

Making Dollars and Cents of Financial Literacy

Delivery of Financial Literacy to Female Prisoners – Report on a Pilot Project

This is a joint project between two community organizations: Soroptimist International of Brisbane Inc, Career Employment Australia Inc (CEA) and a government department: Queensland Corrective Services (QCS). Soroptimist International is a worldwide organization committed to advancing the status of women and human rights for all. The Soroptimist International Brisbane Inc. have been working in some capacity with female prisoners at Brisbane Women's Correctional Centre and Helana Jones Correctional Centre for the past 11 years. Career Employment Australia Inc. (CEA) is an innovative community-based not-for-profit organisation that has been assisting offenders and ex-offenders for over seven years and the disadvantaged for 27 years. Queensland Corrective Services(QCS) has been conducting VET education programs since 1995 and has been implementing advanced rehabilitation programs for prisoners. It was the first state in Australia to introduce mass literacy and numeracy screening of male prisoners on remand.

CEA's definition of financial literacy:

Financial Literacy is about enabling people to make informed and confident decisions regarding all aspects of their budgeting, spending, saving and their use of financial products and services, from everyday banking through to borrowing, investing and planning for the future.

Aim of the Project

The project was designed to provide incarcerated women with the financial literacy skills necessary to be successful in their transition from prison to the community. The longer term goal of the program aims to break the cycle of poverty and the reliance on Centrelink benefits each fortnight.

Rationale

Poverty is a major dilemma for female incarcerated prisoners in Queensland.

According to a Sisters Inside report :

“Poverty is an issue that directly affects many women in prison. One study showed that 80% of women prisoners had debts averaging \$A 3,417 (Stringer:2001). Hand in hand with poverty come low levels of literacy, education and employment. As a result of poverty, drug and alcohol problems and mental illness, many women have dubious housing arrangements before incarceration, living on the streets, in caravan parks, in boarding houses or in situations of domestic violence. The increase of debts during incarceration exaggerates this unstable living environment.”

www.sistersinside.com.au/media/housing.doc accessed 6/2/08

Farrell et al notes that almost half of female prisoners had been unemployed prior to their incarceration and the financial status of their families worsened during their custodial period.¹

The link between poor financial literacy and poverty has been well documented. Hartley et al 2005² sites a number of Australian studies that suggest the lowest levels of financial literacy were found amongst the people with the lowest levels of education (Year 10 or less) ie., gross income less than \$20,000.00 per year and savings less than \$5,000.00.

Prisoners identified money management as a preferred program at Brisbane Women's Correctional Centre in a research study conducted by Farrell et al (2000). Their reasons were that 89.9% of the female prison population were in for drug related offences which were related to monetary issues.

Prisoners identified and requested financial literacy programs. In Farrell et al's study:

"I was asking for a money management program (at Helana Jones Correctional Centre), because I said the reasons were.....you've got the girlslike 89.9% of women in prison today have got drug-related crimes which to me always means money"

Financial programs have, to date, not been part of the formal education programs at Brisbane Womens Correctional Centre (BWCC) or Helana Jones Correctional Centre (HJCC). This has been due budget restraints for formal and informal programs. Elements of financial literacy however have been incorporated into intervention programs such as "Transitions: Release Preparation Program". These programs are targeted at the individual needs of the prisoner. QCS embraced the financial literacy pilot as the benefits were clear for the prisoners and would aid pre-release programs.

A financial management program conducted at Parramatta Transitional Centre³ had the aim of providing female offenders with realistic financial skills and expectations upon release, particularly for long-term offenders. The program included the following topics:

- ❑ Opening and operating a bank account under strict financial protocols
- ❑ Using an ATM

¹ 2000 Farrell et al "Women Inmates Accounts of Education in Queensland Corrections" paper presented at Australian Institute of Criminology Adelaide November

² 2005 HartleyR, Horne J "Social and economic benefits of improved adult literacy: Towards a better understanding" pp21-29 NCVET report: www.ncver.edu.au

³ 2000 Lynch C "The Parramatta Transitional Centre Integrating Female Inmates into the Community Before Release" paper presented at Australian Institute of Criminology Adelaide November

- ❑ Developing and adhering to budgets including the realistic cost of rent, food, electricity, gas, telephone rental, vehicle maintenance, clothing etc
- ❑ The process of saving money.

