

“There Are No Banks Here”

Financial & Insurance Exclusion in Winnipeg’s North End

A Research Report by Jerry Buckland & Bruce Guenther
with Georgi Boichev, Heather Geddie & Maryanne Mutch

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**Dedicated to the Memory of
Nancy Barbour (1951 – 2005)
Community Activist, Writer, Researcher &
Winnipeg North End Resident**

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Executive Summary

Financial exclusion is a matter of growing concern in Canada considering the decline in the number of mainstream bank branches in some inner-cities and the concurrent rise in the number of fringe banks. This study reports on results from a survey of residents from Winnipeg's North End, a low-income area of the city. The study seeks to understand resident's experiences with financial and insurance services: which ones they use, which ones are important to them and how accessible the services are. As a follow-up to research completed in 2002-2003 in the North End this survey asked questions about a greater number of services (banks, fringe banks, informal financial services *and* insurance services and financial support services) in a semi-random fashion to a broader range of respondents (low- *and* middle-income).

Low-income respondents are most dependent on fringe banks and informal sources for their financial services. They are somewhat less dependent on banks and they have virtually no dependence on insurance or financial support organizations. In contrast, middle-income respondents are most dependent on banks but also rely on fringe banks and informal sources of financial services. Middle-income respondents depend on insurance but they have no experience with financial support services.

Respondents generally ranked the services that they used the most as the most important for their financial wellbeing. Low-income respondents ranked fringe banks as important and middle-income respondents ranked banks as the most important. There were some exceptions to this. While many respondents across the income range indicated financial support services and insurance are important few actually use them. This gap was greatest for financial support organizations that most respondents believed could be very useful but many had never heard of them.

The most interesting results of the survey relate to the question of accessibility of different services. When asked about the accessibility of various financial and insurance services the majority of respondents across the income range indicated that they were accessible. However, when asked if they had any general comments about these same services the majority of respondents made comments about the problems associated with these services. The problems identified include: long distance away due to bank branch closures and poor means of transportation; high cost of fringe bank services; being poorly treated by bank branch staff; and, red-lining of neighbourhood by insurance companies. We conclude from this apparent contradiction that while many respondents feel that financial services are available in the neighbourhood or nearby, they are either expensive (fringe bank services), insufficient (informal financial services), difficult to obtain (banks and insurance companies) or they are unaware of them (financial support services).

Notable results from the survey categorized by type of service are outlined below.

Fringe Banks (pawnshops, rent-to-owns, cheque-cashers, pay-day lenders, etc.)
Low-income respondents use fringe financial services more frequently than do middle-income respondents and low-income respondents also find these services to be of more importance for their long-term financial security. However, the high percentage of negative comments made by low-income people seems to indicate that there is ambivalence towards these services. This tension becomes apparent when one considers questions of accessibility: though low-income respondents indicate a relatively high level

of accessibility for fringe banking services, the comments indicate that high service fees or interest rates make the convenience of these services less desirable.

Mainstream Banks (& Credit Unions)

In respect to formal banking services, there is a high level of dissatisfaction in the North End due to recent bank closures in the area. Qualitative data indicates that there is a high level of inaccessibility despite relatively positive comments on accessibility obtained from the quantitative data. This is confirmed by the frequency-of-use data that reveal that there is a high percentage of persons in the North End without a relationship with a bank. In particular, the inaccessibility of these services mostly harms low-income respondents.

Insurance Services

There is a low level of use of insurance services among respondents, particularly low-income people. Persons who have had experience with insurance companies cite the high costs of obtaining property insurance (being “red lined”) as a major frustration. Despite respondents’ indicating in the quantitative results that insurance services are both relatively important and accessible, their qualitative comments indicate that there are significant barriers for persons who want to obtain insurance in the North End.

Informal Financial Services (Corner Store, Bar, Friend & Family Member)

Respondents often linked the use of informal services to the lack of access to formal banking services in the area. Because of this, the qualitative data and quantitative data reveal that a good percentage of respondents value the services provided by the informal sector. In particular, the quantitative data indicates that while low-income people use these services more frequently than middle-income people, they still find them less accessible than middle-income respondents.

Financial Service Support Organizations (Micro-credit, Individual Development Account, Credit Counselling, Financial Literacy Training)

All respondents indicated a very low level of use of services provided by various support organizations, despite their cited importance and accessibility. Many respondents felt that these organizations need to “get the word out” because they provide an important service.

The results from this small-sample survey reinforce the key results found in the study undertaken in Winnipeg’s North End in 2002-2003 (Buckland *et al.* 2003). Respondents, particularly from low-income *but also* middle-income households feel that although mainstream banking *and* insurance services are important to their wellbeing, they are not accessible. “There are no banks/insurance providers here” was a common response to our open-ended question about these service providers. Fringe banks and informal financial service providers were more frequently used and perceived to be more accessible by low-income households than were banks and insurance providers. However, many respondents claimed that although there were certain advantages to using fringe and informal financial services, they were inadequate for their needs. Few respondents used, or were aware of the range of financial service support organizations available.

1. Introduction

Financial exclusion —when one has no, or a limited, relationship with a bank— is of growing concern in Canada and other Northern nations. Estimates of the percent of unbanked —those people with either no bank account or only a minimal relationship with a bank— in the Canadian adult population range from 3 to 15 percent with a higher rate of financial exclusion among low-income adults (Task Force, 1998; Visa International, 2004). In the US & the UK recent estimates place the unbanked as high as 10 and 9 percent respectively. Financial exclusion has been partly attributed to mainstream bank and credit union consolidation of branches and their limited interest in low-income markets and households. Concurrent with mainstream bank branch closures have been a growth in the number of fringe bank, pay-day lenders in particular but also rent-to-own shops, pawnshops and tax refund advancers. Studies in the US have found these outlets are most densely concentrated in low-income neighbourhoods (Temkin & Sawyer, undated) and there is some evidence that this is the case in Canada (Buckland *et al.*, 2003; ACORN Canada, 2004).

The study seeks to understand Winnipeg North-End resident's experiences with financial and insurance services: which ones they use, which ones are important to them and how accessible the services are. The North End is a low-income and inner-city neighbourhood of Winnipeg. The study builds on earlier research conducted in 2002-2003 that surveyed fringe bank client financial experiences, mapped the financial sector in the North End and interviewed stakeholders in the financial services sector. This survey is more modest and focuses on financial service clients. The client survey completed in 2002-2003 focused on fringe bank clients located in a particularly low-income part of the North End whereas this survey intentionally sought out respondents from low and modest/middle-income levels. The original survey followed a snowball sampling technique and so it was purely qualitative in nature and, therefore, reported on no statistics. This survey, on the other hand, was done in a semi-random method (see below) to allow some quantification of the results. Finally, the original survey did not include questions on insurance and financial support organization services. In consulting with community organizations, they requested that this follow-up survey include this topic.

The population of Winnipeg's North End is encompassed in thirteen neighbourhoods and totals 36,425 people. The southern portions of the North End around Selkirk Avenue and Salter Street in comparison to the northern parts are more disadvantaged with lower average incomes, higher rates of unemployment and poorer quality of housing. As compared to the Winnipeg average, the average North Ender has 64 percent household income and the incidence of low income and unemployment is about double that for Winnipeg as a whole (The City of Winnipeg, 2001).

2. Methods

A survey of 55 North End residents was completed in July and August 2004. A semi-random sampling technique was used and respondents were asked questions that could be coded, referred to here as quantitative questions, and open-ended questions, referred to here as qualitative questions. The semi-random nature of the survey allowed for quantification of the results although the limitations of these data are explained below.

Quantitative and qualitative methods were used because these methods can be complementary. Quantitative methods can provide summary statistics (e.g., percent of respondents who feel banks are accessible) while qualitative methods can provide personal insights (e.g., banks might be physically accessible but they are not welcoming). Combining these two methods led to some interesting contrasts described in the results section below. Readers less interested in the methods used in this study might skip the remainder of this section except to note the limitations described in section 2.4.

Interviews were conducted in-person and over the telephone. The sampling procedure involved purposively selecting North End neighbourhoods that contained either middle- or low- or both-income households. Blocks were then selected randomly from these neighbourhoods. The attempt was made to interview all households in these selected blocks. Of the in-person interviews the interview success rate was approximately 17 percent, i.e., for every 100 households contacted, 17 responded. Telephone interviews provided 1/7th of the total respondents and were less successful in that the interview success rate was only 4 percent. Because of budget limitations only 55 households were interviewed.

The survey questionnaire included questions about the household's characteristics (number of dependents, income, ethnicity, etc.) and questions about the respondent's perception of frequency of use, accessibility and importance of various types of financial and insurance services including five categories of providers: informal banking services (family borrowing, store credit/cheque-cashing), fringe banking services (pawnshops, cheque-cashing agencies, pay-day lenders, income tax refund advancers), formal banking services, insurance services, and financial support organizations (micro-credit programs, financial counselling and complaint agencies) (see appendix 11 for questionnaire). For each of the five sections, respondents were asked to report on their frequency of use, the accessibility of the institution and the overall importance of these services for the respondent.¹ Data from these sections were coded allowing for quantification and limited statistical analysis. At the end of each section, respondents were also given the opportunity to make general comments about these services. These general comments were open-ended and although they allowed for some quantification these responses were treated in a more qualitative fashion.

¹ When asked questions regarding frequency of use, respondents were provided with the following options (e.g., Do you use credit at stores and/or bars?): Don't Use (0 times/year); Use Seldom (1-5 times/year); Use Sometimes (6-11 times/year); Use Regularly (12+ times per/year). For questions on accessibility, respondents were given the following choices: Accessible; Somewhat Accessible; Somewhat Inaccessible; Inaccessible. A service is called *accessible* if its "physical location, hours of operation, requirements for service and customer service policies make the services accessible to you." For questions pertaining to importance, respondents were given the following choices: Important; Somewhat Important; Somewhat Unimportant; Unimportant. The question of importance asked respondents about whether accessing a particular service (pawn shops, credit cards) was important for one's long-term financial security, where financial security is defined as "the ability to save, having access to credit when necessary, and having a generally positive and growing net worth." In regards to the particulars of the survey, the 4 categories given on the "importance" of services included: "important", "somewhat important", "somewhat unimportant," and "unimportant"; and the categories for accessibility included the same: "accessible", "somewhat accessible", "somewhat inaccessible" and "inaccessible". The surveyors noted that "important" and "accessible", the highest categories at one end of the spectrum, did not express accurately the views of some respondents who saw certain services as "very accessible" or "very important."

