



SAVER PLUS SUMMARY REPORT

2011

Incorporating summaries of two research reports:

Evaluation of Saver Plus Past Participants

Roslyn Russell, Lauren Wall and Minh Phuong Doan
RMIT University, 2011

Many Faces of Saving: The Social Dimensions of Saver Plus

Eve Bodsworth
Brotherhood of St Laurence, 2011

FOREWORD

ANZ and the Brotherhood of St Laurence are pleased to present this Saver Plus Summary Report. In publishing this report we aim to contribute to improved understanding of the barriers faced by lower income households to mainstream economic participation and the positive role that can be played by savings and financial inclusion programs.

Saver Plus provides individuals and families with the incentive to save and to improve their financial knowledge and position. It helps participants better respond to financial challenges such as unexpected expenses or a loss in income.

The reports summarised in this publication demonstrate the continued success of the program – both the longer term impact of Saver Plus on savings behaviour and the social impacts of program participation on individuals and their families. The report from RMIT University, building on evaluations published since the program's inception, finds that 87 per cent of participants continued to save at or above the levels they did on the program up to three years after completion. That is, Saver Plus instils a long-term savings habit in participants.



Philip Chronican
CEO ANZ Australia

The report from the Brotherhood's Research and Policy Centre tackles the broader social and economic context in which participants save money and manage their finances. It finds that for low-income households, saving is not easy; but with the right incentives and support, people can achieve their savings goals. It also demonstrates the important social benefits that arise, showing that asset ownership is linked to social and civic participation and family stability.

The Brotherhood of St Laurence and ANZ welcome the extension of the Australian Government support timeframe for a further four years, enabling Saver Plus to continue in 60 sites across Australia. ANZ will continue to invest in Saver Plus, matching the savings of thousands of participants.

We also acknowledge the major role of our partners, The Smith Family, The Benevolent Society and Berry Street, as well as our delivery agencies, Anglicare SA, Anglicare WA, BGT, Bethany Community Support, Jewish Care Victoria and Haven, in the successful expansion of the program.

More than 10,000 people have already participated in Saver Plus and together with our community partners we look forward to making a positive difference to the lives of thousands more Australians in coming years.



Tony Nicholson
Executive Director, Brotherhood of St Laurence

SAVER PLUS PARTNERS

Saver Plus is an initiative of the Brotherhood of St Laurence and ANZ. The program is funded by ANZ and the Australian Government Department of Families, Housing, Community Services and Indigenous Affairs, with ANZ providing matched savings for participants.

The program is delivered in partnership with The Smith Family, The Benevolent Society and Berry Street.

Local community organisations also deliver Saver Plus including Anglicare SA, Anglicare WA, BGT, Bethany Community Support, Jewish Care Victoria and Haven.



CONTENTS

FOREWORD	2
SAVER PLUS PARTNERS	3
ABOUT SAVER PLUS	5
ABOUT THIS SUMMARY	6
1.0 EVALUATION OF SAVER PLUS PAST PARTICIPANTS	7
1.1 PREVIOUS ASSESSMENTS OF SAVER PLUS BY RMIT UNIVERSITY	7
1.2 RESULTS OF THE LATEST ASSESSMENT OF SAVER PLUS	8
Developing savings habits	8
Saving more regularly	9
Better able to deal with unexpected expenses	9
Improves ability to plan ahead	10
More confidence in dealing with banks	10
More able to seek financial advice	11
More aware of rights and entitlements	11
Savings habits passed to other family members	12
Other impacts of Saver Plus	12
2.0 MANY FACES OF SAVING: THE SOCIAL DIMENSIONS OF SAVER PLUS	13
2.1 KEY POINTS	13
2.2 KEY FINDINGS	14
Saving	14
Struggling to save	14
Debt and saving	15
Benefits of Saver Plus	15
Structural constraints	16
2.3 KEY RECOMMENDATIONS	17
Saver Plus program	17
Broader policy reform	17
REFERENCES	18

[Saver Plus] assists individuals on lower incomes develop a long-term savings habit.

Saver Plus is Australia's first matched savings and financial education program, which assists individuals on lower incomes develop a long-term savings habit and reach a savings goal. Participants in the ten-month program save for educational costs for themselves or their child. As an incentive to save, participants' savings are matched dollar for dollar up to \$500.

