
Financial Literacy for Senior Immigrants

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CNIW Foundation

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Preface



Introduction

Positive Aging: Strengthening Chinese Canadian Immigrant Seniors’ Financial Well-Being” is a project designed to support elderly immigrants in developing their financial literacy. The project was officially launched on March 30, 2023, and will continue until March 29th, 2024. It is sponsored by the Government of Canada, hosted by CNIW Foundation, and supported by CNIW (Centre for New Immigrant Well-Being) and EMAC (Education and Multicultural Alliance of Canada).

Most senior immigrants, especially Chinese Canadian newcomers, experience some sort of financial vulnerability. Research has demonstrated that this insecurity can become a persistent and chronic source of pressure on individuals, ultimately negatively affecting physical and mental well-being. Health and food costs have skyrocketed in recent years, creating an economic crisis for those with lower incomes and savings. Senior immigrants in particular struggle with higher health-related costs, while also often being ineligible for public pensions and support. They also face cultural and linguistic barriers when attempting to access financial information and tools, hindering them from improving their situations.

Preface

The “Positive Aging” project aims to ensure seniors and their caregivers are aware of and have access to effective financial education and assistance, with a specific focus on senior newcomers to Canada. This includes providing clear and user-friendly information on financial management, financial abuse, financial decision-making, fraud, and public benefits, alongside a variety of other financial topics. Another objective of the project is increasing public awareness of the importance of strong financial literacy while communicating how to strengthen your own. This handbook is one aspect of the project as a whole.

This project adopts a peer-to-peer learning, sharing, and serving model to engage seniors in their community. Through both writing-based and in-person initiatives, CNIW Foundation hopes to help seniors become more financially literate in the long term.

Preface

Context and Factors

Financial Literacy:

Having the knowledge, skills, understanding, and confidence to make responsible financial decisions.

The importance of strong financial literacy in today's increasingly complex world cannot be understated. Improving financial literacy directly leads to increased quality of life, improved personal finances, more informed and well-thought-out decisions, and a more robust economy. It is a life skill that is especially important for Canadian seniors, who face unique financial challenges every single day.

An increasing amount of these seniors are immigrants to Canada, whether they are long-standing ones or newcomers. Factors such as dependency on family and limited social networks contribute to their various financial struggles. After all, many Canadian seniors are sponsored by their relatives, which can cause ineligibility for many government benefits and services. Senior immigrants are also at an exponentially higher risk of financial fraud and abuse and are more economically vulnerable overall. Milestones in the migration process such as finding housing, employment, and building a family may create barriers that compound into serious financial issues. It is clear that this group of individuals faces structural barriers that must be understood and ameliorated through education.

Preface

As there is currently no existing literature combining financial advice and information for both seniors and immigrants to Canada, there is a clear need for a resource that does so, since early planning and education is crucial to improve financial well-being. CNIW (Center for New Immigrant Well-being) Foundation's overarching goals are to conduct research, advance education, promote health, and enhance social inclusion. With this handbook, the Foundation hopes to continue to achieve its goals by improving the lives of senior immigrants through health promotion and education and drawing public attention to crucial issues facing our elderly.

Part One

Managing Current Affairs



As a newcomer, do I understand the options available to me?

Financial Basics

Senior immigrants encounter many decisions in their everyday lives, some of which have huge financial implications—but not all of them can recognize these situations or are informed on how to handle them. A lot of these decisions may also be made by families as a whole, and not necessarily solely by elders: regardless, seniors should seek to understand financial fundamentals to be able to manage their current affairs.

Opening a Bank Account

Two pieces of government-issued identification are needed to open a Canadian bank account. Examples of these are your social insurance number (SIN), provincial health card, permanent resident card, and certain Immigration, Refugees, and Citizenship Canada forms. For those who may only have one piece of government-issued ID, other types of identification can be paired with it, such as foreign passports.

Managing Current Affairs

Though a SIN is not a requirement for opening a bank account, it is typically one of the first things experts recommend newcomers to Canada should do, as it is needed to earn interest on accounts, work in Canada, or receive benefits from the government.

There are two main types of bank accounts: **chequing** accounts and **savings** accounts. They each have their strengths and weaknesses—the best option may be to have both, so you can meet different types of financial goals. Chequing accounts are where everyday transactions occur, and offer easy access to funds through ATM, internet banking, apps, branches, and debit cards. They are the most popular type of bank account since it is easy to deposit into and withdraw from them on a day-to-day basis. With a chequing account, you can also write cheques, send e-transfers, and pay bills regularly. However, your funds do not collect interest while in the account.

Savings accounts, on the other hand, are where your money rests and accumulates interest. Ideally, your money in a savings account does not move over time. Owners of savings accounts typically have a limited amount of free withdrawals available to them monthly and are unable to write cheques or make debit purchases. Despite these cons, savings accounts are very useful for growing your funds over time, since you benefit from higher interest rates.

Managing Current Affairs

The vast majority of Canadian apps have mobile apps, but bank websites generally have more features and are more accessible to users, especially those who may struggle with digital literacy due to language barriers or being older adults. Some banks, such as TD, offer service in a variety of languages in their branches, and even more banks offer multilingual service through phone calls and translation services. Brochures are also regularly available in multiple languages. To make managing personal finances on a day-to-day basis easier, it's recommended that seniors take some time to access resources from their bank and their community to familiarize themselves with the capabilities of each of their accounts and learn the technical skills to navigate through their bank's website.

Building Credit

A credit score is required in Canada to borrow money, purchase a home, take out an automobile loan, and more. Having a strong credit history also allows you to gain access to the best credit cards and save on interest rates in the long run. However, newcomers are required to build their credit scores from scratch, as they do not transfer over from foreign countries. Your credit score is a three-digit number between 300 and 900 assigned by the Canadian government and expresses how likely you are to pay a loan back on time. Factors that affect credit scores include but are not limited to payment history and timeliness, amount of money owed, length of credit history, what type(s) of credit you use, and how many times you've applied for credit.

Managing Current Affairs

By accessing a credit card as soon as possible and paying bills on time, senior immigrants can accumulate good credit. The easiest way to do this is by paying off your credit card bills monthly and in full. Experts also recommend not using more than 35% of your credit limit and diversifying your credit types to build up a strong newcomer profile quicker (though applying for too many forms of credit within a short time period may lower your score). Advantages of having good credit as an older Canadian may include the freedom to relocate, the ability to access favourable interest rates on loans and other forms of borrowing, as well as the ability to access top-tier credit cards that offer cash-back and travel savings programs. Though it may appear unnecessary to some older immigrants at first, there are definitely still reasons to build up credit even in one's later years.

Cash Flow

You can open a Canadian bank account even if you are currently unemployed or don't have money to deposit into it immediately. However, once you do have money to deposit, you have a variety of options for how to do so. For immigrants, wire transfers and international money orders are amongst the most popular selections, though cash is also an option. After the Canadian bank account has been established, withdrawing and depositing funds is possible through cheques, cash, direct transfers between accounts, or one-time purchases with debit and credit cards. Keep track of what's coming in and what's going out, as it is important to do so to get a picture of your money as a whole. This is especially true if you have a fixed income source, or if you have fixed costs that you pay regularly.