2.1 Categorizing Households by Income

In order to gauge trends based on income-level, respondents were divided into categories of either low-income or middle-income. The sample was broken into low- and middle-income using Statistics Canada's Low-income Cut-off (LICO) as the dividing line (Table 1). According to LICO a household is said to be below the low-income cut-off if they spend 20% more than the national average on food, shelter and clothing.² The LICO measure used for Winnipeg is that which is designated for cities with a population of above 500,000 people in 2002. In addition to adjusting for living costs associated with cities of different population size, LICO takes into consideration family size when determining the cut-off household income.

Table 1. Low-income Cut-off for Households in Canada

Family Size (#)	Annual Income
1	\$ 18,371
2	\$ 22,964
3	\$ 28,560
4	\$ 34,572
5	\$ 38,646
6	\$ 42,719
7+	\$ 46,793

Source: "2001 Census Dictionary," Statistics Canada. Ottawa, ON: Minister of Industry, Government of Canada, 2003), 164. Available at <http://www12.statcan.ca/english/census01/Products/Reference/dict/appendices/92-378-XIE02002.pdf> (May 2005).

Of the 55 respondents, 26 households fell below the LICO while 25 were above. Three respondents did not disclose their income and are thus excluded from this analysis based on income level trends, reducing our sample size to 52. Moreover, one respondent did not disclose the number of dependants in her/his household, reducing the sample size to 51.

2.2 Compiling the Quantitative Data

Respondents were asked their perceptions about financial and insurance services in their neighbourhood in the areas of frequency of use, accessibility and importance for their household. Four options were available as answers to each question. This allowed for coding of the responses, quantification of the answers and some statistical analysis. All statistical formulations were performed using the software package STATA.³

For the statistical analysis dummy variables were generated for income status: a value of 1 if the household is above the LICO and 0, if the household was below it.⁴ Dummy variables were also generated for each perception question (e.g., "Are

² See "2001 Census Dictionary," Statistics Canada. Ottawa, ON: Minister of Industry, Government of Canada, 2003), 164. Available at <http://www12.statcan.ca/english/census01/Products/Reference/dict/appendices/92-378-XIE02002.pdf> (May 2005).

³ All unspecified answers ('not applicable') were excluded from the sample.

⁴ Dummy variables are used to measure qualitative characteristics. They can take the value of 1 for a given characteristics and 0 if otherwise.

pawnshops accessible?”).⁵ Using these categories of low-income and middle-income, summary statistics (the sample means that lie between 0 and 1) and deviation variables (the difference of the sample mean of each group and the sample mean of the entire sample) were generated.⁶ In order to improve the statistical power of the tests separate questions in each category were collapsed for one test. That is, instead of comparing low- and middle-income respondents’ response to the question, ‘Are pawnshops accessible?’ responses to all fringe bank questions (pawnshop, pay-day lender, rent-to-own, etc.) were collapsed into one category, fringe banking. The final portion of the statistical tests involved the use of t-statistics to determine any statistically significant difference between low- and middle-income means in accessibility, importance and frequency of use.

2.3 Compiling the Qualitative Data

At the end of each financial service category (i.e., informal, fringe, etc.), respondents were asked whether they had any general comments about that particular financial service. Because answering these quantitative questions asked for any general comments (i.e., they were open-ended) the surveyors were quite surprised by the amount of people who chose to respond. In particular, out of the 55 persons interviewed, 41 persons responded to the open-ended question about fringe banking services and 51 (all but 4 people) responded to the general question about formal banking services. The high number of responses to these questions appears to indicate that respondents have strong opinions about these services.

The quotes in this report were based on the information recorded during the interview. Because the comments recorded were hand-written, comments may be verbatim or paraphrased. Once the answers for these questions were recorded and transcribed, an effort was made to get familiar with or “live with” the data. This involved reading the comments trying to pull out similar themes within the various sections. For example, within the section on informal financial services a clear theme regarding transportation and accessibility emerged. A category was established after discovering three or more comments on the same theme. As described by Kirby and McKenna (1989), categories within qualitative research are groups of bits or phrases which share common properties and seem to ‘go together.’⁷ Categories emerge from the data and are used to bring bits of information into relationship.⁸

⁵ For questions regarding a respondent’s frequency of use of a particular service, dummy variables assume a value of 1 for any degree of use (regularly, sometimes or seldom) and 0 if they are not used by the respondent. The dummy variables for questions of accessibility are calculated as 1 if respondents define these services as accessible or somewhat accessible and 0 if they define them as inaccessible or somewhat inaccessible. Similarly, questions regarding the level of importance of a service are defined as 1 if the respondents perceive the services as important or somewhat important and 0 if respondents perceive them as unimportant or somewhat unimportant.

⁶ All deviation variables are weighted equally so that an index for each income group can be generated.

⁷ Sandra Kirby and Kate McKenna, *Experience, Research and Social Change: Research from the Margins*. Garamond Press, 1989),

⁸ *ibid.*, 42.

The coding or categorizing of this information is the most important factor in analyzing the qualitative data.⁹ It has been pointed out that qualitative researchers often feel that they must account for every single aspect of meaning in their data.¹⁰ However, the assumption in this present analysis, as has been recommended by Shank and Vilella (2040), is that “like any researcher, [qualitative researchers] have the informed freedom to sort through their data, looking for those particularly important and surprising ‘nuggets’ that help them to explain phenomena in whole new ways.”¹¹ The objective of the qualitative analysis was to let respondents speak to financial issues and to highlight the various themes that emerged from these voices. The responses were categorized or coded into themes such as high cost, accessibility, convenience, etc. Comments were not restricted to one category but could possibly be placed in a variety of categories. A respondent’s comment on fringe banking services is a good example: “With the rates they charge they are sucking the life out of people. There is no need to charge the rates they do.” This comment was placed in two categories: “negative image” and “high cost”. Comments were also grouped into the larger categories of positive, negative or neutral responses. For example, comments on fringe banking that were grouped under an accessible category are “positive” whereas comments implying that fringe services were corrupt, predatory, etc are “negative.” A “neutral” comment is a comment that is more of an observation or a statement of fact such as: “there are a lot of fringe services.”

After comments were grouped in different categories, then the information on income-level (see quantitative methodology) was dropped into the categories in order to determine whether income has any bearing on individual perceptions of financial services. These data were analyzed looking for trends in income groups in addition to overall trends regarding the perception of these various services.

2.4 Limitations of the Survey

There are several limitations to the survey. First, the household selection process was semi-random and involved a small sample-size of 55 households. The survey cannot be considered to be a statistically representative sample for the North End with a total population of around 36,000. Thus the quantitative results must be looked at with caution. Second, some respondents, particularly elderly people declined to participate in the survey because identification was not worn by the interviewers and the wording on the consent form was too difficult for some to understand.

3. Results

This section presents the results from the analysis of the respondents’ responses to the survey questions. It begins by presenting a brief socio-economic description of the survey respondents. Then the next five sub-sections analyse respondents’ perceptions of different services including fringe banking services, formal banking services, insurances services, informal financial services and finally financial support services. In each case

⁹ See Margot Northey, Lorne Tepperman & James Russell, *Making Sense: A Student’s Guide to Research and Writing*. Social Sciences Second Edition. (Don Mills, ON: Oxford University Press Canada, 2002) regarding the coding of qualitative data.

¹⁰ Gary Shank & Orlando Vilella, “Building on New Foundations: Core Principles and New Directions for Qualitative Research,” *Journal of Educational Research* 98 (Sept/Oct 2004): 46-56.

¹¹ *ibid.*, 53.

results are reported as follows: first, quantitative results are presented; second, qualitative results are discussed; finally, a comparison of the quantitative and qualitative results is done. The data for the results can be found as follows: for the quantitative data see appendices 1-5; for the qualitative data see appendices 6-10.

3.1 Profile of Participants

One-half of the respondents were low-income and the other one-half were middle-income (Table 2). For low-income households, reported household income was \$6,451 and reported household assets were \$14,112. As compared with low-income households, middle-income respondents reported over four-times the average income and over double the average assets. 60 percent of all respondents were female, 40 percent of the respondents described themselves as aboriginal/Metis or visible minority and 70 percent were over 36 years of age. One-third of the respondents had elementary and incomplete high school and 16 percent of the respondents received employment and income assistance.

Table 2. Social & Economic Characteristics of Survey Respondents

	Low-income	Middle-income	Total (#)	Total (%)
Income	26	25	55	100.0
Gender				
Female	15	14	33	60.0
Male	11	11	22	40.0
Ethnicity				
Aboriginal/Metis	9	4	16	29.1
Other Visible Minority	4	2	6	10.9
European Origin	13	18	32	58.2
Age				
16-35	9	5	16	29.1
36+	17	20	39	70.9
Marital Status				
Married/living together	17	9	28	50.9
Single	7	9	17	30.9
Separated/Divorced/Widowed	2	7	10	18.2
Education				
Some Elementary/High School	6	12	18	32.7
High School Graduate	15	4	20	36.4
University studies	5	9	17	30.9
Household Employment				
Full-time	18	17	36	65.5
Part-time	0	2	2	3.6

Employment & Income Assistance	5	2	9	16.4
Other	3	4	8	14.5
Declared Bankruptcy	4	5	10	18.2
Average Household Income per Household Member	\$6,451	\$32,995	\$19,348	
Average Length of Residency				
Winnipeg	32.2	35.2	33.1	
North End	18.5	24.2	21.4	
Average Number of Dependants	1.5	1.0	1.45	
Average Number of Wage Earners	1.9	1.2	1.5	
Assets per Household Member	\$14,112	\$46,910	\$30,661	

3.2 Fringe Banking Services

Quantitative Data

Low-income respondents use fringe banks more frequently than do middle-income respondents (Appendix 1). Though all respondents indicated initially that they either do not use or only seldom use fringe banking services, when asked specific questions on these services (i.e. “Do you use pawnshops?”), the data show that a substantial number of respondents frequent fringe services, with cheque-cashing agencies having the highest recorded frequency of use, primarily among low-income respondents.

When it comes to the accessibility of fringe banking services, the statistical tests reveal that middle-income households find both fringe and formal banking services more accessible than do low-income households.¹² Within fringe banking, cheque-cashers and pawnshops are viewed as the most accessible, with payday lenders viewed as the least accessible. The fact that middle-income respondents find fringe banks to be relatively more accessible than do low-income respondents is interesting considering that low-income respondents use fringe banks more frequently than do middle-income respondents. This may be because, in comparison to low-income respondents, middle-income respondents have better transportation or are located closer to fringe banks.

In terms of the importance of the service for one’s financial security, low-income respondents perceive fringe banks to be more important for their financial security than do middle-income respondents. Of the respondents who answered the questions regarding the importance of fringe banking services, 50% (ten out of twenty) of the low-income respondents indicated that fringe services were either “important” or “somewhat important” for their financial security whereas only 29% (five out of seventeen) middle-income respondents indicated that these services were “important” or “somewhat important.” Low-income people perceive fringe banking to be more important for their financial security than do middle-income households.¹³

The quantitative data reveal a number of interesting differences between low-income and middle-income respondents from Winnipeg’s North End. Low-income

¹² P-values are lower than 0.05 for level of accessibility, indicating highly significant statistical results.