Participants apply directly through one of the community organisations delivering the program. Upon successful enrolment they open a savings account at their local ANZ branch, into which they make regular deposits. They attend MoneyMinded workshops to build upon their existing financial management skills and after ten months, when they reach their savings goal, ANZ provides matched funds for the nominated educational expense.

Saver Plus was developed by the Brotherhood of St Laurence and ANZ in 2002 and was piloted in three communities in 2003. In 2004 it was delivered in three sites, with 260 participants. In 2005 the program included four sites and reached over 400 participants. Between 2006 and 2009 it was delivered to 5,000 participants in 21 sites, with support from the Victorian Government. In 2009 the Australian Government committed over \$13 million for the expansion of Saver Plus across Australia and the program was delivered across 60 sites to approximately 7,500 participants.

In 2011 Saver Plus received further funding from the Australian Government to continue delivering the program across 60 sites over a four year period. ANZ continues to provide all matched funds.

Community partners, including the Brotherhood of St Laurence, The Smith Family, The Benevolent Society and Berry Street, deliver the program. Other delivery agencies include Anglicare SA, Anglicare WA, BGT, Bethany Community Support, Jewish Care Victoria and Haven.

ABOUT THIS SUMMARY

This document incorporates summaries of two Saver Plus research reports.

The first research report was compiled by RMIT University and is the latest in a series of ongoing evaluations of the effectiveness of the Saver Plus program, focusing on the experience of participants from the 2006–2009 period.

The second was compiled by the Brotherhood of St Laurence and assesses the experiences of Saver Plus participants to better understand the savings challenges faced by low-income people. This study includes recommendations for improving the Saver Plus program, and for broader financial policy reform.

For further information:

The RMIT University report, *Evaluation of Saver Plus Past Participants*, and the Brotherhood of St Laurence report, *Many Faces of Saving: The Social Dimensions of Saver Plus*, are available on www.anz.com and www.bsl.org.au.

1.0 EVALUATION OF SAVER PLUS PAST PARTICIPANTS

This section presents a summary of RMIT University's latest report that evaluates Saver Plus past participants. The RMIT assessment is based on past Saver Plus participants who were enrolled during the period April 2006 to September 2009. During this time, Saver Plus was delivered by seven community organisations in 21 sites across New South Wales, Queensland, Victoria and the Australian Capital Territory. Until June 2009, there were 4,110 participants who commenced Saver Plus; 2,668 who completed the program; 558 who enrolled but did not complete and 884 still enrolled in the program.

A Computer Aided Telephone Interview (CATI) method was employed to conduct the survey. The survey was conducted from October to December 2010. The aim was to include participants who had either graduated or withdrawn from the Saver Plus program at least 12 months prior to the survey.

A note on program conditions during the period 2006–2009

In 2006 to 2009, Saver Plus participants were able to choose a savings timeframe between 10 and 18 months to suit their individual circumstances. The current program is capped at a maximum of 10 months. Between 2006 and 2009, participants who met their savings goal received a matched savings rate of \$1:1, up to \$1,000. The current program offers matched savings up to \$500.

1.1 PREVIOUS ASSESSMENTS OF SAVER PLUS BY RMIT UNIVERSITY

Saver Plus has been delivered in phases and informed by continual evaluations since its inception. Past evaluations have consistently shown that Saver Plus has been successful in helping participants increase levels of financial literacy and confidence in managing money, and reach a savings goal. In addition to these financial benefits, Saver Plus has also had an impact on social and individual outcomes such as:

- > increased self-esteem and confidence
- > reduced stress
- > more positive education experiences
- > greater propensity to plan for the future
- > feelings of greater control over their lives
- > positive intergenerational effects
- > increased social networks.

While current participants are evaluated during each phase, follow-up evaluations have also been conducted a number of times on past participants, who usually graduated from the program at least 12 months prior. The results from the first study (Phase 1 participants) showed that 72 per cent of participants had continued to save (Russell, Brooks & Nair 2006). The second study was conducted on Phase 1 and Phase 2, 24 and 12 months (respectively) and showed that 75 per cent of participants continued to save (Russell, Mihajilo & Brooks 2007). The third follow-up study was conducted with Phase 1 and Phase 2 participants 36 and 24 months respectively after program completion and 70 per cent reported they were saving the same amount or more as they were while in the program (Russell, Harlim & Brooks 2008).

