of financial service providers. When Henry was 42 years old he moved back to Vancouver, lived in the Downtown Eastside and engaged in drugs. Henry continued with some work (telemarketing and cleaning) but was also unemployed for long periods. In this period he shifted his financial services to a cheque-casher.

Vancouver Respondent #3, Ian

Vancouver respondent #3, 'Ian' is a 45 year-old resident of the Downtown Eastside and has completed grade 10 education. He lives alone and relies on a disability pension. Ian has an account at Pigeon Park Savings.

At the age of 16, Ian became reliant on social assistance using the ID of his 18 year old friend. At that time his landlady would cash his cheques for him. He sold marijuana at the time and did not feel that he needed a bank account. Ian began using drugs more heavily and got caught stealing government cheques. To avoid his court appearance Ian left Cape Breton to live at his brother's house in Alberta. He spent most of his twenties and thirties addicted to drugs and occasionally in jail for drug trafficking. Ian worked whenever his addiction allowed it. Drug dealers would often give him credit for his business. Ian believes that many times in his life addictions to drugs and alcohol have impeded improving his circumstances. Before beginning methadone treatment he regularly shoplifted to support his heroine addiction. Ian is presently drug-free and supports himself comfortably on disability support. He plans to begin saving soon for a new computer and is looking for a better place to live.

Until recently Ian had a bank account for only a couple short periods in his teens and twenties. Otherwise he has relied on informal and fringe financial services. This may relate to Ian's reliance for his livelihood on the sale of illegal drugs. Presently he feels that Money Mart is expensive but that otherwise it provides satisfactory service. He had an account at Four Corners Savings Association and he now has an account at PPS. However he still enjoys the convenient hours of Money Mart. Ian also uses pawnshops and occasionally saves money by going to food banks.

Vancouver Respondent #4, Donna

Vancouver respondent #4, 'Donna' is 43 years old and has lived in the Downtown Eastside for 5 years. She lives on her own, has completed some college education and is currently reliant on social assistance and some informal employment amounting to \$4,596 per year. She describes her ethnicity as mixed.

During her twenties and early thirties Donna worked in the U.S. as an accountant. She struggled with alcoholism and was homeless for a two and a half year period. In her early thirties she took in her estranged sister who was an addict. This triggered events that ultimately led her to being incarcerated for eighteen months. During this time her son was put up for adoption. Soon after Donna was deported to Canada where she began working as an accountant, but the Canadian tax laws were different and she had to quit her job. Currently she is not looking for formal work because she believes that social assistance would be reduced dollar-for-dollar on any earnings. Instead Donna is forced to work in the informal economy. She also has difficulty getting hired because she says she is considered 'borderline' by employers. By this Donna means that she faces a social stigma as a sex trade worker. She hopes to go on a cruise in the future, and to move out of the Downtown East Side. To accomplish these goals she plans to stash her money at home so that the government does not have access to it.

While she was employed Donna relied on mainstream banks for her financial services. She began to rely on cheque-cashers in her mid-thirties after getting out of prison and moving to the Downtown Eastside. Before the establishment of PPS, Donna patronized Money Mart, and she appreciated that Money Mart was not concerned where her money was coming from. Currently she uses both services, but does not frequent PPS because it is too crowded and takes too much time. Donna only has her assistance cheque deposited at PPS and does not use it for her informally earned money because she is afraid that the government will be able to identify and garnish it. In this way she believes that government pushes people reliant on social assistance to rely on the informal economy. These people are forced to work under the table and hide their money as if they are criminals.

Vancouver Respondent #6, James

Vancouver respondent #6, 'James' is 53 years old and has completed grade 10 with some trade school education. He is a resident of the Downtown Eastside, lives alone and relies on a disability pension. He describes his ethnicity as White. James has an account at Pigeon Park Savings.

James was an orphan and was on his own at age sixteen. At eighteen he was married with a child and experiencing a very difficult financial period. He "maxed-out" all of his credit cards at this time and has avoided using any since. James had an affair and was subsequently divorced from his wife. Unable to see his child, he began using drugs and turned to crime. After spending time in jail, he then worked in the Alberta oil fields and as a tile setter, and earned a lot from selling drugs, turning an entire house in Calgary into his grow operation. Although James had a bank account, he stashed all of the money that he made selling drugs in his house. He quit a high-paying job because of cocaine use; at the time he was spending everything that he made on drugs. James also had access to credit from his drug dealer. He believed that the cocaine was killing him and so decided to try heroine which he described as the worst mistake of his life. After this he began methadone treatment and took out a student loan to return to school. However, James abandoned his goal of going back to school because the student loan would disqualify him from receiving methadone which he otherwise could not afford. He is unable to

work because of his health and is on disability assistance. James will get some form of pension when he is sixty or sixty-five, but he expects that anything more than \$400 per month will be deducted by the social assistance agency.