¹³ The magnitudes of the p-value decrease in the range of 0.15-0.19.

respondents find fringe financial services (particularly cheque-cashing agencies) to be more important for their overall financial security and, therefore, use these service more frequently than do middle-income respondents. However, when it comes to accessibility, middle-income respondents perceive fringe banks (along with formal banking and insurance services) to be more accessible than do low-income respondents.

Qualitative Data

Overall, when the respondents were asked whether they had any general comments about fringe services in their area (Appendix 6), two-thirds of the respondents made negative comments about fringe banks (Table 3). Twenty-two percent of the responses were neutral and 10% of the comments about fringe banking were positive in tone. This mixed reaction to fringe services varied, with some people seeing them as predatory and exploitative and others seeing them as convenient. Some respondents acknowledged a tension, or a love-hate relationship, with fringe banks. They recognized that the services are not necessarily beneficial to the community but that they are necessary in filling the void left by the departing banks.

Table 3. Comments on Fringe Banking Services: 41 responses – 17 Low-income & 19 Middle-income

	Low Income	Middle Income	Total
Negative	9/17 – 53%	14/19 – 74%	27/41 – 66%
Positive	2/17 – 12%	2/19 – 11%	4/41 – 10%
Neutral	6/17 – 35%	3/19 – 16%	9/41 – 22%

Out of the 41 responses to the question, 13 comments were about the negative image of fringe services. According to some, fringe financial services are “preying on the poor”, “leeches”, “legalized loan sharks”, “pirates”, “taking the life right out of the community” and are even “run by the mafia.” These respondents saw these services as manipulative and corrupt. One of the low-income respondents observed that “They’re [hurting] people but they’re trying to make money too. Some places will cash cheques even if they’re not yours, if you slip them \$50.”

Almost one-quarter of those who responded to the general question on fringe banking services in the area indicated that the high interest rates charged by these firms were unfair and unnecessary. This perception was found across income brackets. Respondents commented, “These places get you with the interest rates,” “they rip you off cause they see you coming,” and “they have excessive or illegal interest rates.” One low-income respondent suggested that, “they could lower their rates [because] 2.9% is a lot of money for someone who’s only getting \$400 a month.” The high cost of these services is perceived as “Not [a] legitimate means of money,” “a way to take people’s money unnecessarily” and that “there is no need for them to charge the rates they do.”

Regarding who these services affect, almost one-quarter of those who responded indicated that fringe services hurt particular sectors of the society who are already disenfranchised. According to these respondents, fringe services “feed on misery of the poor”, “prey on people who have no choice” and contribute to “a vicious cycle” for the addicted. In answering this question, one respondent observed that:

[Fringe banking services] charge a lot of interest and they are a disadvantage to a lot of people because it costs them so much and then they get in the hole. My father has a habit and it feeds the dependency. For people who have an alcohol or gambling problem or drugs it's a vicious cycle because it's so accessible.

A number of respondents commented that the problem of fringe services, and their effect on the marginalized, was compounded after banks left the area. A middle-income respondent stated:

I don't think [fringe services are] a good idea since there's a lot of low income people in this area. It's not fair for people who depend on welfare or older people, who have to go to these places. Why did they have to close all the banks? It's so hard for the old people.

One respondent acknowledged her own dependency on fringe banking services: "I can't stand them. But sometimes I need them. I have a love/hate relationship with the pawnshop. They love me, I hate them." Other negative comments made about fringe banking services include the perception that pawnshops in particular are linked to crime and that they encourage people to get themselves into debt.

While some respondents have a negative impression of fringe banks, 10% of them stated that fringe financial services make a positive contribution because they are accessible and convenient. One respondent observed that "You can sure find them, you don't have to look far." In regards to accessibility, one low-income respondent stated that "The [cheque-casher] is open 24 hours and that helps my husband. The banks are closed when he gets off work and he can't pay his employees unless he takes time off the job." Yet, the convenience of fringe financial services was seen quite negatively by some as "too much access." There are "too many of them, too accessible for most people," reported one low-income respondent.

Some respondents felt that the high number of fringe banks in the area was related to the lack of banking services. "The fringe banks are filling a need that banks can't manage. There is a vacuum because the banks have left...People need to watch out for them (fringe banks)." One respondent acknowledged if people need access to financial services, it is good that fringe services exist: "it's an alternative and in the North End there is such a need." Another respondent stated that, "I think it would be better if they were not there. The banks should offer us their services. We have no choice when we need something."

In summarizing the results by income level, middle-income respondents were, on the whole, more negative about fringe banks than were persons in the low-income bracket. Low-income respondents had a higher percentage of "neutral" comments including one person who has "no objection to them being in the neighbourhood". However, some of the other neutral responses by low-income respondents were simply observations or personal statements about a lack of use: "There are lots of them" or "I have no dealings with them." It is, therefore, difficult to make any generalizations about "neutral" comments. Overall, of the 41 North End respondents who responded with their

general comments about fringe banking services, 27 of them gave a negative response while only 4 spoke positively, yet even these responses were ambivalent in tone.

Comparing Quantitative & Qualitative Data

It is quite revealing when one compares the quantitative and qualitative answers regarding accessibility and importance of fringe banks. Of the 29 persons who reported that fringe services were “accessible”, 22 made additional comments when asked about their general feeling toward these services. Of those 22, 14 of them (almost 64%) made negative comments about these services including comments about high interest rates (6), that fringe services hurt the poor/marginalized (6), and that they preferred banks (2). Only 4 made additional positive comments. Of the 9 people who reported that fringe banks were both “accessible” and “important”, 6 made additional comments with 3 of them reporting that these services were “okay”, “pretty good” or that they had “no objection to them in the neighbourhood” while two out of six still commented on how these services hurt the poor and charged high interest rates. Though a large percentage of those interviewed (52%) reported that fringe financial services are accessible, many of the corresponding qualitative comments indicate that those same persons find these services problematic.

Low-income respondents use fringe financial services more frequently than do middle-income respondents and low-income respondents also find these services to be of more importance for their long-term financial security. However, the high percentage of negative comments made by low-income people seems to indicate that there is ambivalence towards these services. This tension becomes apparent when one considers questions of accessibility: though low-income respondents indicate a relatively high level of accessibility for fringe banking services, the comments indicate that high service fees or interest rates make the convenience of these services less desirable.

3.3 Formal Banking Services

Quantitative Data

No visible differences were distilled regarding frequency of use when middle-income and low-income households were compared (Appendix 2). However, a relatively high percentage of respondents indicated that they rarely or never use basic banking services such as a savings account (27 percent) or chequing account (27 percent).

Seventy-one percent of respondents, and a slightly higher proportion of low-income than middle-income respondents, indicate that mainstream banking services were accessible in the coded portion of the survey. Thirty percent of respondents find Banks and Credit Unions to be inaccessible. The high percentage of respondents reporting that mainstream banks are accessible is in tension with responses to the open-ended question about formal banking (discussed below).

With regard to importance (as previously noted) middle-income respondents find mainstream bank services to be more important for long-term financial stability than low-income respondents.¹⁴ Among bank services, credit cards and mutual funds are perceived to be of relative unimportance for low-income respondents.

¹⁴ Trends in the area of importance are derived from p-values in the range of 0.15-0.19 where 0.10 indicates a statistically significant result.

Qualitative Data

In comparison to the 41 respondents who responded to the general question about fringe banking services, 50 of the 55 respondents commented generally on formal banking services in the area (Appendix 7). These responses are quite striking for a number of reasons.

First, 80% of North End respondents expressed some level of dissatisfaction with formal banking services in the area, with only 14% of respondents speaking positively and 6% making neutral comments about these services. This high level of dissatisfaction is even more pronounced when one separates the responses by income level. 86% of low-income people spoke negatively about formal banking services with only 5% making either positive or neutral comments (5% is the equivalent of 1 response for the low-income category). Seventy percent of middle-income respondents commented negatively about formal banking service accessibility.

Table 4. Comments on Formal Banking Services: 50 responses – 22 Low-income & 23 Middle-income

	Low Income	Middle Income	TOTAL
Negative	19/22 – 86%	16/23 – 70%	40/50 – 80%
Positive	2/22 – 9%	5/23 – 22%	7/50 – 14%
Neutral	1/22 – 5%	2/23 – 9%	3/50 – 6%

The most striking aspect of the responses in regards to formal banks is the almost uniform statement of most respondents: “there are no banks here.” 31 out of the 50 respondents from both low-income and middle-income brackets spoke of the lack of banking services in the North End and/or their recent closure. The initial comments were almost identical: “There are no banks in the North End”, “We have no banks in this area”, “There are hardly any around here”, “They took all of the banks away”, and “They're almost non-existent”. A number of individuals have linked these closures to the stigma of the North End: “There are no banks around here and they just label everybody who lives in the North End and don’t want anything to do with us,” stated one low-income respondent. A middle-income respondent also has questions about the recent bank closures: “I just don’t understand why they took the banks away. They were convenient and close. I guess it’s because of the area. It’s not as good here as it used to be.”

Five individuals specifically mentioned the difficulty incurred after the 2003 closing of a bank branch on Main St. One middle-income respondent speaks of her frustration of these closures and links the lack of general banking services with the increase in fringe services: “They closed my [bank branch]. I have gone from bank to bank to bank because they just keep closing them. I think there should be more banking services and less pawnshops and moneylenders. They are taking advantage of poor people.”

Ten respondents (20% of the total number) across income brackets specifically stated that lack of transportation limited accessibility to banking services: “You have to walk over 5 miles to get there [a bank],” “They took all the banks away – so if you can’t drive, you are limited,” “The problem is for people who lack mobility. Someone without a car would be gravely affected,” and, “The new banks are way out. People tell me that they have to drive way out.” Another low-income respondent observed that,

There are no banks. The nearest bank is Lombard and the parking is [poor]. We need a bank in this neighbourhood. Most of the people here don't have cars, so they go to the pawnshops and bars to cash their cheques and they are trapped in that cycle – there is cold beer there and they stay and spend their money.

One low-income respondent explained the dilemma faced by low-income people when there is lack of accessibility: “I'm losing money to deal with the banks, by the time I do bus fare and baby sitting to get there. There should be more advice for low income people.”