Managing Current Affairs

International Money Transfers

Once settled in Canada, senior immigrants can choose to send money internationally through their banks and credit unions or through money transfer businesses. Many banks offer international money transfers free of charge for newcomers to Canada. However, these offers generally only last for a year or so, and non-bank providers such as Western Union, Xoom, or Wise will generally charge lower fees than banks do. Each institution will charge different amounts per transfer, and disguise these fees in different ways: for example, fees may be hidden in exchange rates, deducted from the recipient, or shown as a separate charge to the sender. It is a good idea to shop around and compare rates before making your final selection, especially if you have time to spare.

Managing Current Affairs

Newcomers to Canada

Being a newcomer to Canada will absolutely impact the types of financial decisions you have to make and the rationale behind them, especially if you have only just arrived. Here is some basic information you should be aware of.

Choosing a Bank

Banking in Canada can be overwhelming for newcomers, and selecting your provider can be a lengthy decision. The “Big Five” Canadian banks (Scotiabank, TD Canada Trust, Royal Bank of Canada, CIBC, and Bank of Montreal) all have newcomer programs, as do other banks such as National Bank of Canada and HSBC Bank Canada. The best option for an older newcomer to Canada will depend on personal preferences, such as branch location, opening hours, or newcomer benefits. Each newcomer program offers perks, and the importance of each will depend on your priorities.

Some additional key factors that have been considered are accessibility to clients from different backgrounds, the ability to access a credit card, electronic transaction limits, and chequing account fees. For immigrant seniors, it is also important to consider whether or not each banking option has specialized advice and multilingual support for newcomers to Canada.

Eligibility

Fees

Bonuses & Other

	Eligibility	Fees	Bonuses & Other
Scotiabank ¹	Canadian Permanent residents from 0–3 years in Canada	No monthly fees for one year	Welcome bonuses and gifts (eg: \$350 welcome bonus with chequing account) Free international money transfers
BMO ²	Must be a permanent resident or foreign worker who arrived in Canada within the last 5 years	No monthly fees for one year (waived on \$4000+ balances afterwards)	Welcome bonuses, some fees waived (\$450 opening cash bonus) Free international money transfers for the first year
TD ³	Permanent Resident or Temporary Resident of Canada for 5 years or less	No monthly fees for one year	\$300 welcome bonus, some fees waived Free international money transfers for the first year, phone service available in up to 200 languages
CIBC ⁴	Received landed immigrant status in the last 5 years	No monthly fees for two years (waived on \$4000+ balances afterwards)	\$350 welcome bonus with chequing account Free international money transfers
RBC ⁵	Newcomers to Canada who arrived within the last 5 years	No monthly fees for one year for some accounts	No cash bonuses Two free international money transfers per month for a year, phone service available in up to 200 languages

1. "StartRight™ Program offer for newcomers." Scotiabank, startright.scotiabank.com/newcomer-offer

2. "Offers for newcomers to Canada." BMO, bmo.com/main/personal/newcomers-to-canada/newcomer-bank-account-offers

3. "Banking Products for Newcomers to Canada." TD, td.com/ca/en/personal-banking/solutions/new-to-canada/banking-options

4. "Start Your Banking Journey As a Newcomer to Canada." CIBC, cibc.com/en/journeys/new-to-canada

5. "Newcomers to Canada." RBC, rbcroyalbank.com/en-ca/new-to-canada/newcomers

Eligibility

Fees

Bonuses & Other

NBC ⁶	Newcomers to Canada who arrived within the last 5 years	No monthly fees for up to three years	No cash bonuses Exclusive phone support and expert advisors for newcomers for up to a year
HSBC ⁷	Must be a permanent resident or foreign worker who arrived in Canada within the last 5 years	No monthly fees for one year	Welcome bonus of \$500, bonuses of \$50 if you open a safety deposit box or send international wire transfers Specializes in multi-currency savings

For All Options

Electronic transactions: Free and unlimited

Credit cards: Available and guaranteed with no credit history required

Fees: Monthly chequing account fees waived for 1-3 years depending on the bank

6. "Newcomers: Open a bank account in Canada." NBC, nbc.ca/personal/accounts/newcomers

7. "HSBC Newcomers Program." HSBC, hsbc.ca/chequing-accounts/offers/new-to-canada

Managing Current Affairs

Sponsorship

Sponsorship:

A part of the Canadian immigration system that allows adult permanent residents or citizens to bring a relative to Canada under the Family Class of immigration.

Canada's sponsorship program allows Canadian citizens and permanent residents to sponsor partners, children, parents, or grandparents to immigrate to Canada.⁸ Citizens and residents must first indicate an interest in sponsoring before receiving an invitation to apply from the Government of Canada. Next, they are able to complete the process (which takes up to two years) by proving they have enough money to support the family members they wish to sponsor, which is generally done by providing a proof of income statement. Sponsorship can be applied for either before or after the sponsored individual has arrived in Canada. In either case, the sponsored individual will receive permanent residence status.

8. Immigration, Refugees and Citizenship Canada. Family Sponsorship, 4 Aug. 2023, canada.ca/en/immigration-refugees-citizenship/services/immigrate-canada/family-sponsorship

Managing Current Affairs

The sponsorship undertaking commits the sponsor to providing financial support for sponsored family members for 20 years, including providing for basic needs. It is also necessary for the sponsor to repay any social assistance from the provincial government that sponsored family members may receive. These terms still hold even in the case of family rifts, divorce, unemployment, and other changes in finances or familial relationships. As of August 2023, the base cost of sponsoring a parent or grandparent is \$1080 CAD (\$75 sponsorship fee, \$490 principal applicant processing fee, and \$515 right of permanent residence fee). A biometrics fee of an additional \$85 will be charged for individual applicants, bringing the total to \$1135.

Sponsorship is a common form of alleviating financial and legal stress on those entering the country, as it removes or lessens many barriers to entry for seniors while ensuring that they are guaranteed adequate support. It's also very common for older immigrants—out of all Canadian immigrants who arrived from 2011 to 2016, the overwhelming majority of those aged 65 years and older arrived through the Parents and Grandparents sponsorship program.⁹

9. Mandell, Nancy, et al. *Immigrant Women, Youth, and Seniors*, 2019, p. 4, *Settlement Experiences of Recently Arrived Senior Immigrants*.

Managing Current Affairs

However, immigrants that are being sponsored by a family member are no longer automatically eligible for many government subsidies and pensions such as GIS and the Allowance, which is a rule that many Canadians are unaware of. They must reside in Canada for 10-20 years before receiving their first payment from these programs. OAS, another government subsidy, also requires recipients (who must be 65 years of age and older) to have lived in Canada for at least 10 years, which immediately disqualifies many new immigrants. Another detriment of sponsorship is that sponsored seniors are significantly more vulnerable to financial abuse and exploitation from both family members and strangers, due to their decreased financial independence.

All in all, sponsorship is generally recommended for senior immigrants that have family members in Canada, but a thorough understanding of the entire process and its implications is also necessary. It is a long-term commitment for both parties, and it may change how senior immigrants choose to make their day-to-day financial decisions.

Part Two

Financial Preparation for the Future



How do I manage savings that last?

Creating Goals and Plans

As financial decisions become increasingly complex, early and comprehensive planning becomes increasingly necessary. Senior immigrants should take time to evaluate their financial goals to ensure they are able to utilize the correct tools for what they are trying to accomplish.

Goal Setting

Financial Goal:

A target or objective for what you want to do with your money.

Creating a set of clear goals and a plan to reach them is an important first step toward achieving financial health. A reflection on your goals and motivations often increases your own understanding of your priorities and what you want your future to look like. Clear financial goals provide motivation and allow for progress tracking.