The benefits of this program were that prisoners had established bank accounts and it gave the opportunity for long-term prisoners to become accustomed to using ATMs and standing in queues – something which was foreign to many of them. This helped in their transition to society.

In 2006, CEA developed a contextualised unit as part of - 39180QLD Course in Vocational Literacy that is the literacy and numeracy curriculum currently taught in Queensland Corrections. This unit focussed on:

- developing a budget,
- completing loan applications,
- direct debit,
- rental and credit card forms,
- understanding “Interest-Free Deals”
- critically analysing pawnbroker loans.

The unit is 20 nominal hours and upon successful completion, students receive a nationally recognised Statement of Attainment. .

As the statement of attainment does not actually state what was covered in the course, students are given a separate testimony stating what the program covered.

The unit is designed for self-paced and classroom delivery.

It was proposed that the unit would be expanded to include topics from the following Australian Government Financial Literacy Competency Standards (2006)¹ for the pilot:

- ❑ Develop and use a savings plan
- ❑ Develop understanding of debt and consumer credit
- ❑ Facilitate customer understanding of personal financial statements.

The Pilot Project

One course was conducted at Brisbane Women’s Correctional Centre (BWCC) for three hours a week for seven weeks. BWCC is a reception, assessment, placement centre that has secure and residential prisoners.

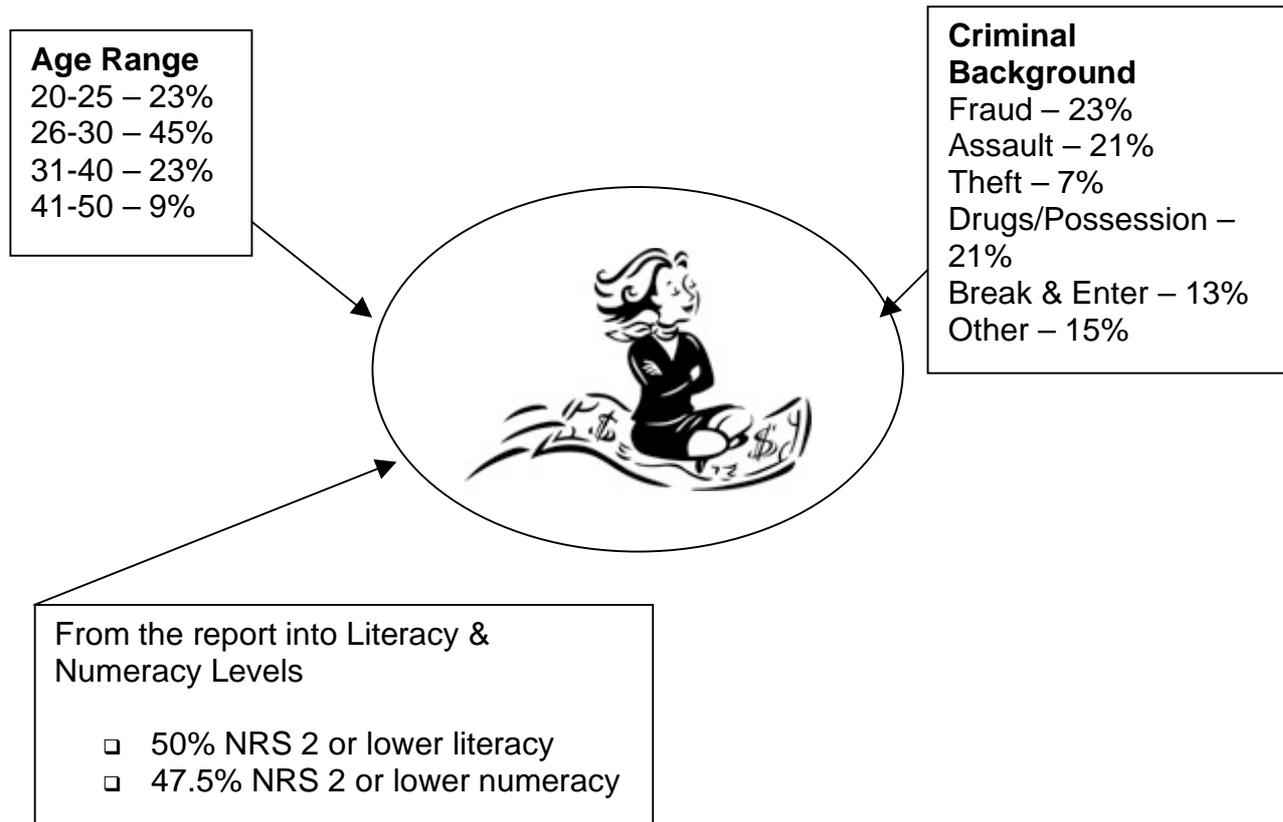
Another course was delivered at Helana Jones Correctional Centre (HJCC) for seven hours a day for three consecutive days. HJCC accommodates low risk female prisoners in home style quarters.