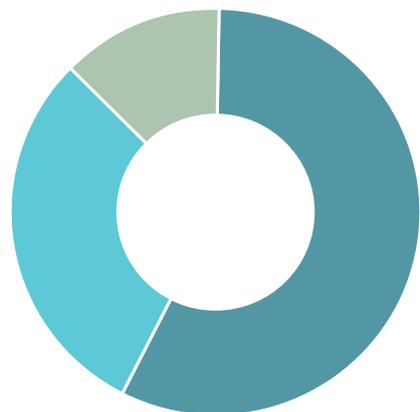
1.2 RESULTS OF THE LATEST ASSESSMENT OF SAVER PLUS

The results of the latest evaluation by RMIT indicate that Saver Plus continues to achieve its aims in assisting low-income individuals to develop a saving habit and improve levels of financial literacy. The evaluation included a sample of 718 past participants (including 83 who did not complete the program). The following are highlights from the full research report.

Developing savings habits

Overall, 87% of participants who enrolled in Saver Plus between 2006 and 2009 are still saving the same amount or more as they did while in the program. This is 16% higher than the previous follow-up study.

FIGURE 1:
Savings Deposits

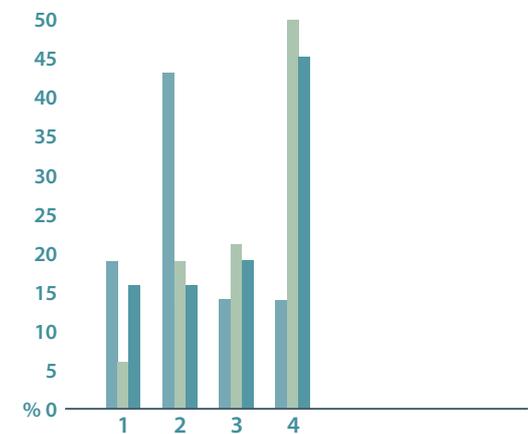


■ Increased 57%
■ Stayed the same 30%
■ Decreased 13%

The higher saving rate post-Saver Plus compared to that found in previous follow-up studies may be attributed to a higher rate of electronic banking and automatic fund transfer facilities used by this group. Electronic banking allows participants to establish an automatic saving process and thus avoid the risks inherent in a less reliable, manual saving process.

The chart below provides a comparison of the usage rate of electronic banking between each of the last three Saver Plus evaluations. It indicates an increase in direct debit and automatic transfers from another account, and a decrease in 'in-person' cash deposits.

FIGURE 2:
Comparison of saving deposit methods between phases



1. Direct Debit
2. Automatic Transfer from another account
3. Centrepay / Autopay
4. Cash Deposits

■ Phase 3 (2006–2009)
■ Phase 2 (2005)
■ Phase 1 (2004)

Note: Centrepay was not available during Phase 3.

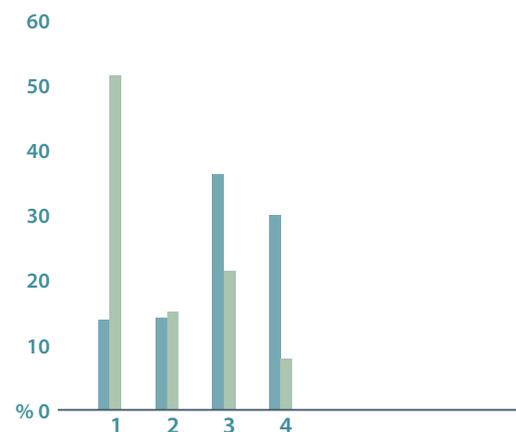
1.0 EVALUATION OF SAVER PLUS PAST PARTICIPANTS

Saving more regularly

Overall, 52% of those who completed the program reported saving a set amount on a regular basis, a 37% increase in the proportion of participants who were saving in this way before Saver Plus. Conversely, only 9% of respondents indicated they have been unable to save since completing Saver Plus, a 23% decrease from the proportion of respondents who said they were unable to save before Saver Plus.