A significant group of respondents (18%), mostly low-income, also pointed out that banks were insensitive to the needs of North End/low-income people; specifically, that they neglect the poor, don't understand peoples' financial realities, they are rude and suspicious. “[Banks] can be intimidating,” “They are making huge profits and they don't care about the little people,” and “People in the banks need to realize that people in the North End do not have a lot of money.” Specifically, one low-income respondent observed that formal banking services are often suspicious of low-income people: “They require too much verification of security, too much red tape. They are mysterious about it too. You can have a great credit rating and not be able to get a mortgage.” A middle-income respondent makes a similar observation:

The chartered banks, for the most part, do not provide services that are socially appropriate or welcoming to low income people. Even if the banks were present in the North End, many people would not be comfortable using them. We need a community-based, socially sensitive, financially-backed banking service. Small loans are the most important services for many people in this area – small being under \$1,000, which is the minimum limit that all banks will allow.

In a similar vein, the recent closure of banks is seen by some as directly harming the poor, seniors and small business owners. Just as the emergence of fringe services disproportionately affects low-income respondents, the closure of formal services reinforces this inequality. “The banks have really neglected the vulnerable poor and the lower middle class,” and “they don't care about the small man's business anymore,” observed some of the respondents.

When asked generally about the formal banking services in the area, 8 individuals reported that they rely heavily on automatic teller machines (ATMs). Though “ATMs have helped out,” with this dependence on ATMs also comes the additional service charge: “There are a lot of people who are stuck using ATMs – and [a transaction] costs \$3.” “That's what really bites me is the fees.” Four respondents mentioned the high cost at the ATMs, although it was not clear whether they were referring explicitly to “white label” ATMs (non-bank and higher user fees) or bank ATMs.

There were some respondents, however who did feel that banking services in the area were satisfactory. Of the 7 respondents who indicated they were satisfied, 6 of them were middle-income. “We have no trouble banking,” “No, I don't have a problem going

to the bank where it's at," and "There could be one or two more of them, but they are good," were some of the responses of middle-income respondents. Additionally, 3 middle-income respondents commented that debit cards were important for personal finances.

Overall, one cannot overstate the widespread dissatisfaction with the level of access to formal banking services in the North End. Those who departed from this norm, were almost exclusively in the middle-income bracket. Moreover, formal banks were perceived to have a lack of respect for the needs of low-income people and bank branch closures were seen to disproportionately affect the poor and marginalized.

Comparing Quantitative & Qualitative Data

By far the majority of these general comments to the open-ended question about formal banking indicated that banks were inaccessible both physically and in regards to customer service. Therefore, it is puzzling, at first, when one looks at the quantitative data that indicates that 32 out of the 55 persons interviewed rated formal banking services as "accessible". Out of the 32 respondents who reported that formal services were "accessible", 29 responded to the general question about formal banking services in their area. Of the 29 who commented, 19 of those made explicit comments about the inaccessibility of formal banking services in the area, contradicting their earlier assessment in the survey. Though these respondents indicated that formal banking services were "accessible" just prior, they also stated that: "They're almost non-existent", "Very, very poor," "Very limited because of bank closures," "There is none," "We certainly need banking services in the area," "There are no banks," "They can be intimidating," "The new banks are way out," or "We have no banks in this area".

This inconsistency is partly explained by how accessibility was defined under the coded question as compared to how people themselves judge accessibility and commented on this in the open-ended section. In the coded section, a service was said to be accessible if its "physical location, hours of operation, requirements for service and customer service policies make the services accessible to you." At one level, many respondents felt that banks are 'accessible' or 'somewhat accessible' by car or bus and that the hours of operation and the requirements for services were well known. However, in the open-ended question about banks ('Do you have any general comments about banking services in your area?'), many respondents judged banks to be inaccessible. While the bank's location, hours of operation and requirements for service were well known they were not helpful to the respondents. Because of travel costs, complicated household schedules, a lack of personal identification, and bank attitudes, banks were perceived to be inaccessible to the respondents.

Overall, there is a substantial level of dissatisfaction among respondents in regards to mainstream banks. Qualitative data indicates that there is a high level of inaccessibility despite relatively positive comments on accessibility obtained from the quantitative data. This is confirmed by the frequency-of-use-data that reveal there is a high percentage of respondents who are unbanked. In particular, the inaccessibility of these services mostly harms low-income respondents.

3.4 Insurance Services

Quantitative Data

The quantitative data on insurance services reveals that both low-income and middle-income respondents do not use, or seldom use, insurance services (Appendix 3). Of the low-income respondents who responded to the question, 10 of 25 (40 percent) indicated that they never use insurance services. Of the middle-income respondents who responded, 2 of 25 (8 percent) never use these services. Despite the low frequency of use of insurance services (especially among low-income people), the vast majority of both low-income and middle-income respondents find insurance services to be important for their long-term financial security. No statistically significant differences were found between low- and middle-income respondents' perceptions.

As with responses related to formal banking services, the data on accessibility of insurance services—in light of the frequency of use and perceived importance—are interesting. The vast majority of both low-income and middle-income respondents indicate that they find insurance services to be either accessible or somewhat accessible. The combination of importance and accessibility when compared with frequency-of-use data presents some interesting results. If insurance services are largely accessible and important then why is there such low frequency of use within both income groups? This question will be discussed further in the qualitative section.

Qualitative Data

Out of the 55 persons interviewed, 27 respondents chose to comment generally on the insurance sector (Appendix 8). Thirteen respondents were low-income while 11 indicated they were middle income (Table 5). Eight low-income respondents indicated that they had little awareness or knowledge of insurance companies generally: "I don't really know much about the insurance business," or "I have not really looked into them." Three other respondents made neutral statements about insurance, such as where they get their insurance or that they don't use insurance.

Table 5. Comments on Insurance Services: 27 responses – 13 Low-income & 11 Middle-income

	Low Income	Middle Income	TOTAL
Negative	4/13 – 31%	7/11 – 64%	13/27 – 48%
Positive	1/13 – 8%	2/11 – 18%	3/27 – 11%
Neutral	8/13 – 62%	2/11 – 18%	11/27 – 41%

Given that 11 respondents had either little knowledge of insurance services or were just making neutral observations, the percentage of respondents who made negative comments about insurance services is quite high. Thirteen respondents (48%) had a negative perception of insurance services. Eight respondents made comments stating that they were frustrated with being labelled as a "red-lined" for living in the North End, thus giving them substantially higher insurance rates. Middle-income respondents stated that, "Because we live in the North End, some companies want a \$500 deposit because it's a higher risk. You also have to have an alarm system," "The area was redlined and you must have a monitored alarm service. Neighbours have been refused for property

insurance,” or “Because we are in the red zone for insurance, some places will not insure your home.” One respondent went on at length about the lack of insurance services:

I know that various new homeowners have found it difficult to insure their homes because this area is considered to be a high theft/ arson zone, high crime. One of the things that is most needed in this community are resident homeowners, to create stability. Some have been turned away because they have been unable to secure either mortgages or insurance, though they were qualified for both. This is another indicator of a deeply set prejudice, from government through business toward marginalized people.

Low-income respondents voiced a similar frustration toward insurance: “The insurance rates are outrageous because I live in the North End,” or “There have been a lot of redlined properties in the area. This has been a cause of concern. Insurance companies should not black list certain areas.”

Five other respondents commented negatively regarding their experience with insurance services (this is aside from those who spoke specifically of properties being red-lined). These respondents commented on a lack of access, stating that insurance services were “very limited” (middle-income) or “They don’t tell you where they are or what they can do for you” (low-income). Two low-income respondents spoke particularly passionately about their experiences: “[X insurance company] is a bunch of crooks”. Another low-income respondent shared that “I once tried to collect and they did not give me any money. I have problems with insurance companies. I only trust them 50%. They always get out of paying.”

Three respondents (11%) indicated that the present level of insurance services was satisfactory: “It’s really accessible” was a comment by one low-income respondent. The other two were positive, but qualified their responses: “My experience with insurance has been good. But I know that other people have had negative experiences,” and “I have not dealt with them personally, but my general outlook on them is positive.”

Comparing Quantitative & Qualitative Data

It is interesting to take note of the tension between answers to the quantitative and qualitative questions in the survey. When asked to comment generally about insurance services (including those who spoke of houses being redlined by insurance companies), of the 13 respondents who spoke negatively of insurance services in the North End, 10 of them had just indicated in the survey portion that insurance services were “accessible.” It is clear that some of the respondents were commenting on instances of inaccessibility beyond their own particular experience. For example, one respondent interviewed commented that: “We have been lucky because we know some insurance agents personally. However, there have been a lot of red-lined properties in the area. This has been a cause of concern. Insurance companies should not black-list certain areas.” Although this respondent was clearly commenting on the experiences of others, most persons who indicated in the survey that insurance services were “accessible” spoke from personal experience stating “I have problems with insurance companies,” “The insurance

rates are outrageous because I live in the North End,” “They [overcharged] me \$4,000,” “Insurance services are very hard to get here”, “very limited”.

The overall data on insurance services in the North End indicates that there is a low level of use among respondents, particularly low-income people. Respondents who had experience with insurance companies cite the high costs of obtaining property insurance (being “red zoned”) as a major frustration. Despite respondents indicating in the quantitative results that insurance services are both relatively important and accessible, their qualitative comments indicate that there are significant barriers for persons who want to obtain insurance in the North End.

3.5 Informal Financial Services

Quantitative Data

According to the quantitative data collected, low-income respondents use informal financial services more frequently than do middle-income respondents (Appendix 4). Out of the 26 low-income respondents, 11 indicated that they borrow from family and friends and 5 out of 26 indicated that they use stores or bars to cash cheques. In comparison only 8 out of 25 middle-income respondents stated that they borrow from family and friends and only 1 out of 24 middle-income respondents indicated that they use cheque-cashing services at bars or stores. Both low-income and middle-income respondents demonstrated that they rarely access credit through stores or bars. No statistically significant differences were found between low- and middle-income respondents’ frequency-of-use of informal financial services.

Perceptions of accessibility of informal banking services were similar to that of fringe and formal services. On the whole, middle-income people found all informal services more accessible than low-income respondents. In all three categories (family borrowing, store/bar credit, store/bar cheque-cashing), about 50% of low-income respondents indicated that these services were either “inaccessible” or “somewhat inaccessible” whereas among middle-income people, that number dropped to around 30%.

Regarding importance of informal financial services, the data for low and middle-income respondents are almost identical: under half of all respondents indicated that informal services are either “important” or “somewhat important” while a majority indicated that informal services are “unimportant”. Relatively speaking, borrowing from family and friends is seen as relatively more important than services received from stores or bars.

Qualitative Data

Out of the 55 persons interviewed, 21 persons responded to the question: “Do you have any general comments about informal financial services in your area?” (Appendix 9). Out of these 21 respondents, 10 were low-income and 9 indicated they were middle-income. Because the section on informal financial services was the first section of the survey, the answers reflect a variety of comments that are not necessarily particular to informal financial services. For example, a number of respondents made comments about lack of access to formal banking services or comments about fringe banking services.