James has had trouble obtaining his birth records and thus ID has been difficult for him. He used Money Mart but felt that he was spending too much money to cash his cheques, so he opened an account at PPS, and appreciates its low cost. James saves by buying groceries in bulk, and spending lots of money on food is a strategy that he employs to avoid spending money on drugs. He also frequents pawnshops. While James relied on mainstream bank services in his teens and early twenties, he shifted over to relying on informal (savings kept hidden at home; credit from drug dealers) and fringe financial services (cheque-casher, pawnshops) since then. Most recently, living in the Downtown Eastside James has relied on Four Corners Savings Association and then Pigeon Park Savings for a portion of his financial services.

Vancouver Respondent #12, Edith

Vancouver respondent #12, 'Edith' is 50 years old and has lived in the Downtown Eastside for 6 years. She lives alone and has completed some university education, is presently reliant on social assistance and describes her ethnicity as Caucasian.

Edith declined a scholarship to go to UBC in favour of Simon Fraser University because her friends were going there. Her family was never without the money and she believes that this is why she did not develop a good concept of money, and always spent everything she had. Although she was advised to begin a retirement plan, she could never save money. During these years she spent it traveling and drinking, and bought a car. Edith quit her job at BC Telephones when her brother was killed. She then moved to a remote Northern community and began drinking due to isolation. She worked several jobs throughout her twenties and earned a comfortable living, however she accumulated many possessions and developed alcohol and gambling habits. Later Edith moved to the U.S. and worked in real estate, living a lucrative lifestyle. She liked cars and expensive jewellery, and would spend her earnings no matter how much they were. Edith also began using drugs, and an inheritance that she received of \$100,000 was gambled away in a matter of months. She then began pawning her possessions to pay for her gambling addiction, and eventually she was forced to file for bankruptcy. Edith says that all of her transitions were related to relationships. Ten years ago she was arrested for driving under the influence and since then has not used alcohol.

Edith then moved to the Downtown East Side, and began selling marijuana and collecting social assistance. She receives only enough assistance to pay for her rent, so she also sells used items that she collects, "dumpster-diving." Edith dislikes Vancouver but she is trying to replace her ID, which was stolen and then lost in a fire. She had a bank account for many years through her thirties. In her thirties she became addicted to gambling and drugs and Edith was the victim of an identity theft. The bank closed her account at that time. Since her late thirties she has not had a bank account but has relied on pawnshops for some of her financial services.

Winnipeg Respondent #1, Aaron

Winnipeg respondent #1, 'Aaron' is a 37 year-old lifetime resident of Winnipeg's North End. Aaron finished grade 8, he lives alone, relies on social assistance which amounts to \$5,280 annually and which includes direct payment of his rent by Employment and Income Assistance.

He describes his ethnicity as Métis. He does not currently have a bank account and, according to Aaron, he is completely reliant on fringe banks for his financial services.

At an early age, Aaron skipped school to work with his father in home renovations. At 18, he went on social assistance. Shortly after Aaron began working with the Exhibition, and has continued to work at casual labour for short periods throughout his life. The longest of these was for three weeks, after which he left because he was facing discrimination from his coworkers. For several of these years he cashed cheques at a bank without having an account. Aaron opened an account when an employer used direct deposit, however he closed it a few years later because of high fees on transactions. After this he has relied on Money Mart and then on informal cheque-cashing with grocers and landlords. He receives occasional gifts of food and tobacco from his children. Currently Aaron is on social assistance and cannot work because of health problems.

Transportation represents a barrier to banking for him, and discrimination faced at work has been an impediment to stable work. Alcoholism is often present during periods of financial difficulty throughout his life. Aaron does not foresee having a bank account because his health keeps him from having a steady job, although lower service fees would influence his decision to use a bank.