Saver Plus requires participants to save regularly. Regular saving in turn generates a sense of ongoing achievement and provides additional motivation to continue saving. Participants can see their savings incrementally increasing and gain a sense of personal pride in their ability to save.

FIGURE 3:
Comparison of saving behaviour pre- and post-Saver Plus



1. I save a set amount regularly
2. I save what is left over after expenses on a regular basis
3. I save odd amounts when I can
4. I have been unable to save since Saver Plus

■ Before
■ After

Better able to deal with unexpected expenses

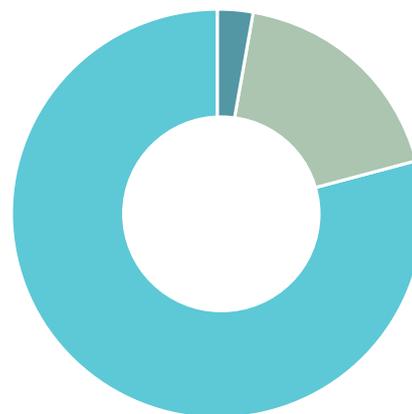
Overall, 81% of participants said they are better able to cope with unexpected expenses than before Saver Plus. This suggests Saver Plus helps participants plan ahead and/or save for a rainy day.

Saver Plus enables participants to build their financial assets over a ten-month period, and encourages them to continue this behaviour post-program so they have a financial buffer should anything unexpected occur.

The study also assessed the coping ability of participants who started but did not complete Saver Plus. Of these, 55% said they were also able to cope better with unexpected expenses.

FIGURE 4:
Ability to deal with unexpected expenses since Saver Plus

SINCE PARTICIPATING IN SAVER PLUS YOU HAVE BEEN ABLE TO COPE BETTER WITH UNEXPECTED EXPENSES...?



■ Agree 81%
■ Disagree 17%
■ Don't know 2%

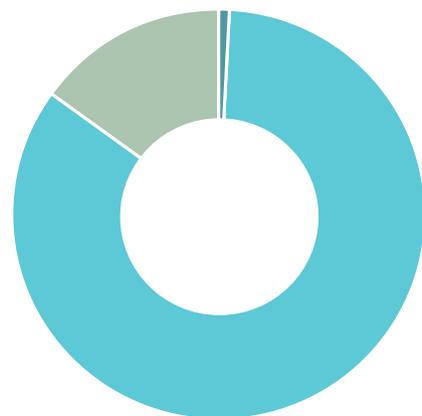
Improves ability to plan ahead

Overall, 84% of participants said their involvement in Saver Plus improved their ability to plan ahead and stay on top of things financially. Planning ahead helps low-income families to prepare for future expenses and may assist them to avoid getting into financial difficulty.

Participants are encouraged to plan ahead by developing a budget with their community Project Worker. They also participate in MoneyMinded workshops, which advise them how to budget for the future.

The study also analysed the ability to plan ahead by participants who started but did not complete the Saver Plus program. A majority of non-completers were also better able to plan ahead (60%) but not as high a percentage as those who completed the program (87%).

FIGURE 5:
Planning for the future
BECAUSE OF SAVER PLUS YOU ARE BETTER ABLE TO PLAN AHEAD?



■ Agree 84%
■ Disagree 15%
■ Don't know 1%

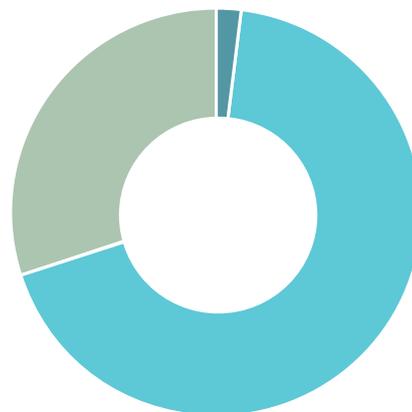
More confidence in dealing with banks

As a result of Saver Plus, 68% of participants felt more confident in dealing with banks and other financial institutions. Greater confidence in dealing with banks and other financial institutions helps give low-income people greater access to mainstream banking products and services, assisting their ability to manage their finances and potentially reducing their exposure to fringe lenders.

The study also analysed the confidence of participants who started but did not complete Saver Plus. A majority of non-completers were also more confident in dealing with banks and other financial institutions (53%), but not as high a percentage as those who completed the program (70%).