Financial Preparation for the Future

To set financial goals, senior immigrants may wish to ask themselves these questions:

- What are my reasons for wanting to save money? Some reasons may be retirement, emergencies, family, or children.
- How long do I want to give myself to achieve each goal? Goals can be short, medium, or long-term. Depending on the end result, you may want to give yourself as little as a year or as long as many decades.
- How much money do I need to achieve what I want? Once tangible numbers are involved, goals and the strategies used to achieve them become more effective.
- How realistic is this goal? Depending on the answer, it may need to be tweaked.

Some examples of possible financial goals for senior immigrants are:

- Saving \$30,000 for a grandchild's college education over the next five years
- Saving \$4000 for a vacation for themselves and a partner over the next two years
- Leaving a \$10,000 inheritance for family members
- Helping regularly fund \$1000 monthly mortgage payments for family

Financial Preparation for the Future

When possible, goals should be **S.M.A.R.T.**—**specific, measurable, achievable, realistic, and timely**. This helps ensure that they are well-defined and focused. S.M.A.R.T. goals also make sure that progress is easy to track until the goal has been accomplished, due to each goal's specificity and measurability. Calculating how close you are to achieving a goal is much easier when it has a numerical value associated with it.

It is important to remember to prioritize when setting goals, as doing every single thing that you want is quite literally impossible. Choosing which goals and which targets are more important to you than others means you have a clear idea of how your money will be allocated in the future. This gives you the confidence you need to be able to plan for the future effectively, while building your financial literacy along the way.

Planning

Financial Plan:

A document that details an individual's current financial circumstances, as well as their short and long-term goals.

Financial Preparation for the Future

A financial plan looks at where you are now and where you want to be in the future, and it lays out a plan to help you get there. Creating one can help with major decisions such as choosing when to retire or when to sell assets, and can also help answer important questions like how much income or savings you need for the future. It can also make smaller, simpler choices easier, as a financial plan provides a big-picture perspective of your situation. A thorough analysis of your financial circumstances will give you the power to take control of your money.

Possible factors to consider:

- Current and future living expenses
- Current and future income sources
- Current and future value of assets
- Tax planning
- Insurance coverage
- Investment portfolio
- Emergency funds
- Debt sources
- Familial financial situations
- Your financial goals

To make a financial plan, consult free software like MoneyGuidePro or Mint, or contact a trained professional. Some may specialize in elders and may charge you on an hourly basis or all at once for a comprehensive plan. Outside sources are better at giving truly objective advice—if money is an issue, many community organizations or other programs may offer free, trained assistance on financial planning.

Financial Preparation for the Future

For example, banks often offer free financial advice in a multitude of languages, and public entities like libraries and community centres may hold free financial seminars and classes. As another example, the Financial Consumer Agency of Canada, a government agency dedicated to “protecting the rights and interests of consumers of financial products and services,” has also published a multitude of resources.¹⁰ This includes their learning program “Your Financial Toolkit,” which includes a full module with information and activities on financial planning (though it is only available in French and English). If you choose to create your plan yourself, consider discussing or co-creating your financial plan with a trusted family member, especially if your financial situations are linked.

Most individuals should be reviewing their financial plan at least once a year, or after major life events such as significant changes in income, retirement, or a change in family dynamics. Your goals may shift over time, and you may decide to tweak your plan to ensure that it reflects your current financial situation in a more accurate manner. Reflecting regularly leads to more long-term success and adaptability.

10. FCAC. Financial Consumer Agency of Canada, 5 July 2023, canada.ca/en/financial-consumer-agency

Financial Preparation for the Future

Investing, Borrowing, and Budgeting

Due to being newcomers to Canada, senior immigrants may face barriers such as difficulty in accessing appropriate savings products or limited access to objective financial advice. This section discusses how to circumvent some of these barriers while building financial foundations, and aims to show how to manage a portfolio that will last.

Investing

Investing:

Buying assets with the goal of generating income or gaining profits over time.

Most retirement-era savings will be held in a registered account, which gives you a tax deduction when money is contributed to it (though the tax must be repaid when the money is withdrawn). Non-registered accounts, on the other hand, are taxable for Canadian citizens and not registered with the federal government. Choosing an investment option that involves the stock market may also require you to open a brokerage account. After you've set up some accounts, which is easily done by contacting your bank of choice, you are free to move on to creating an investment portfolio.

Financial Preparation for the Future

Investing in **debt instruments** and annuities, when you lend your money to an establishment for a fixed interest rate, is a popular option. These include Guaranteed Investment Certificates (GICs), high-interest savings accounts (a more liquid option), government bonds, and annuities. These investments are generally more low-risk and offer guaranteed rates of return, making them popular options for seniors with a shorter time horizon. Senior immigrants who are inexperienced with investing may see this as a safer option to establish their portfolio with. Typically, a more conservative profile has a larger distribution of these sorts of investments and is recommended for seniors who generally have lower risk tolerance.

Assets that can be bought, sold, or traded, otherwise known as **trading instruments**, are on average somewhat more risky than debt instruments. These include money market accounts, stocks, mutual funds, and Exchange Traded Funds (ETFs, which are similar to mutual funds but can be sold, bought, and traded like stocks). Money market accounts are still relatively low-risk, as they are similar to high-interest savings accounts, but the other three, whose returns are directly correlated with market performance, have higher amounts of risk. Senior immigrants who would prefer to hand over control of their portfolio to a third party with expertise may want to consider consulting professionals and investing in mutual funds. However, if you are confident in your personal investing skills, ETFs are a fantastic way to benefit from multiple types of investments at once.

Financial Preparation for the Future

Both of these instrument categories are good types of investments to consider, and investing in both is beneficial in the long run. Diversifying investment (purchasing different kinds of investments) is a good way to lower risks associated with market volatility, inflation, or taxes. To combat taxes specifically, consider spreading your assets out among types of accounts with different tax treatments, such as converting an RRSP (Registered Retirement Savings Plan) to a TFSA (Tax-Free Savings Account). Canada lets residents open a TFSA if they have a SIN and are 18 years of age or over. Investors do not have to pay taxes on any contributions, income, or interest earned with a TFSA, making it a very powerful tool to use.

It's crucial to note that starting early can generate exponential increases in benefits, so newcomers to Canada should not wait too long before considering investment options. Identify how much you wish to invest, why you're investing, and select from your options based on your strategy. Investment strategies all vary in return (the profit you make), risk (the amount of uncertainty involved), and liquidity (the ability to cash in on an investment). Finding an appropriate balance for your own portfolio is a necessary but very doable task.

	Risk	Time	Good for:
Stocks	Moderate to high	Medium to long term	Investors who want to hold shares in specific companies
Mutual Funds	Low to high	Medium to long term	Investors who want to diversify their investments and have them managed by professionals
Bonds	Low to high	Medium to long term	Investors who want regular income and capital protection
Term Investments / GIC	Low	Short to long term	Investors looking to protect their capital while earning interest
High-Interest Savings Account	Low	Short to medium term	Investors looking to store capital that they don't plan to use while earning interest
Exchange Traded Funds (ETFs)	Low to high	Medium to long term	Investors who want to invest in diversified, low-fee investments

Financial Preparation for the Future

Once you've decided which investments you would like to venture into, contact your bank to find out next steps in purchasing that type of investment. Some investments can be easily purchased through banks, as most major Canadian banks offer a variety of mutual funds, GICs, bonds, high-interest savings accounts, and more. You may be matched up with a financial advisor who will guide you throughout the investing process.