Out of the 21 respondents, 8 persons (38%), predominantly in the low-income bracket, indicated that non-financial firms (such as corner stores, bars, etc) have assisted or should assist with financial services such as cashing cheques or providing credit. One low-income respondent indicated that, "Corner stores should work more with low-income people. They should help with credit" and another respondent stated that, "If corner stores could cash your cheque if it's late and there's no bank, or if stores could give you credit till your next cheque comes, it would make things easier." These informal financial services were seen by some as "generally legit" and while "some of the bars and stores will rip you off...most won't."

Five respondents, all low-income, indicated that stores should provide credit for customers. One respondent indicated from his experience that "some people get their cheques cashed if they are buying groceries and they give them credit too if they are low income." The four other respondents indicated that they were dissatisfied with the level of credit services that these businesses provide: "I quit dealing with a store that would not give me credit when I needed it. They lost my business," "It's always good that they're there. But there are not many stores where you can get credit," or "Corner stores should work more with low-income people. They should help with credit."

Six respondents (29%) indicated that informal financial services are necessary because of the lack of access to formal banking services in the area. One middle-income respondent observed that "people who are unable to go to regular banks are forced to use these services and they pay far too much for it" while another middle-income respondent stated that "I am guessing that they are filling a need because we don't have banking services." For many, informal services were needed because of the lack of accessibility of other services. While there was a belief that informal services were necessary because of the lack of formal banking services, informal services were seen by some as costing too much.

Seven people (33%) pointed out that they had a general lack of accessibility to banks, when asked if they had any general comments about informal financial services. A low-income respondent stated: "I use informal financial services because the bank is too far to go when you don't have a car and you have to pay for a ride". A middle-income respondent voiced a similar frustration: "Everything is so far away if I have to go to an instant teller. I don't have a car and it's not convenient."

Other comments on informal financial services spoke of a reliance on family members and the community: "It's nice because I have my family to back me up when I am in a bad situation," and "Most people in this neighbourhood take care of each other." One middle-income respondent observed that "I know that many of my friends rely upon the movement of small amounts of money between friends in order to survive...Without borrowing from small businesses and family, most people couldn't survive here. Oddly enough, this pattern creates a sense of community that's strengthening."

Generally, financial services, and credit in particular, provided by informal sectors are seen as necessary (particularly those in the low-income bracket) given the lack of access to formal banking services.

Overall, respondents often linked the use of informal services to the lack of access to formal banking services in the area. Because of this, the qualitative and quantitative data reveal that a good percentage of respondents value the services of informal financial providers. In particular, the quantitative data indicates that while low-income respondents

use these services more frequently than do middle-income respondents, they still find them less accessible than do middle-income respondents.

3.6 Support Organizations

Quantitative Data

The quantitative survey shows that both low-income and middle-income respondents rarely, or never, use financial support organizations (i.e. saving schemes, special loan programs, financial counselling, etc.) (Appendix 5). In fact, the vast number of respondents indicated that they never use such services. Despite the low frequency of use of these services among respondents, there is a relatively high percentage of respondents who find these organizations either important, or somewhat important, for their long-term financial security. Respondents across income lines reported that these support organizations are either accessible or somewhat accessible. No statistically significant differences were found between low- and middle-income respondents' frequency-of-use or perceptions' of accessibility or importance.

Similar to the comments on banking and insurance services, respondents gave a somewhat conflicting picture of support organizations' use, importance and accessibility. Respondents indicated that support organizations were both fairly accessible as well as important for their long-term financial security, but this does not translate into use of these services. Thus the qualitative data is helpful in interpreting this quantitative data.

Qualitative Data

Thirty-four respondents (15 low-income and 15 middle-income) chose to comment on services provided by support organizations (Appendix 10). There were no negative comments about these services other than one comment about a loan program being a "long and involved process." At the same time, there were virtually no positive comments particular to specific programs except for a couple of respondents who commented generally that, "I think they are good if people need them" or "they sound good."

One low-income respondent spoke positively, stating that having a loan from these agencies was "important for my self-esteem." An informed middle-income respondent who commented that "What [a non-profit] is doing should be applauded; [another non-profit] provides exceptional opportunities. The latter two organizations are not well enough publicized or new tactics need to be developed to reach the people who need these services."

The lack of awareness of existing programs was a predominant theme. Seventeen respondents commented on their general lack of awareness of these services and the need to "get the word out." These comments included statements such as: "We don't know what they are doing. So many people are in debt because they don't know how to manage their money," "I guess that they need to spread more word about their availability and it is the kind of information that people need," "I never thought of them or knew they existed," "They'd be good if you were aware of them, but if you're not aware of them, how do you find out?" and "Obviously they are not getting the word out." The general tone was "I want to find out more about them."

A number of respondents pointed out a particular need to access mortgages and funding to maintain one's property. One middle-income respondent commented that

though “these organizations certainly sound interesting. What I really need is access to a mortgage – or money to fix up my place.” A low-income person responded in a similar vein stating that, “We need more of them. More fix up grants, more first time home buyers, more support for prospective buyers with regard to information about buying a house.”

All respondents indicated a very low level of use of services provided by various support organizations, despite their cited importance and accessibility. Many respondents felt that these organizations need to “get the word out” because these organizations provide an important service.

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Appendix 1. Perceptions of Frequency, Accessibility & Importance of Fringe Banking

Fringe Banking Services - Low-income – Frequency of Use

	Don't use	Use Seldom	Use Sometimes	Use Regularly	Total
Fringe banks	17	9	0	0	26
Pawnshops	4	3	2	1	10
Rent-to-own	7	1	0	2	10
Cheque-cashing	2	1	3	4	10
Quick refund service	5	5	0	0	10
Payday lending	7	2	0	1	10
Money orders	7	2	0	1	10

Fringe Banking Services - Middle-income – Frequency of Use

	Don't use	Use Seldom	Use Sometimes	Use Regularly	Total
Fringe banks	20	5	0	0	25
Pawnshops	1	3	0	0	4
Rent-to-own	4	0	0	0	4
Cheque-cashing	1	1	1	1	4
Quick refund service	2	3	0	0	5
Payday lending	4	0	0	0	4
Money orders	2	2	0	0	4

Fringe Banking Services - Low-income – Accessibility

	Accessible	Somewhat Accessible	Somewhat Inaccessible	Inaccessible	Total
Fringe banks	11	2	0	5	18
Pawnshops	10	0	0	0	10
Rent-to-own	5	2	1	1	9
Cheque-cashing	7	3	0	0	10
Quick refund service	7	1	1	1	10
Payday lending	6	1	0	3	10
Money orders	5	1	1	1	8

Fringe Banking Services – Middle-income – Accessibility

	Accessible	Somewhat Accessible	Somewhat Inaccessible	Inaccessible	Total
Fringe banks	15	2	0	0	17
Pawnshops	4	0	0	0	4
Rent-to-own	1	2	0	0	3
Cheque-cashing	3	1	0	0	4
Quick refund service	3	2	0	0	5
Payday lending	2	1	0	0	3
Money orders	3	1	0	0	4

Fringe Banking Services - Low-income – Importance

	Important	Somewhat Important	Somewhat Unimportant	Unimportant	Total
Fringe banks	7	3	2	8	20
Pawnshops	3	3	2	2	10
Rent-to-own	3	2	2	3	10
Cheque-cashing	7	2	0	1	10
Quick refund service	4	3	1	2	10
Payday lending	2	3	1	4	10
Money orders	3	3	0	4	10

Fringe Banking Services - Middle-income – Importance

	Important	Somewhat Important	Somewhat Unimportant	Unimportant	Total
Fringe banks	2	3	2	10	17
Pawnshops	1	2	1	0	4
Rent-to-own	0	0	1	3	4
Cheque-cashing	1	1	1	1	4
Quick refund service	1	3	0	1	5
Payday lending	0	1	2	1	4
Money orders	2	1	0	1	4

Appendix 2. Perceptions of Frequency, Accessibility & Importance of Formal Banking

Formal Banking Services - Low-income – Frequency of Use

	Don't use	Use Seldom	Use Sometimes	Use Regularly	Total
Bank or credit union	3	0	0	23	26
Savings account	11	3	0	11	25
Chequing account	6	0	1	17	24
Credit card	11	2	3	9	25
Mortgage	24	2	0	0	26
RRSPs	16	0	2	5	23
Mutual funds	21	0	0	3	24
Registered education	21	1	0	1	23

Formal Banking Services - Middle-income – Frequency of Use

	Don't use	Use Seldom	Use Sometimes	Use Regularly	Total
Bank or credit union	2	1	0	22	25
Savings account	12	2	2	9	25
Chequing account	3	4	0	17	24
Credit card	11	3	4	7	25
Mortgage	18	7	0	0	25
RRSPs	12	2	3	7	24
Mutual funds	21	1	1	1	24
Registered education	22	0	0	1	23

Formal Banking Services - Low-income – Accessibility

	Accessible	Somewhat Accessible	Somewhat Inaccessible	Inaccessible	Total
Bank or credit union	15	5	2	4	26
Savings account	18	3	0	3	24
Chequing account	16	3	1	6	26
Credit card	16	1	1	7	25
Mortgage	13	3	1	6	23
RRSPs	16	2	2	4	24
Mutual funds	9	3	4	5	21
Registered education	14	2	1	4	21

education

Formal Banking Services – Middle-income – Accessibility

	Accessible	Somewhat Accessible	Somewhat Inaccessible	Inaccessible	Total
Bank or credit union	15	1	4	5	25
Savings account	15	1	2	4	22
Chequing account	16	1	2	4	23
Credit card	17	2	2	3	24
Mortgage	12	2	3	6	23
RRSPs	18	2	2	2	24
Mutual funds	15	2	3	3	23
Registered education	17	2	1	2	22

Formal Banking Services - Low-income – Importance

	Important	Somewhat Important	Somewhat Unimportant	Unimportant	Total
Bank or credit union	22	2	0	2	26
Savings account	18	3	0	3	24
Chequing account	21	2	0	3	26
Credit card	9	4	1	11	25
Mortgage	14	5	0	5	24
RRSPs	11	7	1	5	24
Mutual funds	5	7	2	10	24
Registered education	10	5	1	6	22

Formal Banking Services - Middle-income – Importance

	Important	Somewhat Important	Somewhat Unimportant	Unimportant	Total
Bank or credit union	22	3	0	0	25
Savings account	17	2	0	3	22
Chequing account	21	0	0	2	23
Credit card	10	7	1	7	25
Mortgage	18	1	0	6	25
RRSPs	16	1	4	3	24
Mutual funds	5	7	0	11	23
Registered education	14	1	1	7	23

Appendix 3. Perceptions of Frequency, Accessibility & Importance of Insurance Services