¹ 2006 *Financial Literacy Competency Standards : How to use them to develop education materials for adult learners* Australian Government Financial Literacy Foundation
www.understandingmoney.gov.au

Both prisons have accommodation facilities which allows for prisoners to have their children reside with them in custody.

Profile of Students

Brisbane Womens Correctional Centre

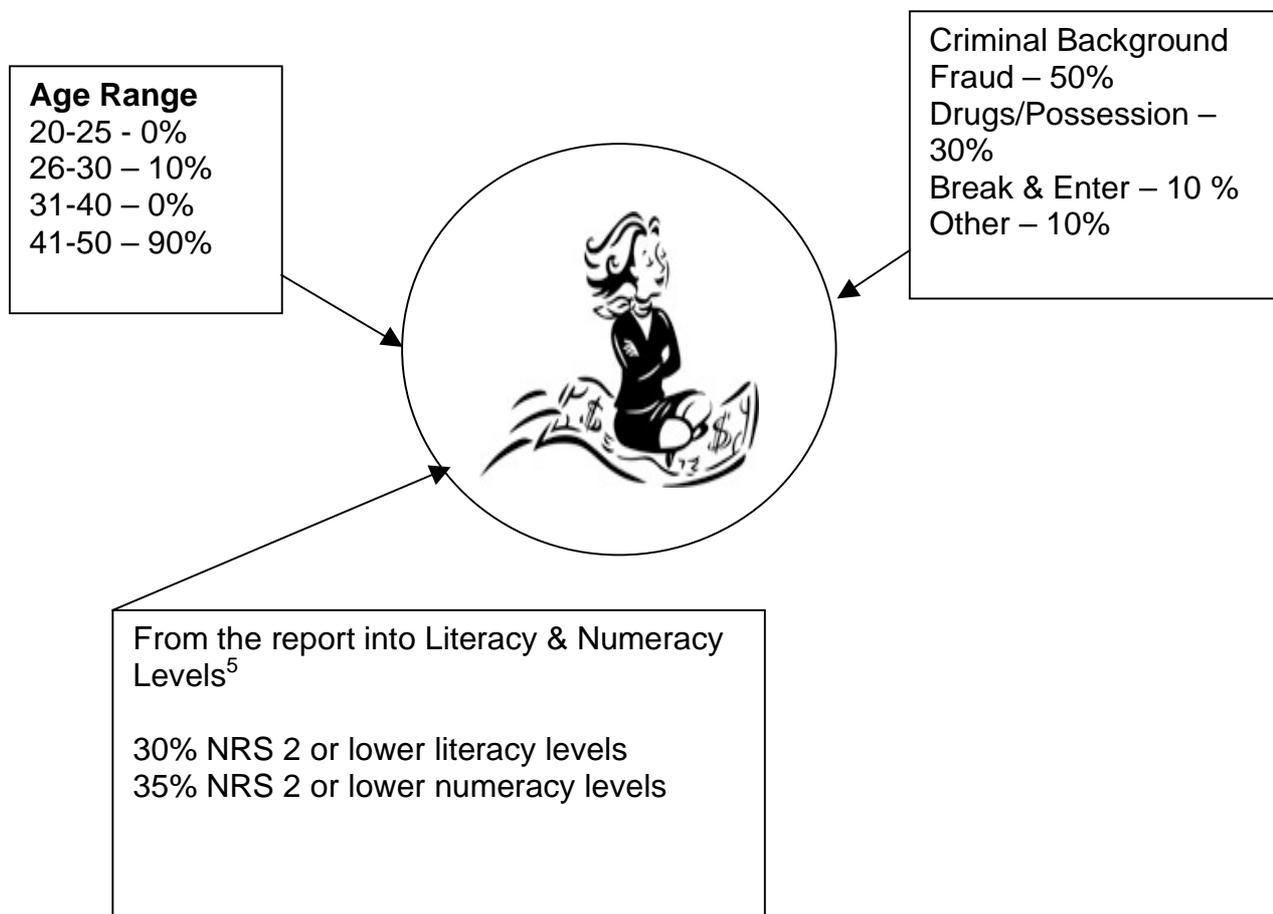


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11 students commenced the course. Two students were withdrawn due to release from court. Two further students withdrew on the basis that the course was not what they expected. A further student was withdrawn as her accommodation changed and this precluded her course attendance. Six students completed the course. All the students received Statements of Attainment and a statement stating what the course covered. This was a 55% success rate with the course which was possibly due to the fact the course was conducted over seven weeks as opposed to three days at Helana Jones Correctional Centre.

¹2008 *Investigating the literacy and numeracy levels of prisoners entering Queensland Correctional Centres.* Searle J. Schluter C. Cox R.

Helana Jones Correctional Centre



10 students commenced the course, all completed and all the student were deemed competent. All the students received Statements of Attainment and a statement stating what the course covered. This was a 100% success rate with the course.

Feedback

Student feedback from the course was positive. The most useful aspects of the course for the students were identified as:

- ❑ Preparing a budget and using a budget planner
- ❑ Setting short and long-term financial goals
- ❑ Types of debt – particularly interest-free loans and pawnbroker loans

Sample feedback from an Education Officer at Brisbane Women's Correctional Centre:

“Feedback from all stakeholders was that the course was very valuable, given that it was often the first time that many of the students had been exposed to the mechanics of budgeting and personal finance. Further, stakeholders reported that they would like to see the course introduced for all offenders who come within six months of release. This would also include offering the course to Protection offenders who fall within the same release time frame”

It should be noted that several offenders reported being disappointed at not being able to participate in the course and enquired as to when another course would be offered.

Sample feedback from a Custodial Officer Helana Jones Correctional Centre:

.... “The course was good, helpful and the students enjoyed the budgeting. The course was too intense and in the future would be better conducted over a number of weeks. ie., one day a week for three weeks or a Monday, Wednesday, Friday so that students had time to reflect on learning – it was very intensive and tiring for them”

Recommendations