However, more hands-on investments like stocks and ETFs have to be purchased by yourself. It is also possible to invest in mutual funds outside of your bank by reaching out to external investment companies and brokerages if you would prefer to do so. In these cases, you will have to open a brokerage account through an online stock broker so you can personally access stock exchanges. Applying for a brokerage account may require you to provide proof of identification and residency as well as information on your income and investment goals. You will also have to select an account type: TFSAs and RRSPs are popular here.

Consider rebalancing your portfolio periodically—experts recommend every 6-12 months, or when you notice the relative weight of a type of asset changing more than you would like. The market fluctuates often, and your investments will fluctuate with it. Finetuning your portfolio is especially important if your financial goals have changed recently, as you want your investments to match your financial plan. Make sure to adjust as necessary.

Financial Preparation for the Future

Budgeting

Budgeting:

A plan for how to spend your money within a defined period of time.

To effectively budget for the future, it's necessary to be able to identify wants and needs before anything else. Financial **needs** are essential expenses that are necessary for you to be able to live. Some examples of these include mortgage payments, utility bills, insurance, and groceries. Financial **wants** are non-essential expenses that are not necessities, but help you enjoy your life in a more comfortable and happy manner. Some examples of these include travel, entertainment, recreation, and gifts.

By utilizing various budget categories and identifying which of your costs are **fixed** (the same every period, like monthly bills) and which are **variable** (changing regularly, like food), you can get an idea of your day-to-day finances while staying on top of your bills. Financial wants are almost always variable, but needs can be either variable or fixed. If you're struggling with budgeting, your spending on both of these categories can often be cut down—consider searching for better deals. Insurance and phone services are examples of fixed expenses where you may not be paying the best rates, especially after senior discounts are factored in.

Financial Preparation for the Future

An important budgeting step that is sometimes neglected is setting money aside into savings and emergency funds for unprecedented scenarios. These should be treated like any other fixed expense: it is typically a good idea to calculate how much money you need to meet certain financial goals of yours and set that money aside before distributing the rest of your money to other expenses. This mitigates risk and ensures that your long-term goals are being budgeted for and that you're making progress. Setting aside money for savings is especially important for newcomer seniors who may have big financial goals for themselves and their families. Whether that means a grandchild's post-secondary education, being able to pay for a series of immigration and application fees, accumulating funds to support extended families, or anything in between, incorporating savings goals into budgeting is crucial.

Financial Preparation for the Future

Borrowing

Debt:

Something, usually money, that is owed or due.

Debt taken on from borrowing can be good or bad debt. Good debt is debt taken on to invest in something that creates more wealth in the long run, and bad debt is debt taken on to buy something that immediately goes down in value or to purchase something that you can't repay on time and in full. By avoiding financial pitfalls such as high interest rates or risky collateral-based loans and ensuring that most of your debt is good debt, you can be sure that you are borrowing reasonably.

Some common types of debt include:

- **Mortgages.** These are the most common and largest debts in Canada. These are loans taken out to finance a home purchase: specifically when consumers are not able to pay the entire price of the property upfront. Borrowers will receive the full amount immediately, then agree to pay the loan back in small, equal, fixed installments over a certain time span. The house itself serves as collateral and secures the debt—meaning that if the loan isn't paid back, the lender can seize the house from the borrower.

Financial Preparation for the Future

- **Auto loan debt.** These are another frequently seen type of installment loan and operate similarly to mortgages. The money here is used to purchase a new or used vehicle, and the automobile serves as collateral for the loan.
- **Credit card debt.** This type of debt is revolving: essentially, you can borrow up until your limit on a regular basis, as long as you repay the money you have spent in a timely manner. Remember that using a credit card will impact your credit score.
- **Lines of credit debt.** A line of credit loan is offered from a bank or other financial institution to customers and allows you to borrow up to a certain limit at any time. Once the money is repaid, you can borrow that amount again. Debt from lines of credit is generally higher than that of credit cards since lines of credit loans are better suited for those looking to pay for larger purchases.
- **Personal loan debt.** Personal loans are amounts of money you can borrow for many purposes, such as unexpected circumstances or major life events. Interest rates, policies, and repayment procedures can vary greatly depending on the nature of the loan.

Financial Preparation for the Future

Taking Out a Loan

There are several places where senior immigrants can borrow money. These include banks, credit unions, cash lenders, cash advance apps, credit card cash advances, and more. Which location you choose to take a loan from will depend on a variety of factors, including how much money you need and how soon you need it. For example, cash advance apps are well-suited for those who need smaller amounts of money quickly, since their terms can be more favorable than payday loans. However, these same apps would not be a good option for someone looking to take on a mortgage. Consider your situation thoroughly and choose the right option for yourself.

Keep in mind that some of these options (such as major banks) may also have stricter credit requirements when approving loans, and will not give you a loan unless you have an excellent credit score. Other options, such as credit unions and some cash advance apps, may only take applications from individuals who meet membership eligibility requirements and/or pay membership fees. Other factors that may be considered by lenders include income, debt-to-income ratio, and the presence of collateral.

Financial Preparation for the Future

Before taking debt on and signing a contract, ensure you thoroughly understand the terms and conditions that you are agreeing to, as well as the details of your loan's repayment policy. A special emphasis should be placed on understanding interest rates, timelines/payment periods, and fees that you are being charged. In some scenarios, contracts can be negotiated further—don't feel pressured to sign as soon as possible, as the final decision is yours. Make sure to ask your lender (or an objective translator if you require one) if you have any questions or require further clarification on specific sections. Remember that once you take out a loan, you are legally responsible for what you agreed on within the contract.

The actual process of taking out a loan is usually quite simple and typically involves a short application once you have selected your chosen lender. You may be asked to provide proof of income (such as pay stubs, bank statements, or tax documents), proof of address (such as utility bills, a rental agreement, or mortgage documents), and proof of identity (such as a driver's license or a government-issued ID card). You will also be asked for your Social Security Number.

Financial Preparation for the Future

As for the loan itself, seniors have a variety of options for borrowing aside from the traditional credit card. Line of credit loans are one option, for example. They come with lower interest rates and the flexibility to borrow and repay as much as you choose up to a set limit—though the main drawback of this method is the temptation of continuing to use it without regularly paying your debts off. Interest will add up to high amounts very quickly, and if the line of credit is secured with collateral, you may lose high-value assets. Therefore, lines of credit are generally more suited for large purchases, and credit cards are optimized for small, continuous purchases.

Personal loans allow users to borrow a fixed amount of money and pay back the full amount plus interest and fees in installments over a set period of time. They are usually taken out for specific financial purposes. Payday loans are another type of loan and are much more short-term and high-risk. Seniors are a growing target market for companies that use payday loans to loan against pensions, as the funds are taken out of the borrower's next pay. Interest rates can shoot up to as much as 500-600% if payment is late, and these types of loans are typically not recommended for any age due to their high costs.

Financial Preparation for the Future

Home equity-based lenders base the values of their loans on the value of a homeowner's financial interest in their home (the appraised value of the home) instead of credit scores or income. As many seniors, particularly those that are long-standing immigrants, may be "house rich" while being "cash poor," home equity-based loans may be a way to use the value of a home without necessarily having to sell it. Reverse mortgages are one way to do so. They are typically specifically targeted at older citizens, and allow homeowners above the age of 55 to take out loans and borrow up to 55% of the value of their home. The loan is repaid when the homeowner sells the house, moves out, or passes away. A HELOC (Home Equity Line of Credit) also borrows against the available equity of your home, while being a more revolving and constant source of funds than typical home equity-based loans.