FIGURE 6:
Confidence in dealing with banks

BECAUSE OF SAVER PLUS YOUR CONFIDENCE IN DEALING WITH BANKS, BUILDING SOCIETIES AND OTHER FINANCIAL INSTITUTIONS HAS INCREASED?



■ Agree 68%
■ Disagree 30%
■ Don't know 2%

1.0 EVALUATION OF SAVER PLUS PAST PARTICIPANTS

More able to seek financial advice

Overall 83% of respondents said that Saver Plus improved their awareness of where to go for advice in making financial decisions. Knowing where to seek support and advice is a crucial aspect of being financially capable, and helps people avoid making poor financial decisions from which the financial costs can be very high.

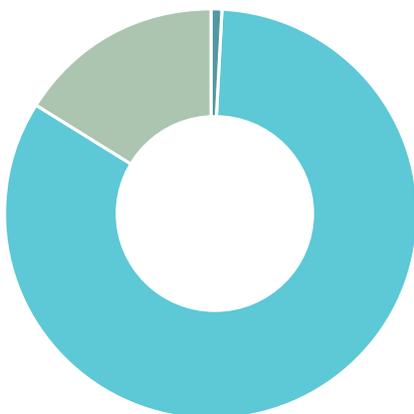
The MoneyMinded workshops give participants the opportunity to discuss and share information and experiences.

The study also measured the awareness of where to get help for participants who started but did not complete Saver Plus. Similarly a majority of non-completers were also more aware of the avenues to receive financial assistance (65%), but not as high a percentage as those who completed the program (85%).

FIGURE 7:

Knowledge of financial services

BECAUSE OF SAVER PLUS YOU ARE MORE AWARE OF WHERE TO GET HELP WITH FINANCIAL DECISION-MAKING?



Agree 83%
Disagree 16%
Don't know 1%

More aware of rights and entitlements

The majority of respondents (76%) reported an increase in their awareness of their rights and entitlements. Knowing your rights and entitlements is another important step in helping you become financially independent and capable.

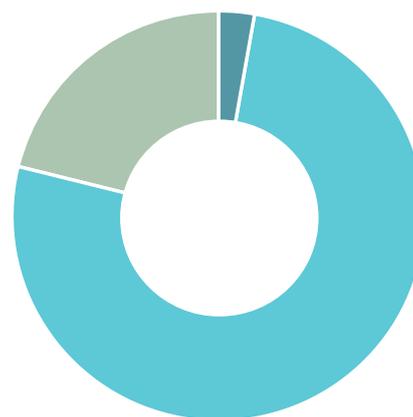
Once again, the MoneyMinded workshops are integral to helping reach this outcome.

Even a majority of those who started but did not complete the program (53%) reported an increase in awareness of their rights and entitlements.

FIGURE 8:

Knowledge of rights and entitlements

BECAUSE OF SAVER PLUS YOU ARE MORE AWARE OF YOUR RIGHTS AND ENTITLEMENTS, E.G. WITH CENTRELINK?



Agree 76%
Disagree 21%
Don't know 3%

1.0 EVALUATION OF SAVER PLUS PAST PARTICIPANTS

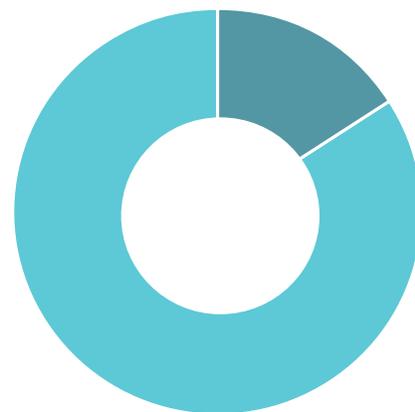
Savings habits passed to other family members

Overall, 84% of respondents reported that through participating in Saver Plus they were able to encourage other family members to save. Many (65%) also shared Saver Plus lessons and experiences with family and/or friends. In many cases this sharing occurred because participants felt compelled to share the tangible benefits they were experiencing.

Therefore the positive benefits of Saver Plus can spread beyond the experience of immediate participants to their immediate social circle of family and friends. This also signifies the deep sense of benefit that participants feel from participating in the program.