Insurance Services - Low-income – Frequency of Use

	Don't use	Use Seldom	Use Sometimes	Use Regularly	Total
Home or property insurance	10	15	0	0	25
Life insurance	13	12	0	0	25
Mortgage insurance	2	1	0	0	3
Other insurance	21	4	0	0	25

Insurance Services - Middle-income – Frequency of Use

	Don't use	Use Seldom	Use Sometimes	Use Regularly	Total
Home or property insurance	2	22	0	0	24
Life insurance	13	11	0	0	24
Mortgage insurance	1	5	0	0	6
Other insurance	18	7	0	0	25

Insurance Services - Low-income – Accessibility

	Accessible	Somewhat Accessible	Somewhat Inaccessible	Inaccessible	Total
Home or property insurance	15	4	1	4	24
Life insurance	16	2	1	6	25
Mortgage insurance	3	0	0	0	3
Other insurance	3	0	1	0	4

Insurance Services – Middle-income – Accessibility

	Accessible	Somewhat Accessible	Somewhat Inaccessible	Inaccessible	Total
Home or property insurance	19	3	1	1	24
Life insurance	22	1	0	1	24
Mortgage insurance	4	1	0	1	6
Other insurance	6	0	0	0	6

Insurance Services - Low-income – Importance

	Important	Somewhat Important	Somewhat Unimportant	Unimportant	Total
Home or property insurance	21	3	0	1	25

Life insurance	17	3	0	5	25
Mortgage insurance	2	0	0	0	2
Other insurance	3	1	0	0	4

Insurance Services - Middle-income – Importance

	Important	Somewhat Important	Somewhat Unimportant	Unimportant	Total
Home or property insurance	21	2	0	1	24
Life insurance	15	4	0	5	24
Mortgage insurance	5	1	0	0	6
Other insurance	6	0	0	0	6

Appendix 4. Perceptions of Frequency, Accessibility & Importance of Informal Banking Services

Informal Banking Services - Low-income – Frequency of Use

	Don't use	Use Seldom	Use Sometimes	Use Regularly	Total
Family and friends	15	5	0	6	26
Store/bar Credit	20	3	0	0	23
Store/bar cheque cashing	21	3	1	1	26

Informal Banking Services - Middle-income – Frequency of Use

Middle-income	Don't use	Use Seldom	Use Sometimes	Use Regularly	Total
Family and friends	17	5	1	2	25
Store/bar Credit	23	0	0	2	25
Store/bar cheque cashing	23	0	1	0	24

Informal Banking Services - Low-income – Accessibility

Low-income	Accessible	Somewhat Accessible	Somewhat Inaccessible	Inaccessible	Total
Family and friends	10	5	2	8	25
Store/bar Credit	9	4	1	10	24
Store/bar cheque cashing	11	3	2	8	24

Informal Banking Services – Middle-income – Accessibility

Middle-income	Accessible	Somewhat Accessible	Somewhat Inaccessible	Inaccessible	Total
Family and friends	12	6	2	3	23
Store/bar Credit	12	3	0	7	22
Store/bar cheque cashing	9	5	0	7	21

Informal Banking Services - Low-income – Importance

Low-income	Important	Somewhat Important	Somewhat Unimportant	Unimportant	Total
Family and friends	7	5	2	12	26
Store/bar Credit	4	7	0	15	26
Store/bar cheque cashing	5	3	0	18	26

Informal Banking Services - Middle-income – Importance

Middle-income	Important	Somewhat Important	Somewhat Unimportant	Unimportant	Total
Family and friends	6	8	0	11	25
Store/bar Credit	4	4	2	14	24
Store/bar cheque cashing	2	5	0	18	25

Appendix 5. Perceptions of Frequency, Accessibility & Importance of Support Organizations

Support Organizations - Low-income – Frequency of Use

Low-income	Don't use	Use Seldom	Use Sometimes	Use Regularly	Total
Any financial services	9	4	0	0	13
Special savings scheme	25	0	0	0	25
Special loan programs	22	3	0	0	25
Financial counselling	25	0	0	0	25
Complaints	23	2	0	0	25

Support Organizations - Middle-income – Frequency of Use

Middle-income	Don't use	Use Seldom	Use Sometimes	Use Regularly	Total
Any financial services	8	0	4	0	12
Special savings scheme	25	0	0	0	25
Special loan programs	25	0	0	0	25
Financial counselling	20	5	0	0	25
Complaints	22	3	0	0	25

Support Organizations - Low-income – Accessibility

Low-income	Accessible	Somewhat Accessible	Somewhat Inaccessible	Inaccessible	Total
Special savings scheme	3	1	1	4	9
Special loan programs	6	2	1	2	11
Financial counselling	3	4	1	2	10
Complaints	7	2	2	3	14

Support Organizations – Middle-income – Accessibility

Middle-income	Accessible	Somewhat Accessible	Somewhat Inaccessible	Inaccessible	Total
Special savings scheme	3	2	1	2	8
Special loan programs	4	3	1	2	10
Financial counselling	12	3	1	1	17
Complaints	10	4	2	2	18

Support Organizations - Low-income – Importance

Low-income	Important	Somewhat Important	Somewhat Unimportant	Unimportant	Total
Special savings scheme	7	7	1	7	22
Special loan programs	10	8	2	4	24
Financial counselling	11	7	0	6	24
Complaints	13	6	1	4	24

Support Organizations - Middle-income – Importance

Middle-income	Important	Somewhat Important	Somewhat Unimportant	Unimportant	Total
Special savings scheme	9	5	2	5	21
Special loan programs	10	6	1	5	22
Financial counselling	9	7	1	6	23
Complaints	11	7	2	3	23

Appendix 6. Open-ended Comments on Fringe Banking Services

Low-income

I think that these places get you with the interest and the service charges. They don't tell you how much they are charging. They are looking for customers – they get you on the service charges.

I have no objection to the in the neighbourhood. There are enough of them here.

I would never dream of using (fringe banks). They are leeches – they prey on people who have no choice – the desperate.

They cost us a high take out rate. They rip you off cause they see you coming. We owed money at Sears and they have 32% interest on their credit. It took us a long time to pay it off.

I don't need fringe banks.

There are lots of them.

I think that they charge too much, from what I know from talking to other people. I would not use them.

I have no dealings with them.

The Moneymart is open 24 hours and that helps my husband. The banks are closed when he gets off work and he can't pay his employees unless he takes time off the job.

You can sure find them, you don't have to look far.

Too many of them.

Too many of them, too accessible for most people.

Fringe banking does help the community. The banks are limited.

Never got into it.

The cheque-cashing place is pretty good, it doesn't cost you much and its all done in one shot. \$15 for \$400, it's better than the bank, with all the charges, especially at the ATMs.

They could lower their rates. 2.9% is a lot of money, for some one who's only getting \$400 a month.

They're screwing people but they're trying to make money too. Some places will cash cheques even if they're not yours, if you slip them \$50.

They are usually ok from what I hear from other people but they can be pretty hard nosed. They don't know if they are going to get paid their money so they hound you.

Middle-income

They are pirates. I've never pawned anything in my life. Scum of the earth. They prey on the misfortunate.

Don't believe in them. They get you into financial trouble. You dig yourself into a hole pretty quick.

The fringe banks are filling a need that banks can't manage. There is a vacuum because the banks have left. People go to these banks. Pawnshops are linked to crime in the area and using the cash to feed their addictions. With the banks leaving there is growth. They feed on the misery of the poor. There are no checks and balances when it comes to these financial institutions. People need to watch out for them. Our MP has been helpful in this issue. This is an important issue.

There are not any close enough.

With the rates they charge they are sucking off the people. There is no need for them to charge the rates they do.

I have no objection to them being in the neighbourhood – there are enough of them here.

I would prefer to see traditional banks rather than fringe services. I think that a traditional situation provides better service and more security.

They have excessive or illegal interest rates.

They should not be here, but some people do use them.

I think that they are a scam, a way to take people's money unnecessarily.

I can't stand them. But sometimes I need them. I have a love/hate relationship with the pawnshop. They love me, I hate them.

Most pawnshops are legit. Money Mart is legit for lending, but I don't think other payday lenders are legit.

They are literally taking soul right out of the neighbourhood. People take things to the pawnshop one week and get them out the next week. These places take advantage of the poorest of the poor. If people need them I guess it's good for them, it's an alternative and in the North End there is such a need.

I don't think it's a good idea since there's a lot of low income people in this area. It's not fair for people who depend on welfare or older people, who have to go to these places. Why did they have to close all the banks? It's so hard for the old people.

There's too many of them, too much access. It encourages people to get themselves into debt.

All of these businesses are making money from the poor. The fact that there is virtually no government regulation on the interest rates and cheques is an embarrassing and deplorable comment on my country. Our society is designed to serve the rich and profit from the poor. The closure of 10 banks in the last 7 years in the North End is one indicator of this. The fact that our Member of Parliament's pleas to bring regulation to the fringe financial services has been ignored is profoundly discouraging. The majority of the people who suffer are of Aboriginal descent, who, after enduring cultural genocide will not be capable for perhaps 50 years to function in the world the way it is, these marginalized people are marginalized even further.

Unknown Income

They charge too much.

They charge a lot of interest and they are a disadvantage to a lot of people because it costs them so much and then they get in the hole. My father has a habit and it feeds the dependency. For people who have an alcohol or gambling problem or drugs it's a vicious cycle because it's so accessible.

I think it would be better if they were not there. The banks should offer us their services. We have no choice when we need something. All these easy lending companies, I think it causes problems when people have addictions. They steal other people's stuff and they pawn it and it can't be traced.

The percentage they take off your cheques – its 7% on the dollar or something like that.

They take advantage of people with high fees. Not legitimate means of money.

I feel like they are run by the mafia. Legalized loan sharks. Interest rates are too high and people on social assistance can't afford it. They should charge according to income level.

Appendix 7. Open-ended Comments on Formal Banking Services

Low-income

Chequing accounts are important because you can carry your card with you. Credit cards are important because many places don't accept cheques. Mortgages are important. I don't trust mutual funds. I am too old for RESPs. As a senior the bank does not charge me. For the younger people it's not so good. The bank's interest on the savings account is very low – we get peanuts.

Credit cards are important because if you don't use a credit card you don't have a credit rating. Because our income has dropped, getting a mortgage has become harder than it used to be. I wish that RESPs had been accessible when we had kids. The banks are accessible to me – but they can be intimidating. I wish that my bank was open at better hours – 8-6 at least. What you need are people in the bank who understand your financial situation. People in the banks need to realize that people in the North End do not have a lot of money.

They are going to close a lot more banks in this neighbourhood. The new banks are way out. People tell me that they have to drive way out. The new ones are not helping anyone. My bank at Northgate is super busy so it won't close – but other banks are not busy at all. I only use my bank for paying my utility bills. My pension is not enough to have an account.