Becoming Debt Free

While creating a plan to be debt free, the Financial Consumer Agency of Canada recommends making an itemized list of your debts, reviewing your budget, and deciding on a time frame and order for repayment.¹¹ Paying off the most expensive debt with the highest interest rates first is important, as is making bigger payments in each session.

11. FCAC. Making a Plan to Be Debt-Free, 13 Jan. 2023, canada.ca/en/financial-consumer-agency/services/debt/plan-debt-free

Financial Preparation for the Future

If there is room to cut back on your budget, tracking your money and finding extra money in your savings and expenditures will also expedite the debt repayment process. If the issue escalates, consider negotiating with lenders or talking with your bank to discuss your situation. By doing so, you could get better rates on your loans. Consolidation may also be an option (taking out a single loan and combining multiple debts within it) if a consolidation loan would be cheaper. Remember: the easiest way to prevent being overloaded by debt is by being responsible when taking loans out. Know your limits, and set financial priorities for yourself and your family.

Part Three

Public Benefits



Do I know how to access the benefits that I am eligible for?

Under 10 Years Since Arrival

Many Canadian residents are not aware of the various public benefits that are offered to them on both provincial and national levels. To make appropriate financial decisions, senior immigrants should understand how public benefits can contribute to their income, support them in overcoming cultural and linguistic barriers, or help increase their overall financial and mental well-being. Listed are some benefits available to any newcomer to Canada upon arrival.

Tax Credits and Benefits

To start getting payments from the Canada Revenue Agency (CRA), you must get a social insurance number (SIN) from Service Canada, and then apply for the benefit and credit you are eligible for. You only need to apply once: afterward, file your income tax returns on time to continue getting payments.¹²

12. Government of Ontario. "Tax Credits and Benefits for People." Ontario, 23 Feb. 2023, ontario.ca/page/tax-credits-and-benefits-people.

Public Benefits

- The **Ontario Trillium Benefit** is the combined payment of the Ontario energy and property tax credit, the Northern Ontario energy credit, and the Ontario sales tax credit
- The **Canada child benefit** (CCB) and the **Ontario child benefit** (OCB) are payments for those with children under 18, to help offset the cost of raising children.
- The **Ontario senior homeowners' property tax grant** (OSHPTG) is a payment to help offset property taxes for seniors who own their own homes and have low-to-moderate incomes.
- The **Goods and services tax/harmonized sales tax** (GST/HST) credit is a payment designed to provide relief to low-to-moderate income residents for the sales tax they pay.
- The **Disability tax benefit** (DTC) is a tax credit that aims to provide relief to those with disabilities who are impeded financially by being disabled. To be eligible for this credit, a medical practitioner must confirm that you have a long-term and severe physical or mental impairment
- Various other miscellaneous benefits include the **Ontario seniors public transit tax credit**, and the **Ontario seniors care at home tax credit**.

Public Benefits

Other Programs and Benefits

Ontario Works¹³ is a social assistance program that aims to assist those over the age of 18 that are in need of financial assistance. Recipients must also be willing to make reasonable efforts to find and prepare for a job, unless there are medical or other circumstances barring them from doing so. Those who apply for Ontario Works and are eligible for assistance receive monthly payments designed to provide assistance and relief for food, shelter, and other necessary costs. People on Ontario Works also qualify for a variety of other forms of support and financial benefits, including health support, child/family support, employment support, and housing support. Notably, seniors will receive an additional monthly amount to help cover the costs of “personal needs due to advanced age.”

The **Ontario Drug Benefit (ODB) Program**¹⁴ covers most of the costs of over five thousand listed drugs. Ontario residents automatically qualify on the day they turn sixty-five, but may qualify earlier if they are receiving professional home and community care services or are enrolled in the Trillium Drug program (meant for Ontario residents with high prescription drug costs). Prescriptions must be filled in an Ontario pharmacy.

13. Ministry of Children, Community and Social Services. “Ontario Works.” Ontario, 30 Nov. 2022, ontario.ca/page/ontario-works.

14. Ministry of Health. “Get coverage for prescription drugs.” Ontario, 30 Jan. 2023, ontario.ca/page/get-coverage-prescription-drugs.

Public Benefits

Ontario Health Insurance¹⁵ (OHIP) is Ontario's health care plan, and pays for many essential health-related services. Newcomers must be present in Ontario for at least 3 months before being covered under OHIP (as long as you're a permanent resident or have applied for permanent residency). Registration requires an in-person visit to ServiceOntario with an OHIP registration form, immigration documents, a document for identity, and a document for residency.

Social Security Agreement Benefits¹⁶ apply to those who have lived and worked in a country that has an agreement with Canada and have paid into the social security plan of that country in the past. The goal of the program is to coordinate the pension programs of two countries—eligible applicants may qualify for a Canadian benefit, a foreign benefit, or both. Benefits vary from country to country, but an example of a possible benefit is that for some countries, Canada will consider periods of coverage under their pension plan as periods of contribution to Canada's pension plans. This would mean that eligible immigrants would not have to wait as long to be able to access Canadian pensions designed for senior residents: for example, a waiting period of 10 years of residence may be reduced to 8. A list of eligible countries and their benefits is available on the Government of Canada's website.

15. Ministry of Health. "Apply for OHIP and get a health card." Ontario, 12 June 2023, ontario.ca/page/apply-ohip-and-get-health-card.

16. Employment and Social Development Canada. "Pensions and Benefits." 2 May 2023, canada.ca/en/services/benefits/publicpensions/cpp/cpp-international/apply.

Public Benefits

The Ministry for Seniors and Accessibility¹⁷ is the ministry responsible for issues relating to seniors and people with disabilities in Ontario. They provide information to seniors on programs, services, lifestyles, and aging, and encourage social inclusion amongst seniors. Their website has a comprehensive English guide to the wide range of programs and services offered to all kinds of seniors in Ontario. Some examples of these include provincial health coverage, employment and education support, transportation services, seminars from organizations that serve seniors, and housing aid.

Language Instruction for Newcomers to Canada (LINC)¹⁸ is funded by the Government of Canada and is available for permanent Canadian residents 18 years of age and over. English and French are both available, but the student must first complete an English or French language assessment at an approved organization. These classes can help you reach Canadian citizenship language requirements, but are offered in a variety of difficulties and can also be catered towards those in professional settings.

17. Government of Ontario. "Ministry for Seniors and Accessibility." Ontario, 2 May 2023, ontario.ca/page/ministry-seniors-accessibility

18. Immigration, Refugees and Citizenship Canada. Language Classes Funded by the Government of Canada, 30 May 2018, canada.ca/en/immigration-refugees-citizenship/services/new-immigrants/new-life-canada/improve-english-french/classes.

Public Benefits

Find **free newcomer services** through the **Government of Canada's** website, which allows you to input your address or postal code to receive a list of experienced settlement professionals and organizations located near you.¹⁹ Senior immigrants can choose to filter the results by ticking the “services for seniors” checkbox while searching. Many of these organizations offer language, job, or financial training and programs, and are a fantastic way to grow your personal financial literacy.