Aaron might be described as having modest life goals and resulting modest financial needs. His choice of financial services are mostly focused on 'liquidity' services, i.e., cheque-cashing. He has moved between use of banks and fringe banks to cash his cheques and these moves seem to be made on the basis of convenience (e.g., location, bank relationship with social assistance agency) and on fee size. For instance when Aaron was 21 years old the social assistance agency moved next door to a Bank of Montreal branch. This meant that it was convenient for him to pick-up his cheque and go next door to cash his cheque at BMO. About ten years later, when he was in his early thirties he found that he was paying \$1.25 per transaction for his bank account so that he decided to close the account and cash his cheques at a cheque-casher. In his mid-thirties Aaron once again shifted due to convenience and fees: he was able to cash his cheques for free at a neighbourhood retailer if he purchased his groceries there. Aaron also uses pawnshops and lay-away programs to purchase small consumer items such as guitars and televisions. Pawnshops offer good quality merchandise for low prices and lay-away allow him to avoid the heavy fees associated with rent-to-own arrangements.

Winnipeg Respondent #2, Bill

Winnipeg respondent #2, 'Bill' is a 32 year-old who has lived in Winnipeg's West End for one month, having moved there from a rural First Nations' Community. He completed grade eleven, lives with two others, and has relied on social assistance but is currently engaged in informal employment which earns him approximately \$4,300 per year. Bill describes his ethnicity as Salteaux. He does not have a bank account at present and says that he is equally reliant on fringe and informal financial services.

His youth included several stints in jail as well as alcohol problems. A major life change occurred when he was still a teenager and after a particularly rough period in jail. This change was made largely through self-reflection and the desire to live a better life. Bill took steps to curb his alcohol consumption and generally to be a better person. When his daughter was born, financial difficulty led him to use pawnshops. Throughout his twenties he worked painting and construction jobs, relying on Money Mart to cash his cheques. Currently Bill works informally

as a piano mover and has a highly variable wage. On average he makes approximately \$360 per month and he lives with his mother. Bill is seeking full-time work.

Bill has never had a bank account, and relies on cash and cheque-cashers. His experience with Money Mart has been inconsistent; he finds that fees vary at each location and that staff are not always willing to explain this. His primary goal for the future is to gain custody of his daughter. To do this Bill must get a full-time job so that he can live on his own. Part of this goal also includes opening his first bank account and beginning to save.

Bill has very modest income and financial goals. He uses fringe financial services to cash his cheques and has an arrangement with both parents for credit. He also lends and borrows small amounts of money with his mother on an occasional basis.

Winnipeg Respondent #3, Abbey

Winnipeg respondent #3, 'Abbey' is forty years old and has been a resident of North Point Douglas for eight years. She completed grade twelve, lives with one child and currently relies on social assistance, amounting to \$8,400 per year. She describes her ethnicity as Swedish, Icelandic and Cree. She currently has no bank account and says that she relies on fringe banks and informal financial providers for one-fifth and four-fifths of her financial services, respectively.

Abbey defines the major periods of her life in terms of her children. Having her first child encouraged her to become financially responsible and begin living according to a budget. She was taught how to do this by her mother and she endeavours to teach the same to her children. While Abbey was raising her children, she bought school supplies and Christmas presents throughout the year, and her annual income tax refund was a source of many of her large purchases. Abbey spent many of these years on social assistance and working as a server, until she completed rehabilitation for an addiction and no longer wanted to spend time in bars. She began to work in sandblasting and made a very good wage, but she came into a period of crisis when she was hit by a car and her mother passed away. At this time Abbey decided to complete her high school education as an adult partly because she wanted to set a good example for her children. Since completing school she has been living on assistance and hopes to re-enter the work force when her health improves.

Currently she lives on less than \$700 per month and has one child living with her in rental housing. Abbey closed her bank account a couple of years ago because of unexpectedly high service fees that she was unable to pay, and currently relies on Money Mart and informal cheque-cashing. Having a bank account is related for her to raising a large family; now that she no longer has three children at home, she does not feel that she needs one. However, if Abbey went back to work she would like to open an account at a credit union because she could bank at any credit union in the city without having to pay service fees.