Have to go a long way to a bank and once they would not accept my wife's cheque. The [X bank branch] at Garden City is not good – I would not advise anyone to go there. The cashiers are very rude. They should all be fired. And their manager was [not very good].

I wish there were some banks around here. I am with the [X bank branch] and they keep on moving. There are a lot of old people who wish their was a bank on Selkirk. There are a lot of people who are stuck using ATMs – and it costs \$3. Of course they are making good money.

We have no banks in this area. My closest bank is at Inkster and Main.

They kinda suck. There is not enough info out there. Especially regarding certain financial institutions like mutual funds, student loans, GICs. They don't make people aware.

Not enough banks. I have to drive a mile to get to my bank. We do need to use them daily. They require too much verification of security, too much red tape. They are mysterious about it too. You can have a great credit rating and not be able to get a mortgage.

We have no trouble banking. We have banked at the same credit union for 30years and its close to us.

There are no banks. They are closing them down here. They are making huge profits and they don't care about the little people.

It would be nice if there was something nearer.

We certainly need banking services in this area since the [X bank branch] closed down. I have to go all the way downtown. The Credit Union on Main Street only deals with Ukrainians.

There are not a lot of banks around.

Not enough of them, they are all closing down.

The fees. That's what really bites me is the fees. Like when you use a Scotia Bank card in a Credit Union machine, you get charged a fee.

There is none. But I go to the Credit Unions in St. Boniface. I wouldn't go to an instant teller out here.

They're a pain in the ankle and they cost too much. They're not there to give you service or to help, they're just there to take your money and get your interest.

There are none! They're all closed.

There are no banks around here and they just label everybody who lives in the North End and don't want anything to do with us.

No, they're all good, except I'd like to see them open at 7 or 8 am instead of 10 am.

A lot of elders and EIA recipients go a long way to get to the bank. It is very expensive to go in a taxi. Banks should stay in the neighbourhood.

The lack of it. You have to walk over 5 miles to get there. And because I don't have a bank account or proper ID, sometimes they won't even cash the cheque. There have to put some more banks here.

Middle-income

All the banking services are pretty good.

(Banking services) seem to be pretty good around here – where I am.

The closing of banks in the North End has a definite income on the seniors and those on fixed incomes. We have a vehicle – now we have to drive to Kildonian – and the bank machines always charge a fee. I am not impressed with the bank closures. They are laying off people. I am not a friend of the bank. I support credit unions more. The problem with credit unions is that they don't have enough money to offer lower fees. I am really disappointed in financial institutions and I have lost faith in them and large institutions like Enron – a lot of hypocrisy. There are lots of ATMS still – and they charge a fee. The banks have really neglected the vulnerable poor and the lower middle class. I hate using machines. I like personal service.

We are limited to the Credit Unions – that only gives 2 choices. We are limited in mortgages – they are not readily available. We have to do the shopping on the phone or by foot.

There is a lack of availability of banking services.

I don't use any of the banking services here. They are already setup where I worked.

They took all the banks away – so if you can't drive, you are limited.

The problem is for people who lack mobility. Someone without a car would be gravely affected.

No, I don't have a problem going to the bank where it's at.

There could be one or two more of them, but they are good.

They closed my [X bank branch] branch. I have gone from bank to bank to bank because they just keep closing them. I think there should be more banking services and less pawnshops and moneylenders. They are taking advantage of poor people.

I just don't understand why they took the banks away. There were convenient and close. I guess it's because of the area. It's not as good here as it used to be.

They have been taken away from here. They have moved branches twice. When you don't drive it's a problem. The debit cards have helped out.

There are enough bank branches but not enough machines (they get smashed). It feels like the branch is accessible by bus – just 1 bus. I use a debit card.

Use money orders from bank.

They have closed branches. They should open a new branch.

Very limited because of branch closures. In the 1970s there were 7 more branches in the area. But ATMs have helped out. And debit cards are important.

The banking services are very poor in this area because all the banks have closed.

They're almost non-existent. Most of the ATMs charge you \$1.50 or more, which is preposterous because they are generic ATMs serviced by the chartered banks. The chartered banks, for the most part, do not provide services that are socially appropriate or welcoming to low income people. Even if the banks were present in the North End, many people would not be comfortable using them. We need a community based, socially sensitive, financially backed banking service. Small loans are the most important services for many people in this area – small being under \$1000, which is the minimum limit that all banks will allow.

There are no banks. The nearest bank is Lombard and the parking is crap. We need a bank in this neighbourhood. Most of the people here don't have cars, so they go to the pawnshops and bars to cash their cheques and they are trapped in that cycle – there is cold beer there and they stay and spend their money.

There are no banks in the North End. The closest bank is on Jefferson and Main. To get to a bank I have a long way to go. They closed down the closest bank. My closest bank is at Portage and Main. We could sure use a bank in the area. There are a lot seniors in the end of town.

I bank with a Credit Union. But the banks are closing up and moving out because there is not money to be made in the area. They don't care about the small man's business anymore.

There are none. The bank machines by Mt. Caramel Clinic is in an unsecured building with no one there. It's unsafe.

Unknown Income

There are no banks in the North End. The closest bank is on Jefferson and Main. In order to get there I have a long way to go. They closed down the closest [X bank branch] bank. Now my closest bank is at Portage and Main. We could sure use a bank in area. There are a lot of seniors in this end of town.

I have a car so its accessible and my Credit Union is close. My mother is a [X bank branch] customer, and when that bank machine closes down she will have to go to other bank machines that are closer and get charged more.

I wish they had a bank around here. And that they would keep the low income people in mind with the service charges at the ATMs, on top of the regular service charges.

There is hardly any around here. There is none, except on Main and James. There was a [X bank branch], but it is not there anymore.

Very, very poor. Not enough bank machines for my bank, so we have to pay a lot of extra charges on top of the regular bank charges. I'm losing money to deal with the banks, by the time I do bus fare and baby sitting to get there. There should be more advice for low income people.

Appendix 8. Open-ended Comments on Insurance Services

Low-income

I don't believe in life insurance. I once tried to collect and they did not give me any money. I have problems with insurance companies. I only trust them 50%. They always get out of paying.

The insurance rates are outrageous because I live in the North End.

[X insurance agency] is a bunch of crooks. I would have never dealt with them under present conditions. They screwed me out of \$4000. Very uncooperative and would not reveal information. They conned my wife into taking out a loan.

I don't have insurance from around here. I have it on my credit card and through [X bank branch].

We get our insurance through work.

No, because I don't really know much about the insurance business.

I don't know much about insurance services in the area.

No, it's readily accessible.

I don't really know about insurance. There is not very much in this area.

I have not really looked into them.

No. There is none.

They're not advertised enough. They don't tell you where they are or what they can do for you.

All good, I guess. I don't know.

Middle-income

We have been lucky because we know some insurance agents personally. However, there have been a lot of redlined properties in the area. This has been a cause of concern. Insurance companies should not black list certain areas.

My experience with insurance has been good. But I know that other people have had negative experiences.

Very limited – our insurance agent is from Edmonton.

Insurance services are very hard to get here because it is the “North End” – which I think is very unfair.

Have not dealt with them personally, but my general outlook on them is positive.

I think it hard to get insurance in our area. They asked me a lot of questions that they did not ask us when we lived in Windsor Park.

I don't know if there is any around here. Companies come and go.

Not too important

The area was redlined and you must have monitored alarm service. Neighbours have been refused for property insurance.

I know that various new home owners have found it difficult to insure their homes because this area is considered to be a high theft/ arson zone, high crime. One of the things that is most needed in this community are resident home owners, to create stability. Some have been turned away because they have been unable to secure either mortgages or insurance, though they were qualified for both. This is another indicator of a deeply-set prejudice, from government through business toward marginalized people.

They are crooks. My house insurance goes up \$40 every year and I have never had a single

Unknown Income

Because we are in the red zone for insurance, some places will not insure your home. I have a group plan, so it's not a problem for me.

I have not seen any around. No one comes knocking on our door. You get them in mail.

Because we live in the North End, some companies want a \$500 deposit because it's a higher risk. You also have to have an alarm system.

Appendix 9. Open-ended Comments on Informal Financial Services

Low-income

The (interest) rates at stores are highway robbery. The people who use those services must have bad credit.

If it came down to a crunch the stores were fairly good about helping.

I quit dealing with a store that would not give me credit when I needed it. They lost my business.

I use informal financial services because the bank is too far to go when you don't have a car and you have to pay for a ride.

There is a need for more services. Credit Unions or some kind of loan place.

There are no banks around here and it costs so much to get your cheques cashed at a pawnshop or even at a [x pay day lender].

Corner stores should work more with low-income people. They should help with credit.

It's nice because I have my family to back me up when I am in a bad situation.

It's always good that they're there. But there are not many stores where you can get credit.

Some people get their cheques cashed if they are buying groceries and they give them credit too if they are low income.

Middle-income

Most people in this neighbourhood take care of each other.

I am guessing that they are filling a need because we don't have banking services.

They are unavailable to my knowledge. I don't know anybody that cashes cheques around here.

People would cash a cheque at a store if they have ripped off their bank or their account is closed because they owe the bank money. People need to budget their money.

There is a lot of them. And they are generally legit. Some of the bars and stores will rip you off, but most won't.

Banks have stupid hours. The Credit Unions have Saturday hours and are closed Monday. Its very accessible for the workers.

People who are unable to go to regular banks are forced to use these services and they pay far too much for it.

I know that many of my friends rely upon the movement of small amounts of money between friends in order to survive. My upbringing was very different from many other people around me so I've had to learn how to give a smoke to somebody on the street. Without borrowing from small businesses and family, most people couldn't survive here. Oddly enough, this pattern creates a sense of community that's strengthening.

Everything is so far away if I have to go to an instant teller. I don't have a car and it's not convenient.

Unknown Income

Most stores don't cash cheques because sometimes the person will say it's their cheque and it's not. Sometimes the bars will cash them if they know you.

If corner stores could cash your cheque if it's late and there's no bank, or if stores could give you credit till your next cheque comes, it would make things easier.

Appendix 10. Open-ended Comments on Support Organizations

Low-income

I participated in a special loan program. It was quite a long and involved process – but I suppose that was to make sure that we were serious. If I didn't have that loan I would have had to go to family. Having that loan was very important for my self-esteem. Maybe these places should be making their presence a little better known. If you are in a tough place you don't want to go through all the hassle of finding these places.

We don't know what they are doing. So many people are in debt because they don't know how to manage their money.

They sound good. Sounds good to complain to the top dog. The inaccessibility of financial counselling is shown by the number of people going bankrupt. A lot of people are going into cycles of debt.

They should make people more aware that they are there.

We need more of them. More fix up grants, more first time home buyers, more support for prospective buyers with regard to information about buying a house.