The **Benefits Finder** at www.canadabenefits.gc.ca is a website that will allow you to receive a customized list of benefits you may be eligible for, whether they come from municipal, provincial, or federal governments.²⁰ The system allows you to tick a series of boxes to specify your living situation and sorts your results into categories based on their purpose. The more questions you answer, the more specific and helpful your results will be. Possible results include monetary benefits, skill training, income programs, and health programs.

19. Immigration, Refugees and Citizenship Canada. Find Free Newcomer Services near You, 25 July 2023, ircc.canada.ca/english/newcomers/services.

20. Benefits Finder, 19 May 2023, www.canada.ca/en/services/benefits/finder.html.

Public Benefits

Over 10 Years Since Arrival

There are numerous benefits and programs for true newcomers to Canada, but pension plans from the Canadian government are typically geared towards seniors who have resided in Canada for a longer period of time. Below are the various pension plans that Canada currently offers: senior immigrants should make sure to read the qualifying criteria for each one, since some may not apply to those who have lived in Canada for less than ten years.

Pension Plans²¹

The **Canada Pension Plan** (CPP) retirement pension is a monthly, taxable benefit related to your life earnings. It is a contributory pension, and is designed to protect seniors and their families against the loss of income associated with retirement or disability while also helping seniors accustom themselves to living in old age. To qualify, you must be at least 60 years old and have contributed to the CPP at least once. This can be done through completing work in Canada or through receiving credits from a current spouse or a former spouse after the end of your relationship. There is no minimum for years worked to qualify for CPP.

21. Employment and Social Development Canada. Public Pensions, 20 July 2023, canada.ca/en/services/benefits/publicpensions.

Public Benefits

You must apply to receive the pension. Newcomers can apply immediately as long as they have employment in Canada and have made a contribution to the CPP. The standard age to begin receiving the pension is 65, but you can begin to receive smaller amounts at age 60 or receive larger amounts at age 70. Thus, the amount you receive depends on the age you begin receiving the pension, your average annual earnings, and your years contributed. The CPP also includes other related benefits like the post-retirement benefit, the survivor's pension, the children's benefit, and the disability pension. There is also a child-rearing provision that allows you to request to remove years in which you had no income from your contributory period, if the reason for your lack of income was caring for your child. This could raise benefit amounts.

The **Old Age Security (OAS)** pension is a monthly, taxable benefit related to the length of time you have spent living in Canada. It is a non-contributory pension, and in most cases, you do not have to manually apply for it (though if the government does not have enough information to automatically enroll you, you may apply online or by mailing paper forms). You receive your first payment the month after you turn 65, or you can delay it for up to 5 years to receive larger payments later on. It is important for senior immigrants to note that you are only eligible for OAS after you have lived in Canada for at least 10 years since the age of 18, though you may be eligible for partial benefits if you lived or worked in a country that has a social security agreement with Canada.

Public Benefits

A partial pension is earned at the rate of 1/40th of the full monthly pension for each year an individual has lived in Canada after reaching 18, starting after 10 years. Thus, you will receive the maximum monthly payment if you have lived in Canada for 40 or more years after the age of 18. Payment amounts are adjusted four times a year based on the cost of living in Canada, as calculated by the Consumer Price Index (CPI). OAS payments also receive an automatic 10% increase after the age of 75.

The **Guaranteed Income Supplement (GIS)** is a monthly, nontaxable benefit available to those who receive a full or partial OAS pension. It is a non-contributory pension specifically for low-income individuals: the specific maximum threshold for income depends on your marital status. You may have to apply if the government does not have sufficient information. Income taxes must be filed on time every year in order to continue receiving the payment, and eligibility will be reevaluated with each passing year. Payment amounts for the GIS are also reviewed four times a year and are based on the cost of living in Canada.

Immigrants sponsored by their child or grandchild are not eligible for GIS until they've lived in Canada for 10 years. Immigrants sponsored by their spouse are not eligible for GIS until they've lived in Canada for 3 years. Non-sponsored immigrants may receive the GIS if they receive the OAS pension.

Public Benefits

The Allowance is a monthly, nontaxable benefit available to the spouse, common-law partner, or survivor of a pensioner that receives GIS. It is a non-contributory pension. The combined annual income of the couple must not exceed a certain threshold, and the final recipient must be between the ages of 60 to 64.

Sponsorship

Immigrants sponsored by their child or grandchild are not eligible for the Allowance until they've lived in Canada for 10 years. Immigrants sponsored by their spouse are not eligible for the Allowance until they've lived in Canada for 3 years. Non-sponsored immigrants must have lived in Canada for at least 10 years since the age of 18 to receive payments, though they may be eligible for partial benefits if they lived or worked in a country that has a social security agreement with Canada.

Sponsored immigrants cannot apply for the GIS or the Allowance before they have hit the ten year residence requirement unless their sponsor suffers personal bankruptcy, is imprisoned for more than six months, is convicted of abusing them, or dies.

Part Four

Combatting Exploitation



How can I identify financial exploitation and protect myself?

The challenges that senior immigrants may face due to a lack of financial literacy, language barriers, or physical and mental handicaps can make them exponentially more vulnerable to financial fraud and abuse. Other factors such as isolation and financial dependency can worsen this issue. The consequences of this mistreatment can be dire, as financial exploitation can lead to severe physical and mental impacts on the victim and their family. Therefore, increased education is necessary so seniors can stay informed on how to avoid and report instances of financial exploitation. These cases are generally very hard to detect and investigate, so increasing awareness of the issue is the first step toward preventing loss.

Frauds & Scams

Financial Fraud:

Intentional deception or criminal activity designed to take money or other assets from you.

Combatting Exploitation

Older adults are common victims of financial fraud and scams due to their increased vulnerability. Fraud is typically perpetuated by strangers, in contrast to financial abuse, which is generally committed by those in a position of trust such as family or friends. Some factors that increase the risk of fraud are social isolation, cognitive and physical impairments, economic insecurity, and language barriers.

The Canadian Anti-Fraud Centre (CAFC) reports that in 2018, the top 5 forms of fraud among seniors (aged 60+) based on the number of associated complaints were: extortion, service-tech support scams, phishing, personal information, and fake prizes.²² Romance scams and grandparent/emergency scams are also on the rise. CAFC's 2021 report stated that seniors lost a total of \$38 million CAD in 487 total 2021 reports, with a \$ lost / report of \$78,000,²³ showing the urgency of this issue.

Listed on the next few pages are the most common types of senior fraud. The Little Black Book of Scams, published by Competition Bureau Canada, is an excellent resource that covers even more types of scams for those interested. It is available online in 8 languages including Simplified Mandarin²⁴ and Arabic, and Punjabi.

22. Employment and Social Development Canada. What We Heard Report: Financial Crimes and Harms Against Seniors, 19 Aug. 2019, canada.ca/en/national-seniors-council/programs/publications-reports/2019-what-we-heard-financial-crimes-harms.

23. Canadian Anti-Fraud Centre. "CAFC 2021 Annual Report." Government of Canada, 30 Nov. 2022, antifraudcentre-centreantifraude.ca/annual-reports-2021-rapports-annuels-eng.

24. Competition Bureau Canada. "The Little Black Book of Scams 2nd Edition." Government of Canada, 20 Jan. 2022, ised-isde.canada.ca/site/competition-bureau-canada/en/little-black-book-scams-2nd-edition.