Students further recommended that future courses include:

- ❑ More information on the use of credit cards
- ❑ Credit card costs and debt
- ❑ Fast money loans: Pawnbroker loans, Cash loans, Instant Cash Advance loans, Short term cash advances etc.

Students recommended that prior to future courses, prospective students undertake a self-paced learning guide on budgeting. They felt this would better prepare them for the more detailed information given in the course. At Helana Jones, where approx 50% of the students were in for fraud related offences, custodial staff felt that this course was an important part of the prisoners rehabilitation plan.

Corporate sponsorship is to be pursued for ongoing funding of the program. There would be two types of funding sought:

- It has been suggested that funding be obtained for the development of a student workbook specifically designed to meet the needs of prisoners. These workbooks would cover topics in detail that the prisoners have identified as of high importance to them such as budgeting and instant loans.
- Funding for the ongoing delivery of the program including teachers wages, administration etc. This would be so that the program could continue and be an integral part of the prisoner intervention program be expanded to other correctional centres.

- That the courses be continually conducted at Brisbane Womens Correctional Centre and Helana Jones Correctional Centre. It is anticipated that the courses would particularly target prisoners who were due for release. Other prisoners have expressed a great desire to undertake the course and would be encouraged to utilise the skills learnt while incarcerated – for example budgeting of weekly allowance.

Program Future

This project set out to educate female prisoners on basic financial literacy principles and to aid in the breaking of the poverty cycle. Given that over 77% of the crimes committed by the women on the courses might be attributable to financial issues (fraud, theft, break and enter, drug/possession) then the program would appear to have been appropriately targeted. All stakeholders who participated in the evaluation process, believed that pilot aided in the outcomes from which the program was developed. All prisoners who participated found the concepts such as budgeting and financial goal setting very beneficial. QCS, CEA and Soroptimists are convinced that the program should become part of the Prisoner Intervention Programs in Queensland Corrective Services. Utilising the model of Community organisations working in conjunction with QCS is an innovation in prisoner rehabilitation programs. The model of community organisations working with QCS as part of prisoner rehabilitation programs has proven a great success. There are many winners from a program such as this including the prisoners, their families and victims of crime. Continued funding of such a worthwhile project is crucial if we are to reap the benefits as a society.