I think they are good, if people need them. People should hear more about them.

It would be interesting to get in touch with them to find out about them.

I do not know enough about them to comment.

Put more word out there.

It would have been nice to find out about them sooner.

They'd be good if you were aware of them, but if you're not aware of them, how do you find out?

They could advertise more and send out brochures on what they do.

They are good for people if they need them.

They should post more information about their programs and how they can help the community.

Need more support for (?). Need support for all (?) and (whites?).

Middle-income

Obviously they are not getting the word out.

We are thinking about approaching organizations such as these. We complained to the government about the banks closing, but it was useless in the end – ineffective.

These organizations certainly sound interesting. What I really need is access to a mortgage – or money to fix up my place.

I guess that they need to spread more word about their availability and it is the kind of information that people need.

I had to call an ombudsman regarding 2 banks. Some banks are prejudiced and discriminatory, based on credit history and amount of financial income.

No, because I have no real need of their services that I am aware of.

No, they are just good to have.

They are very important for the community, but I think their hands are tied. For example, they can't help landlords who want to improve their property but can't afford it.

I want to find out more about them.

Very good idea.

Good programs to help people.

They are important to settle problems between 2 partners – need an independent third party.

No, because I don't know too much about them.

They should advertise so that people would know they are out there.

I think that the government agencies are so laden down with bureaucracy that they are ineffectual. What [x non-profit] is doing should be applauded; the [y non-profit] provides exceptional opportunities. The latter two organizations are not well enough publicized or new tactics need to be developed to reach the people who need these services. The government subsidies for the [x non-profit] programs teach people how to be financially responsible. Government subsidy is critical for the short term of almost 50 years, to assist people to find their own financial autonomy. It is an investment beyond value. It would be reparation in small part for the dysfunction that has been caused.

Unknown Income

They should make me more aware of them.

I never thought of them or knew they existed.

When I complained to an Ottawa office about my student loan, it took from 9-2 on the phone. There should be one central number to call, to make it easier. I wrote a letter about my situation and never got a reply.

They are around if you need them.

Appendix 11. Survey Questionnaire
Financial & Insurance
Services Questionnaire

1) Interview Code:

3) What is your gender?

- Male Female

4) What was your age on your last birthday?

- 16-25 26-35 36
+

5) What would you define as your racial/ethnic background?

- Aboriginal/First Nations Metis
 Other visible minority European Origin

6) What is your marital status?

- married/living together separated
 single divorced
 widowed

7) Have you ever declared bankruptcy?

- Yes
 No

8) What is your approximate before-tax annual household income? (if unavailable list & identify as take-home pay)

\$

9) What is your current level of education?

- Elementary School Some University
 Some High School University Graduate
 High School Graduate

10) How long have you lived in Winnipeg?

_ years
a) How long have you lived in the North End?

_ years

11) Does the principal wage earner work:

- Full-time Receive Employment and Income Assistance
 Part-time Other:

12) How many dependents are in the household?

13) How many wage earners are in the household?

14) Does anyone in your household have any Investments and/or Assets? [Like bank savings, RRSPs, Pension Plan, Stocks, Bonds, Home, Car, Property, Vehicles, Business assets].

- Yes No

a) Please list items and give the retail value of these investments/assets?

item #1 _____ retail value
\$ _____
item #2 _____ retail value
\$ _____
item #3 _____ retail value
\$ _____
item #4 _____ retail value
\$ _____

Section II. Financial Service Use, Accessibility and Importance

In this section I will list off a number of financial institutions and their associated services. I will ask you whether or not you use these services and how often you use them. I will then ask you if you consider These services to be currently accessible to you and if you consider them important for meeting your long term financial security needs.

Informal Financial Services

15.a) Do you borrow money from friends and family?

- i) Don't Use (0x) Use Seldom (1-5x) Use Sometimes (6-11x) Use Regularly (12+x)

- ii) 1) A 2) SA 3) SIA 4) IA
 iii) 1) I 2) SI 3) SUI 4) UI

15.b) Do you use credit at stores and/or bars?

- i) Don't Use (0x) Use Seldom (1-5x) Use Sometimes (6-11x) Use Regularly (12+x)
 ii) 1) A 2) SA 3) SIA 4) IA
 iii) 1) I 2) SI 3) SUI 4) UI

15.c) Do you cash cheques at stores and/or bars?

- i) Don't Use (0x) Use Seldom (1-5x) Use Sometimes (6-11x) Use Regularly (12+x)
 ii) 1) A 2) SA 3) SIA 4) IA
 iii) 1) I 2) SI 3) SUI 4) UI

15.d) Do you have any general comments about informal financial services in your neighbourhood?

Fringe Financial Services

16.a) Do you use fringe banks (pawnshops, cheque-cashers, pay-day lenders, income tax refund advancers)?

- i) Yes No
 ii) 1) A 2) SA 3) SIA 4) IA
 iii) 1) I 2) SI 3) SUI 4) UI

If No to 16ai, proceed to question 17.

16.b) Do you use pawnshops?

- i) Don't Use (0x) Use Seldom (1-5x) Use Sometimes (6-11x) Use Regularly (12+x)
 ii) 1) A 2) SA 3) SIA 4) IA
 iii) 1) I 2) SI 3) SUI 4) UI

16.c) Do you use rent-to-own services?

- i) Don't Use (0x) Use Seldom (1-5x) Use Sometimes (6-11x) Use Regularly (12+x)
 ii) 1) A 2) SA 3) SIA 4) IA

- iii) 1) I 2) SI 3) SUI 4) UI

16.d) Do you use cheque cashing businesses? (ex. Money Mart)

- i) Don't Use (0x) Use Seldom (1-5x) Use Sometimes (6-11x) Use Regularly (12+x)
- ii) 1) A 2) SA 3) SIA 4) IA
- iii) 1) I 2) SI 3) SUI 4) UI

16.e) Do you use the quick refund service at an income tax preparation firm? (ie. H & R Block or Liberty)

- i) No Yes
- ii) 1) A 2) SA 3) SIA 4) IA
- iii) 1) I 2) SI 3) SUI 4) UI

16.f) Do you use a payday lending service?

- i) Don't Use (0x) Use Seldom (1-5x) Use Sometimes (6-11x) Use Regularly (12+x)
- ii) 1) A 2) SA 3) SIA 4) IA
- iii) 1) I 2) SI 3) SUI 4) UI

16.g) Do you buy Money Orders from fringe banks? (eg. Western Union)

- i) Don't Use (0x) Use Seldom (1-5x) Use Sometimes (6-11x) Use Regularly (12+x)
- ii) 1) A 2) SA 3) SIA 4) IA
- iii) 1) I 2) SI 3) SUI 4) UI

Skip to 16.I if the respondent does not use

16.h) When you use money orders, are you using them to pay bills, send a remittance, as savings or for another purpose?

- Pay bills International Remittance (sending money to another person in another country)
- National Remittance (sending \$ within the country) Savings
- Other

16.i) Do you have any general comments about fringe banking services in your area?

Mainstream Financial Services

17.a) Do you use financial services from bank or credit union?

- i) Don't Use (0x) Use Seldom (1-5x) Use Sometimes (6-11x) Use Regularly (12+x)
- ii) 1) A 2) SA 3) SIA 4) IA
- iii) 1) I 2) SI 3) SUI 4) UI

17.b) Do you use a savings account?

- i) Don't Use (0x) Use Seldom (1-5x) Use Sometimes (6-11x) Use Regularly (12+x)
- ii) 1) A 2) SA 3) SIA 4) IA
- iii) 1) I 2) SI 3) SUI 4) UI

17.c) Do you use a chequing account?

- i) Don't Use (0x) Use Seldom (1-5x) Use Sometimes (6-11x) Use Regularly (12+x)
- ii) 1) A 2) SA 3) SIA 4) IA
- iii) 1) I 2) SI 3) SUI 4) UI

17.d) Do you use a low-fee account?

- i) yes no don't know

17.e) Do you use a credit card?

- i) Don't Use (0x) Use Seldom (1-5x) Use Sometimes (6-11x) Use Regularly (12+x)
- ii) 1) A 2) SA 3) SIA 4) IA
- iii) 1) I 2) SI 3) SUI 4) UI

17.f) Do you have a mortgage?

- i) Yes No
- ii) 1) A 2) SA 3) SIA 4) IA
- iii) 1) I 2) SI 3) SUI 4) UI

17.g) Do you invest in RRSPs? (Registered retirement savings plans)

- i) Don't Use Use Seldom (once in 10 years) Use Sometimes (once in 5 years) Use Regularly (every year)

- ii) 1) A 2) SA 3) SIA 4) IA
- iii) 1) I 2) SI 3) SUI 4) UI

17.h) Do you invest in mutual funds?

- i) Don't Use Use Seldom (once in 10 years)
- Use Sometimes (once in 5 years) Use Regularly (every year)
- ii) 1) A 2) SA 3) SIA 4) IA
- iii) 1) I 2) SI 3) SUI 4) UI

17.i) Do you invest in Registered Education Savings Plans - RESPs? (Refers to children's long-term financial security)

- i) Don't Use Use Seldom (once in 10 years)
- Use Sometimes (once in 5 years) Use Regularly (every year)
- ii) 1) A 2) SA 3) SIA 4) IA
- iii) 1) I 2) SI 3) SUI 4) UI

17.j) Do you have any general comments about banking services in your area?

Insurance

18.a) Do you have home or property insurance?

- i) Yes No
- ii) 1) A 2) SA 3) SIA 4) IA
- iii) 1) I 2) SI 3) SUI 4) UI

18.b) Do you have life insurance?

- i) Yes No
- ii) 1) A 2) SA 3) SIA 4) IA
- iii) 1) I 2) SI 3) SUI 4) UI

18.c) Do you have mortgage insurance?

- i) Yes No
- ii) 1) A 2) SA 3) SIA 4) IA
- iii) 1) I 2) SI 3) SUI 4) UI

19.d) Have you ever participated in financial counselling (e.g., Community Financial Services) or money management training (e.g., Financial Foundations)?

- i) Yes No
- ii) 1) A 2) SA 3) SIA 4) IA
 not aware
- iii) 1) I 2) SI 3) SUI 4) UI

19.e) Have you ever complained to a government agency about a financial service (e.g., through the Financial Consumer Agency of Canada (FCAC) in Ottawa or the Manitoba Consumers' Bureau)?

- i) Yes No
- ii) 1) A 2) SA 3) SIA 4) IA
 not aware
- iii) 1) I 2) SI 3) SUI 4) UI

19.f) Do you have any general comments about these supportt organizations?

This completes your survey. Thank you for your co-operation. Once again, if you would like to receive a copy of the report or discuss the research, please contact Jerry Buckland, Menno Simons College, 380 Spence St. Winnipeg, 786-9171.