Combatting Exploitation

Common Types of Senior Fraud

Telephone scams where the scammer pretends to be someone else are becoming more and more common, especially as voice generation technology becomes more and more advanced, as scammers can often use AI to hold a conversation after processing just a short audio sample of an individual's voice. Fraudsters may pose as family members, tax agents, lottery workers, government workers, charity & fundraiser workers, and more. They may attempt to steal information and commit identity theft with it, pose as an official that requires your information for you to avoid repercussions, or attempt to collect money from you by making false promises. Some of these scammers are able to impersonate call IDs, though most of the time the calls come from unrecognized numbers (which in some situations is a warning sign).

Emergency scams are an especially frequent type of telephone scam: when callers impersonate law officials or a close family member like a child or grandchild to emphasize the family member's need of immediate financial assistance. Possible scenarios include the family member being in a serious car accident, needing bail money, or being kidnapped. After initially making contact with the senior, the family member may hand the phone over to a lawyer, a police officer, or someone else seeking payment. Typically, elderly victims are too panicked by the urgency of the caller to recognize danger signs and send money over without realizing they have been tricked.

Combatting Exploitation

Technical support scams are one of the most dangerous scams for trusting seniors who may be unfamiliar with the technology that they use. In a tech support scam, victims are contacted via pop-ups, websites, and calls by scammers who claim that they are from reputable companies and that there is an issue with the victim's devices. Although there are no actual issues, scammers will use social engineering to continue to persuade the victim into sending payments to fix the "problems," possibly by gaining remote access to their device and performing tasks that convince the victim into believing that the problems genuinely exist. Scammers may also steal personal information in this process or install malware and ransomware onto the victim's devices, leaving lasting damage both financially and technically.

Internet phishing is another example of scammers taking on false identities. In phishing scams, victims are tricked into giving out personal and financial information, and scammers sell that information or use it to access bank accounts and emails. Phishing emails and texts often tell stories to trick you into trusting them: some of the most common formats are messages pretending to be from big companies, organizations pretending you have won a lottery and now need to redeem your prize by paying upfront fees, and companies saying that you need to update your banking information with them. These types of messages usually have generic greetings, suspicious sender emails, and links that they invite you to click.

Combatting Exploitation

Romance scams are especially popular amongst fraudsters targeting isolated seniors. In a romance scam, the scammer feigns romantic intentions towards the victim, often impersonating conventionally attractive people using stolen photos. After building an emotional connection with the victim, they then begin asking for money and gifts or use that emotional connection to gain access to their finances. Common requests include travelling fees to visit the victim, educational expenses, medical expenses, or romantic expenses. Scammers will almost always refuse to meet in person or engage in video calls. The scam typically ends when the victim realizes they have been preyed upon.

False investment fraud looks like “professionals” deceiving investors or manipulating markets. An example of this is a Ponzi Scheme, where money from new investors is used to pay previous investors. Eventually, the scheme is unable to continue and collapses. This leaves the majority of the investors at a loss. Unscrupulous financial advisors are another example of investment fraud. They may charge unexplained fees, cut corners, or conduct unauthorized trades while taking clients’ money all the while. Reverse mortgage scams are a subset of investment fraud, where fraudulent financial advisors convince seniors to take out reverse mortgages and sign control of the funds over to them—therefore allowing them to steal all proceeds from the borrower. Make sure to check the credentials of any financial advisers that you are considering hiring, and ensure that they are reputable within the industry with a track record of long-term success.

Combatting Exploitation

Other examples of scams include professional scams (where false industry professionals take clients' money and perform their stated job extremely poorly), legal scams (where control over finances is signed over: for example, lump sum buyouts for pensions), online shopping scams (where products either don't arrive or are fraudulent) and extortion (where money is directly demanded from the victim, often through violent means).

Fraud Prevention

Some questions to ask yourself if you suspect that you are a target of financial fraud are:

1. *Is someone asking you for personal or financial information over the phone, email, or via text?* For example, PINs and passwords.
2. *Are you being pressured to act now?* Especially if the individual is saying that you are dealing with an emergency.
3. *Does something feel off?* Often, taking a step back to reread or reflect on the situation can help you identify a scam.
4. *Is it too good to be true?* If you're being informed of a deal that seems almost too good to be true, perhaps the individual you are corresponding with has other intentions.
5. *Are you being asked to send money to someone you were previously unfamiliar with?* Whether this is a business or an individual.
6. *Is there third-party information available?* Simply searching up the details of your interaction and conducting research can often spare you from messy financial situations.

Combatting Exploitation

Some steps to take to prevent frauds and scams against yourselves are:

- If you are unsure of something due to language barriers, contact a trusted and objective translator or interpreter
- Always double-check information and pay attention to warnings before acting, especially if the action is directly related to your finances
- Watch out for suspicious emails and websites, especially ones that you are not certain are legitimate
- Never share your PIN and passwords with anyone, and choose ones that are difficult to guess
- Check your financial statements often so you can identify charges that you don't recognize
- Do not respond to requests for personal or financial information unless you are certain of the requestor's legitimacy or you have initiated the conversation
- Keep your anti-spyware and virus protection up to date on your devices
- Ensure financial documents are destroyed before putting them in the recycling in real life or putting them in the trash online

Combatting Exploitation

Elder Abuse

Financial Abuse:

Misappropriation of financial assets in a relationship where there is an expectation of trust.

Financial abuse can occur in any trusting relationship, but it is typically committed by family members, caregivers, friends, and service providers. Canada's aging population combined with a lack of widespread financial literacy in seniors has contributed to increased abuse, especially since most seniors do not experience a corresponding decline in confidence in financial management.

Some factors that increase risk of financial abuse include being isolated (socially, culturally, or geographically), being a newcomer to Canada, having health issues or facing constant stress, taking medication that may impair judgment, being dependent on others for financial or everyday matters, facing language or cultural barriers, and reduced financial literacy and knowledge of assets. Senior immigrants are especially vulnerable to financial abuse since they are impacted by a lot of these factors.

Combatting Exploitation

What It Looks Like

Vancity, a credit union in British Columbia, conducted a study in 2014 surveying B.C. seniors about financial abuse. Though only 6% of the seniors surveyed said they had been financially abused before, when provided with a list of abusive scenarios, over 40% of them reported experiencing at least one of various forms of abusive behavior.²⁵ These included, but were not limited to:

- Having someone borrow their money without their knowledge or refuse to pay back a loan
- Being pressured to give money or pay a bill for someone
- Having someone take a valuable possession from them, to keep or sell
- Having someone forge their signature
- Having their bank account be used without their permission
- Accepting an offer of someone performing work for a reasonable fee, only to be charged more than originally agreed before the work is completed

It may be relevant to note that British Columbia has one of the highest percentages of immigrant populations across Canada.

25. Vancity Union. "Report: Almost Half of Seniors in Region Victims of Financial Abuse." Vancity, 13 Nov. 2014, vancity.com/AboutVancity/News/MediaReleases/Archives/MediaReleases2014/Seniors_Financial_Abuse/.

Combatting Exploitation

This research makes it clear that many seniors are not yet fully aware of how to identify financial abuse as what it is, which may be one of the reasons why underreporting is so common despite financial abuse being the most common form of elder abuse in Canada.²⁶

Financial abuse is generally either monetary, property-based, or legal.

Monetary abuse is most simply explained as separating a senior from their money. The most common form of this is pressuring the senior to give a family member an early bequest (personal property given by will), but this is also seen in other scenarios, such as simply relentlessly pressuring seniors for purchases for the financial well-being of others, and against the financial well-being of the senior themselves. Denial to access finances is also an example of monetary abuse, as are payments without permission.

