



Promoting Self Sufficiency through Assets and Savings

For low-income individuals seeking to advance their talents and energy, money is often not enough. While a source of income to meet the necessities of life might keep you one step above the poverty line, it does not offer a path to economic independence. Complementary systems that move beyond basic need to planning and investment are the more proactive approach to poverty alleviation.

The idea behind the concept of Individual Development Accounts (IDAs) is pretty simple. People don't move forward through consumption and spending, but rather through savings and asset building. With savings, one has a buffer against immediate life crises, such as a death in the family or illnesses. With assets, like a first home, a small business or an education plan, there is an opportunity to take risks and become more future-oriented.

IDAs are dedicated savings accounts where contributions from lower income participants are matched using both private and public sources. Savings are put toward a specific goal that will help increase the participants' employability and income level. The accounts are generally held at banks or credit unions, and they are often managed by community organizations. Economic literacy training in the basics of money management is frequently provided for participants.

CEDTAP supports IDA programs in several sites across Canada.

For example, an IDA program is currently being developed by the Saskatoon Credit Union. Though the concept of IDAs has shown success in other parts of Canada, this will be the first IDA project in Saskatchewan. The main objectives of the program

will be to provide low-income people with knowledge about financial management skills and to help them build assets toward a specific need or goal. The amount each individual contributes will be matched 3:1 or 2:1. CEDTAP is supporting training for the program organizers as well as an evaluation process, which will be implemented once the project is underway.

IDAs are also coming to Ottawa. The South-East Ottawa Community Health Centre is sponsoring the "Dare to Dream" project, which offers financial literacy and an assets savings program for low-income persons. CEDTAP is supporting technical assistance to help develop the financial literacy curriculum for program facilitators, and to formulate tools and training materials for IDA account holders.

Useful sources of information on IDAs are available through the Web. The following are a few recommended sites:

- SEDI - (Savings/Assets Building Program): http://www.sedi.org/html/prog/save/fs2_prog_save.html
- The Caledon Institute for Social Policy - Canada (article in .pdf): www.caledoninst.org/PDF/894598563.pdf
- The Social Research and Demonstration Corporation (Canada): <http://www.srdc.org/english/projects/learnsave.htm>
- The Corporation for Enterprise Development (USA): <http://www.cfed.org/main/indivAssets/background.htm>



National CED Portal!

One of our past newsletters talked about plans for CEDTAP and collaborating organizations to develop a national Knowledge Network for CED. A large component of this network would be a comprehensive, interactive Web portal.

We are pleased to announce that the online learning community, *CED Across Canada*, is now at your disposal. User-friendly and multi-faceted, the portal engages you in many ways. You can :

- Research topics of interest;
- Post and join discussions;
- Subscribe to topics and discussions;
- Find an expert;
- Learn of upcoming events ;
- Share a wide variety of 'knowledge objects,' including :
 - events
 - projects
 - Websites
 - best practices.

A growing network of partners comprises the group of editors who manage each topic within the portal. The acting Chief Editor, who is responsible for the overall development and progress of the portal, is Michael Toye of Cooperative La Clé, who you can contact at : mtoye@lacle.coop.

We encourage you to visit the portal, and to sign up for a membership, at :

<http://www.cedcanada.ca>

“Grantmaking from the inside”

CEDTAP’s co-founder, Edward Jackson, recently published an article in *Alliance Magazine*, discussing the concept of 'accompaniment philanthropy' (AC). AC is a kind of high-engagement grantmaking where long-term capacity building is supported at both local-organization and sector-wide levels:

<http://www.carleton.ca/cedtap/home/AccompanimentPhil.doc>

Centre Plein Air et Camping Saint-Michel Inc.

Well-renowned social issues magazine *Recto Verso* published a feature story this winter on a project CEDTAP recently supported, the Centre Plein Air et Camping St Michel, Inc.. This innovative project is helping to revitalize the St-Michel region of Montreal through the establishment of a caravan campsite. CEDTAP support helped the organization develop a business plan for the venture:

http://www.carleton.ca/cedtap/home/RV_300_15.pdf

CEDTAP’s new Campaign Director

It is with pleasure that we welcome Ms. Rebecca Murray to the CEDTAP team. Rebecca comes to us with many years of experience in fundraising. She most recently held a position with the National Arts Centre Foundation in Ottawa. We look forward to working with her.

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