FIGURE 9:
Impact of Saver Plus on family members

BECAUSE YOU PARTICIPATED IN SAVER PLUS HAVE YOU ALSO ENCOURAGED (YOUR CHILDREN OR) OTHER FAMILY MEMBERS TO SAVE?



Yes 84%
No 16%

Other impacts of Saver Plus

A number of other impacts of Saver Plus were explored in the study and are detailed in the full report. These include:

- > **Positive impacts on accessing financial products and services, such as superannuation and insurance.** For example, 44% of participants changed existing bank accounts to ones that were more suited to their needs, 18% increased contributions to superannuation, and 27% also took up insurance products.
- > **Positive impacts on debt management.** For example, participants who completed the program were less likely to have credit card debts, unpaid bills or owe money through a hire-purchase arrangement than those who did not complete the program.
- > **Positive impacts on personal wellbeing and social connectedness.** Being satisfied with life overall is one indicator of wellbeing. Saver Plus participants reported an increase in their satisfaction with life through the ability to save on a regular basis, having more control over their finances, and by reducing their level of debt.

2.0 MANY FACES OF SAVING: THE SOCIAL DIMENSIONS OF SAVER PLUS

A small qualitative study was undertaken by Eve Bodsworth, Brotherhood of St Laurence, to explore the social and economic context in which participants in Saver Plus attempted to save money and manage their finances.

The study provides greater understanding of the constraints and barriers to saving faced by low-income individuals and families and why some participants did not complete the program. It explores the ways individuals make financial decisions within a broader social and economic context, looking in particular at the effects of gender, poverty, vulnerability and the labour market. It examines the ways these factors constrained individuals' capacities to save, budget or make long-term plans about their finances.

This report was based on face-to-face, semi-structured interviews with 18 Saver Plus participants who had all either completed or withdrawn from the program since September 2009. In addition to the in-depth interviews, 37 Saver Plus workers were surveyed at a professional development event in 2010.

While Saver Plus is open to people on low incomes without children, the majority of participants are women with children, both single and coupled mothers. For this reason, recruitment for the study targeted women with children. Since the study also explored the reasons why some participants do not complete the program, a larger percentage of early leavers than exists in the overall Saver Plus population was deliberately included in this sample. Even though the sample is small, this research reveals the complexity and diversity of the participants' lives.

2.1 KEY POINTS

- > Prior to their involvement in the Saver Plus program, most participants in this study already had strategies in place to manage their low-income households. These included thrift and frugality in grocery and food shopping and 'smoothing' larger expenses and bills across the year. A few participants had also engaged in 'formal' saving – such as allocating money to a separate account – before joining Saver Plus, but this was typically ad hoc and involved small deposits.
- > After completing Saver Plus, many participants adopted new budgeting strategies. These generally aimed at reducing discretionary spending and differentiating between their 'needs' and 'wants' as consumers. A smaller group continued making regular deposits into a dedicated savings account. A third group indicated a strong desire to continue to save but had been unable to do so regularly.
- > Whether people continued to save after Saver Plus was influenced by external factors, such as limited and fluctuating incomes or unexpected expenses; logistical factors, such as lack of direct debit arrangements; and motivational factors, mostly related to lack of a new 'savings goal'.
- > A small number of the 18 participants interviewed had continued regular saving but at the same time had debts which were accumulating interest. They were making only minimum repayments toward these debts and were accruing high interest, while earning lower interest on their savings. These debts were often related to the purchase of household items involving an 'interest-free period' offer or use of a store credit card.
- > Interviews with eight participants interviewed who did not complete the program ('non-completers' / 'early leavers') revealed several issues which affected their participation. Fluctuating or irregular income made it difficult for some to consistently meet the monthly deposits required by the program. One group of early leavers also had lower incomes combined with high debts and other household expenses, which made it difficult for them to make ends meet, let alone save. Others had slightly higher incomes but a more relaxed approach to household budgeting. Difficulties in setting up electronic banking and transfers also discouraged some participants from completing the program.

2.2 KEY FINDINGS

Saving

Since a key aim of Saver Plus is to promote an ongoing saving habit, attention was given to what influenced whether participants continued to save after finishing the program. The factors found to influence ongoing saving included debt levels, reliability of income, use of direct debit or an automatic payment system and having a new savings goal. The program worked well for participants who already had a systematic approach to budgeting and were able to incorporate regular saving in their existing budgets. Even participants who had not become regular savers expressed a desire to save in the future and felt they had benefited from information they had received about resources for low-income families, consumer rights and understanding credit and debt.