Property abuse is defined as inappropriate usage of a senior's property for the benefit of the perpetrator. This could be pressure to sell, transfer, or sign over assets, direct theft of property and heirlooms, stripping equity from a home, or sharing a senior's home without paying a fair share of the expenses. A more indirect way of abusing a senior through property is by negatively impacting their living status. For example, a senior could have their house sold without their knowledge and permission or have their utilities discontinued without notice.

26. Employment and Social Development Canada. "What Every Older Canadian Should Know about: Financial Abuse." Government of Canada, 19 Jan. 2017, canada.ca/en/employment-social-development/corporate/seniors/forum/financial-abuse.

Combatting Exploitation

Legal abuse is most commonly defined as manipulating legal documents to benefit someone other than the senior. For example, forging signatures, pressuring a senior to sign an unknown document, and altering documents without permission would be considered legal abuse. Power of Attorney (POA) abuse is another serious and common issue. The POA is a document that gives another individual the legal authority to make decisions about your money and property. Unfortunately, these abilities can be misused, so always look into what kind of person you are handing your financial responsibilities over to before you sign them away.

Red Flags to Watch Out For Include:

- Pressure to sign documents you don't understand
- Pressure to suddenly change your POA or beneficiary
- Confusion about how your money is being spent or unauthorized charges to your account
- Providing food and shelter to others unwillingly without being paid
- Missing physical items or lending them for long periods unwillingly
- Sudden changes in housing and living arrangements, such as moving away or selling

Combatting Exploitation

Reporting Abuse

To defend yourself against financial abuse preemptively, you should keep a file of your accounts and all legal documents associated with them. Then you will have a record of financial transactions and be able to notice any changes to your legal documents. Setting up auto-deposit for government and pension cheques is a tactical move that reduces the possibility of interference by a middle party: similarly, setting up automatic payments for bills and recurring fixed payments will safeguard your finances. Getting objective and independent legal advice from a third party before signing any important documents may also be a good idea, especially if you are not fluent in English.

Senior immigrants, especially minorities, often struggle with reporting abuse due to cultural stigmatization. A project led by The Canadian Centre for Elder Law reports that it can be especially different for older Chinese and South Asian adults to reach out for help because of cultural values around discussing (or not discussing) family problems outside of the family, as well as language barriers to accessing information about rights and support services.²⁷ This is especially true when children and grandchildren handle seniors' banking for them, which tends to occur when there is a lack of accessibility in newcomer banking.

27. James, Krista, and Jenny Ruan. "Elder Abuse in Chinese and South Asian Communities— A Recent CCEL Collaboration." British Columbia Law Institute, 3 May 2016, bcli.org/elder-abuse-in-chinese-and-south-asian-communities-a-recent-ccel-collaboration/.

Combatting Exploitation

Immigration power dynamics may also be a factor: even though intergenerational dependency can strengthen family ties, it can also cause stress and feelings of neglect. Adult children & grandchildren may begin abuse when seniors are no longer economically productive and their responsibilities are over: for example, when they are no longer able to provide childcare. As with all seniors, extreme underreporting is an issue. Some community organizations offer information sessions in multiple languages about reducing the stigma behind minor to major mistreatment.

A 2017 survey also conducted by Vancity, aptly titled “Suffering in Silence,” reported that more than one-third of surveyed seniors who experienced financial abuse choose not to tell anyone about it, often citing the fact that they are unaware of support services or anybody that they can share the information with.²⁸ It is important to note that there are numerous helplines, senior centers, and organizations that are designed to be able to help you if you report any instances of abuse to them. If you find yourself experiencing acts of financial abuse, you should also make sure to tell someone that you trust and to discuss the situation with your bank. If it is safe to do so, get some distance from the abuser, and cut off their access to your finances. If language barriers are an issue, seeking objective translators is extremely beneficial.

28. Vancity Union. “Report: Financially Abused B.C. Seniors Not Getting Help.” Vancity, 3 Nov. 2017, vancity.com/AboutVancity/News/MediaReleases/CombatingFinancialAbuse-Nov3-2017/.

Combatting Exploitation

All in all, working on building your financial literacy and keeping track of your finances regularly will make financial abuse easier to spot and report. Strong literacy will also help build financial independence and increase long-term confidence along with well-being. Always remember that your money and property belong to you and you only.

Summary



Moving Forward

Improving financial literacy is a slow process, as it is a complex issue with a multitude of challenges. Life for senior immigrants is also complicated, especially for those with language and cultural barriers to life in Canada. Learning to navigate managing current affairs and planning for the future while still taking advantage of public benefits and dodging financial exploitation is not simple. However, despite all of these challenges, cultivating strong financial literacy is a critical asset to maintaining overall well-being. It is never too late to start learning.

For additional information beyond what has been written here, consult the resources list at the back of this handbook, or contact local community organizations. Your journey to building up a solid financial foundation does not end here, but CNIW Foundation hopes that you have gained valuable insights through the contents of this handbook and that you can embrace the value of financial literacy in your life.

Summary

Resources

Canadian Foundation for Economic Education

This organization has developed a planner at <https://cfeedayplanner.com/> that allows for day-to-day scheduling and provides links to resources about banking, investments, and other financial information.

Government of Canada

Find free newcomer services through the Government of Canada's website after inputting your location at ircc.canada.ca/english/newcomers/services. Senior newcomers can filter results even further. Another tool the Government of Canada offers on its website is the Benefits Finder at www.canadabenefits.gc.ca, which will give you a customized list of benefits you may be eligible for after a series of questions. Senior newcomers can also filter this for themselves.

Financial Consumer Agency of Canada

This federal agency has created a comprehensive learning program it calls "Your Financial Toolkit" that provides basic information to help seniors gain financial literacy. It also offers a variety of financial tools and calculators for newcomers to Canada such as a Budget Calculator, the Credit Card Selector, and the Credit Card Calculator. Both of these resource banks are available on the Government of Canada website.

Summary

The Little Black Book of Scams

This downloadable PDF aims to increase awareness of the many types of scams that target Canadians. It is available in Arabic, Traditional Mandarin, Simplified Mandarin, English, French, Punjabi, Spanish, and Tagalog on Competition Bureau Canada's website.

Canadian Anti-Fraud Centre

If you have been targeted by a scam, report it online at www.antifraudcentre-centreantifraude.ca or toll-free at 1-888-495-8501. Please also contact your local police as soon as possible.

Helplines for Financial and Elder Abuse by Province or Territory

Alberta: Family Violence Info Line: 310-1818

British Columbia: Seniors First BC: 604-437-1940, toll-free 1-866-437-1940

Manitoba: A&O Support Services for Older Adults: 204-956-6440

Newfoundland and Labrador: SeniorsNL: 1-800-563-5599

New Brunswick: Social Supports NB: 1-833-773-7835

Northwest Territories: Seniors Information Line: 1-800-661-0878

Nova Scotia: Senior Abuse Information and Referral Line: 1-877-833-3377

Nunavut: Contact social services or the RCMP at 1-867-979-0123

Ontario: Elder Abuse Prevention Ontario: 1-866-299-1011

Prince Edward Island: Adult Protection Line: 1-866-770-0588

Quebec: Info-Abuse Line → 1-888-489-ABUS (2287)

Saskatchewan: Seniors Mechanism Info Line → 1-888-823-2211

Yukon: Seniors' Services/Adult Protection Unit → 1-800-661-0408