Abbey has used a number of innovative means to meet her family's needs. This includes schemes to save money for major events like Christmas and ways to effectively use lump-sum income like child tax benefits. Her savings schemes did not involve banks. Abbey has shifted over time between mainstream and fringe banks to cash her cheques based on convenience and fees. For example for a period in her twenties she closed her Canada Trust account because of fees and cashed her cheques at the bar where she worked. She presently cashes her social assistance cheques at a grocery store for no charge if she buys her groceries there. Abbey has relied on social assistance for a long period of time but when she was employed she did not shift from informal/fringe banks to mainstream banks.

Winnipeg Respondent #4, Barbara

Winnipeg respondent #4, 'Barbara' is 46 years old and has lived in the North End for six years. She has completed grade nine and some college courses. Living with two children, Barbara currently relies on social assistance and works part-time with a local organization, bringing in a total household income of \$19,200 per year. She describes her ethnicity as Caucasian. She presently has a bank account and says that she relies on mainstream banks for three-quarters of her financial service needs. Fringe banks and informal financial services provide her fifteen and ten percent, respectively.

Barbara had her first child at nineteen and describes herself as a stay at home mom for the better part of the next twenty-five years. She and her husband earned income from part-time jobs, social assistance and employment insurance for many years. Financial hardships, and more specifically jobs that did not allow them to spend enough time together, put a strain on their relationship. This led to an eventual divorce. After this split, Barbara had some difficulty dealing with social assistance staff regarding her new status. She was also spurred by her divorce to begin courses at Red River College. Currently Barbara lives with her two children while she attends school, and struggles to pay the bills with social assistance. When Barbara completes her program she hopes to be employed full-time which will allow her to stop using payday loans and to begin saving.

Barbara has used a number of innovative means to meet her family's needs. These include ways to save money for small consumer items and borrowing from, and lending to family and friends for small amounts (e.g., \$20). She obtained a credit card when she was in her early forties but it was misused by her husband so that she is not eligible for a credit card now. Barbara is currently forced to use a payday lender because she no longer knows anyone that she can borrow informally from. She prefers payday loans over pawnshops because they cost money instead of her belongings. She avoids rent-to-own schemes because of a bad experience that her mother had when she was a child.

Barbara has had the same bank account for all of her adult life, so she has not shifted between fringe and mainstream banks like some other respondents. She believes, however, that the services at her mainstream bank have deteriorated. Barbara is especially concerned with the lack of mainstream banks branches in her neighbourhood. However, she plans to remain with her bank because she believes that it would be difficult to open a new bank account. To reduce her financial service fees Barbara withdraws lump-sum amounts of money from automatic teller machines (ATMs). While this reduces her fees she feels that she spends money more quickly this way.

Winnipeg Respondent #5, Collin

Winnipeg respondent #5, 'Collin' is 55 years old and has lived in Wolsley for six years. He has completed grade twelve and some college, is presently reliant on social assistance and some self-employment earnings amounting to an approximate annual income of \$9,500. Being adopted, he was unable to describe his ethnicity. Collin has an account at a credit union and relies almost exclusively on it for his financial services.

The major periods of his life are defined by different jobs. When Collin and his wife were both employed full-time, they enjoyed a very comfortable living. Collin felt that that during this time they enjoyed excellent and very accessible financial services from CIBC. His wife's depression manifested itself in material consumption, which became a cause of financial

hardship. He divorced and left his job because of stress, and worked several jobs at once, usually including working for a courier company, until a knee injury prevented him from working. At this point Collin went on social assistance and nearly became homeless. He petitioned politicians and wrote articles about his situation in order to get the income necessary to support himself. During these less prosperous periods, Collin experienced racial profiling at stores and inner-city banks. He has completed a micro-enterprise training program and hopes to start a small business. Collin is having difficulty obtaining credit so that he is considering taking a loan from a broker or looking for support from government agencies.

After quitting his job with the province, Collin overextended on a line of credit at CIBC and the bank closed his account. He began using pawnshops and informal cheque-cashing. Grocery stores have represented important places to bank. He believes that fringe banks fill holes left by banks that don't care to deal with inner city clientele. Currently he banks at Assiniboine Credit Union, and he would not use mainstream banks because of his distrust of them. Collin has moved from employment through unemployment to self-employment. His income has gone from middle-income through a low-income to a modest-income level. He has relied on mainstream banks when his income was middle or modest-level. Collin relied more on informal financial services, i.e., cheque-cashing at a local grocery store, when his income was low. The move from mainstream to informal financial services was catalyzed by abusing his line of credit at a bank. With a more modest income Collin now uses pawnshops to gain credit when needed.