Even explaining about how credit works was an eye-opener for me ... how you accumulate the interest ... that in itself was an eye opener, as to why I wasn't coping with doing my repayments on the credit card.
*(Manjula)**

Struggling to save

A small number of the more disadvantaged participants found that saving after completing or withdrawing from the Saver Plus program was not possible. These people were struggling financially and had fluctuating low incomes, high levels of debt and high housing costs. Some managed to complete the program but fell behind on other payments, and some withdrew from the program before completion.

Because I wasn't getting regular money in each fortnight it was quite a bit difficult to do ... Some weeks you had more than others ... taking that [Saver Plus deposit] money away... I just couldn't justify ... my main goal was getting a permanent job.
(Samantha)

Other early leavers simply had a less organised approach to their existing household budgets and felt that 'micro-management' approach would not suit them. Others were discouraged by the logistics of setting up regular payment transfers.

* Names of participants have been changed to protect their anonymity.

2.0 MANY FACES OF SAVING: THE SOCIAL DIMENSIONS OF SAVER PLUS

Debt and saving

There was a small group of participants who had established regular saving arrangements as a result of participating in Saver Plus, but who also had outstanding debts towards which they were only making minimum repayments while accruing high interest – choices which could potentially place them in a worse net financial position, despite their savings habit. It appeared that these participants knew that this behaviour could make them worse off but felt strongly about protecting and adding to their 'hard-earned' savings rather than using the money to pay off debts.

I had to get a fridge because that died ... I didn't want to just wipe my whole savings account on just the one thing, in case something came up and I had nothing. [The financing option] was interest-free ... so ... I took advantage of the offer and, yeah, two and a half years have gone really fast.
(Martina)

While the Saver Plus workshops provide information about the traps (and also the benefits) of credit and debt, for some participants this advice was not sufficiently helpful for practical decision making about competing financial needs. While the economically 'rational' decision would be to first pay off existing debts with higher interest rates, these participants felt that such an approach would leave them vulnerable in the event of future unexpected expenses. The existence of savings provided them with a sense of security and achievement – whether or not it actually improved their overall financial situation.

Benefits of Saver Plus

All of the study participants who completed Saver Plus – even the early leavers – thought highly of the program and were grateful for both the matched funds and the support and information received from the Saver Plus workers and MoneyMinded workshops.

The program's primary impact, in so far as this small study is able to show, is through assisting low-income parents to meet the costs of their children's and their own education. Participants identified ways in which lack of money had directly impacted upon their children's school experiences. These included exclusion from activities and difficulty with schoolwork due to lack of a computer or current textbooks. Wearing an incorrect or too-small school uniform also created a sense of being 'different' from other students. The matched funds assisted parents to meet some of these costs:

They're in the right uniform [thanks to the matched funds]. Like, when I was going to the op shop and buying the op shop pants and shorts and that, they were getting embarrassed because they weren't in the right style ... So, now we don't have that embarrassment problem.
(Ruth)

And my son, he can go into the programs he uses at school [with the new computer]... He uses it for maths and plays games about maths and spelling.
(Merpati)

Experience with Saver Plus also encouraged participants to continue to put aside money for future 'back-to-school' periods. However, some commented that their completion of the program, and therefore the timeframe for spending their Saver Plus matched funds, did not always align with the time most education costs were payable – typically the start of the year:

I found the fact that I finished the [Saver Plus] course in September stressful because the bills don't just come in September. It was quite stressful ... I asked ... if I could pay the fees for his piano lessons in September, but they weren't very happy about that ... [Younger son's high school] actually said no, that I had to pay the fees in August, but then they agreed ... It just would have been better to have had more time to use the money. I'd already paid for all the books at the start of the year, but I will have to pay for another lot for next year.
(Naomi)

Involvement in Saver Plus had a clear positive impact on the study participants who became regular savers as a direct result. While the amounts saved after Saver Plus were modest, these savings enabled some participants to purchase household items without going into debt or helped to reduce the debt incurred to purchase bigger items such as fridges, washing machines or car repairs. These 'new savers' reported reduced stress around their finances and greater confidence gained from setting up and achieving their savings goals:

I guess I learned [from Saver Plus] that it was possible [to save] and I would say I have to sacrifice things now, but I'm one step closer to my car. So even \$3,000 will help. A car is very important, it's part of my life, so I have to save for it, and there's no other choice. Before there was \$1,000 incentive, but now it's the car ... I need it.
(Elena)

However, despite this increased confidence, many participants felt that larger savings goals such as home ownership or adequate retirement income were not realistically achievable unless they substantially increased their incomes. Even then, some participants felt that these goals were out of reach, and chose to focus instead on investing in their children's education:

Now that I've finished [studying], I'm looking at building the foundations up with that ... basically just being able to have a good job where I don't have to rely on welfare payments, that's the main goal ... I'm not giving up the dream of having my own home ... that's something I still want to believe that can happen ... But you know, there's two kids there, they're not getting any younger ... and it's very expensive ... So basically that's my goal, to be able to provide for my kids.
(Martina)

Structural constraints

While saving and budgeting decisions were its primary focus, the study revealed the broader context in which these decisions were made. Factors which constrained incomes and increased expenses played a large role in shaping the participants' financial choices. When combined, low incomes and high expenses seriously restricted participants' capacity to save, regardless of the individual's intentions or capabilities. Employment conditions, particularly casual employment, and irregular or unreliable child support had a major impact on participants' incomes. Housing costs, particularly private rental, education costs and debt repayments all limited the capacity of households to regularly save. For some couple households, the issue of who controlled decisions about finances also played an important role in whether saving was adopted.

2.0 MANY FACES OF SAVING: THE SOCIAL DIMENSIONS OF SAVER PLUS

2.3 KEY RECOMMENDATIONS

Saver Plus program

The report includes recommendations to the Saver Plus partnership regarding ways the Saver Plus program might better encourage ongoing saving, better meet the needs of diverse participants and encourage early leavers to remain in the program:

- > Upon completing Saver Plus, participants should be strongly encouraged to plan their next savings goal.
- > Strategies for dealing with existing and future debt while continuing to save should be incorporated in the program's MoneyMinded workshop components.
- > Private sessions with Saver Plus workers should be made available for participants to discuss their particular financial situation. While this consultation might simply result in a referral to a financial counsellor, the referral would be most effective from a trusted source.
- > More flexible arrangements should be offered to participants who have difficulty managing regular savings deposits due to external factors such as fluctuating paid work income and unexpected drops in income due to unpaid child support or time away from work because of ill-health or childcare responsibilities.
- > Greater flexibility could also be offered in the means of delivery for the MoneyMinded sessions for participants who have time-constraints, are based in regional or remote areas or are disabled. Such flexible arrangements should, however, only be offered for those who would otherwise not participate, as the current workshops enable development of a trusting relationship with the Saver Plus worker and peer support from other participants.
- > Greater flexibility in the time allowed to spend the matched funds should also be considered in order to allow better alignment between the Saver Plus program and the time when most education costs occur.
- > Participants, particularly those who withdraw early, should be offered referrals to other financial management services, including financial counselling. In addition, detailed information about debt consolidation and alternative microfinance products should be provided.

Broader policy reform

The Brotherhood of St Laurence makes further recommendations for broader policy change in areas which were found to constrain saving and asset accumulation for the participants:

- > Government should strengthen the regulation of unfair and unsafe credit products. Tighter regulation must also be matched with more accessible, safe and affordable financial products for low-income households.
- > Existing providers of savings programs, affordable loans and financial counselling for low-income people should look at ways to better integrate services, including streamlined referral processes and information provision.
- > Government should review current Centrelink policies which create disincentives for low-income earners to save, such as asset limits for income support payments. Consideration should also be given to removing disincentives for low-income parents to increase hours of paid work, such as high effective marginal tax rates and childcare costs.
- > Governments should also consider ways to support longer-term asset building for low-income people, in particular through policies which address housing affordability.

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Published by

Brotherhood of St Laurence
67 Brunswick Street
Fitzroy Vic. 3065
Australia

Tel: (03) 9483 1183
www.bsl.org.au

ANZ
833 Collins Street
Docklands Vic. 3008
Australia

Tel: 13 13 14
www.anz.com

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