



SPENDING HABITS OF MĀORI WOMEN

Prepared by Dr Pushpa Wood
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'TUI AOTEAROA' DESCRIPTION

The image on the cover has been reproduced with the permission of the artist and the artwork is copyright of artist **Shane Hansen**
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A brief description of the image has been provided by the artist and in his own words

"I have chosen to represent the Tui. Along with the Tiki this is a pretty iconic piece of Aotearoa Māori culture. This bird is also very beautiful with a stunning call. They are also known for the upbeat personality.

This design combines traditional with contemporary Māori design elements. It also has influences of Asian brush work and design. I like the clean, fresh, flowing lines that give the design a fluid, organic, natural feel. I have taken this approach to help it appeal to the Asian tourist market. The stylization of the design makes it more usable across a wider age range – the design could be dressed up or down depending on the style and treatment of the garment it was applied to. Also the printing technique would easily change the appeal from upmarket fashion to urban street cool. These printing styles/techniques would be most effective:

- discharge
- water based
- shimmer ink
- foil

*these can easily be combined to make the design truly unique.
I would suggest no more than 3 colours. Even one colour in foil would look great".

ACKNOWLEDGEMENT

The Westpac Massey Fin-Ed Centre team would like to thank the following individuals and organisations that have made this research possible and have provided funding, support, guidance and critical insights:

- All the women who participated in the research and accepted me as part of their extended whānau. I am forever grateful for their courage, honesty and willingness to share and learn from each other. Without you all this would not have been possible.
- SKYCITY Auckland Community Trust for providing funding for this research and to use their words “as funders of financial capability it is important for us to understand the issues facing our priority groups and supporting this research has given us real insight in to how we can further support raising financial capability for Maori women”.
- Dr Joy Panoho, Ngāpuhi ki Whāngarei – Patu Harakeke; Te Parawhau; Te Uriroroi, Associate Director, Assistant Vice-Chancellor Māori and Pasifika for her critical insights and advice in finalising this report.
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- Māori Women’s Welfare League members some of whom participated in the project and some provided feedback on various aspects of the project.
- All my Māori colleagues who acted as my advisors, my guardian angels and provided much needed cultural input when needed.

FOREWARD

Dr Selwyn Katene
Assistant Vice-Chancellor Māori and Pasifika
Massey University

Mehemea ka moemoeā ahau,

Ko ahau anake

Mehemea ka moemoeā tātou

Ka taea e tātou

If I dream, I dream alone

If we all dream together, we can succeed

(Te Puea Hērangi)

It is with great pleasure I introduce this timely and important collaborative report. Massey University welcomes the opportunity to contribute to, and to support, increased understanding of this critical socio economic issue for Māori women, for Māori and indeed for Aotearoa/New Zealand. Massey is committed to strengthening connections with tangata whenua and with local and national stakeholders. This Massey led project was prepared in collaboration with the Māori Women's Development Inc.

Dr Pushpa Wood, who is the Director of the Westpac Massey Fin-Ed Centre, has been recognised as an international expert in financial literacy and has contributed to discussion documents for the OECD. While working with the Commission for Financial Capability (prior to joining the Centre) she developed a quality assurance system for financial literacy providers and developed a competency framework for adults, which is now widely used by the education and industry sectors including NZQA. She has developed financial literacy training models for indigenous communities and was a member of the Steering Group for Improving Māori and Pacific Financial Literacy. Dr Wood was appointed an Officer of the New Zealand Order of Merit in 2016 for services to financial literacy and interfaith relations.

Recognition of the importance of financial well-being for Māori is widespread, just as recognition of the influential role Māori women have within whānau is widespread. Financial well-being underpins Sir Mason Durie's Te Whare Tapa Whā model. The Te Rōpū Wahine Māori Toko i te Ora (Māori Women's Welfare League Inc) vision and mission statement: *To create a pathway of wealth and security for Maori whānau* and; *To promote the well-being of Māori women and their whānau* acknowledges this importance.

This research report contributes to both financial literacy theory *and* to financial literacy practice. The main findings offer significant insight into the nature of financial issues faced by participants and, when contrasted with national findings, the report brings in to sharp focus the disparities between this group of Māori women and the New Zealand population and signals the urgent need for widespread intervention.

In summary the insight generated by this exploratory project had the potential to empower those that participated. Subsequent research will be enriched by developing methodologies as Māori increasingly participate in research design, implementation and analysis. This report is likely to be recognised as pivotal and foundational in the development pathway toward financial literacy for Māori women, for Māori and for Aotearoa/New Zealand.

Tihei Mauri Ora

A handwritten signature in blue ink, appearing to read 'Selwyn Katene', written over a light blue horizontal line.

(Dr Selwyn Katene)

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Spending Habits of Māori Women

EXECUTIVE SUMMARY

At the G20 Summit in September 2013, Leaders endorsed a set of key findings which addressed the financial awareness and education needs of women, including girls. Of relevance for New Zealand are the following findings, derived from research:

- Women need even more than men to be financially literate in order to effectively participate in economic activities and to take appropriate financial decisions for themselves, their children and their families.
- Women often have less financial knowledge and less confidence in their financial competencies and skills than men. Women also have lower levels of access to formal financial products and display more vulnerabilities in some aspects of financial behaviour, such as making ends meet, saving and choosing financial products appropriately.
- Existing financial education programmes highlight the importance of addressing women's overall socio-economic empowerment and adapting financial learning environments to women's preferences and needs.

Current state of women and financial literacy around the world

The disparity in financial knowledge capability is also evident in New Zealand where the ANZ-Retirement Commission study of financial knowledge and behaviour found that, although improving over time, women were a higher proportion of the low knowledge group and a lower proportion of the high knowledge group

These differences do not tell the whole story and other key factors have been identified by research. For example, there is a strong correlation between differences in financial capability and socio-economic status. Gaps in education, employment, and access to formal financial markets restrict both women's financial well-being and their opportunities for gaining financial knowledge and skills, as well as confidence in applying them (Hung et al., 2012; Cited in OECD, 2013a).

It is imperative that the disparity between men and women with regard to financial literacy is addressed. The OECD states that the 'potential implications of gender differences in financial literacy are far-reaching' (p.11). Improved financial literacy among women will enable women to manage their personal and household finances better and empower them to use financial services and products more appropriately. At a macro level, improved financial literacy is expected to enable women to participate more in economic activities, to the benefit of their country's overall economic growth (OECD, 2013c).

Why the need for research with women?

It is now well accepted that both women and men need to have sufficient financial literacy skills, knowledge and confidence to effectively participate in the current complex economic environment. They

need to be capable of making financial decisions that are appropriate for their personal and family circumstances. It has also been widely recognised that on average, women have less financial knowledge and lower access to financial products and services than men. Therefore, it is important to specifically address the challenges women face in achieving financial well-being.

Dr Jack Noone looked at responses provided by 2,277 working men and women from the New Zealand Health, Work and Retirement survey. He found that people's expectations for their retirement were largely associated with how well financially prepared they were. However, women were economically disadvantaged compared to men and this meant that they were not so well financially prepared. Retirement and retirement planning is of greater concern for women who now are more likely to be single and responsible for their own finances. There needs to be a specific focus on women to encourage and assist their financial preparations for the future.

Women's financial wellbeing and net worth in retirement are influenced by a variety of contextual factors and by decisions women make during their life course.

While New Zealand has a legal and policy framework in place to protect against discrimination, gender gaps remain. These gender imbalances are generated through differences in men's and women's life experiences, particularly their work histories. Throughout their lifetimes, women tend to face more constraints than men in accumulating adequate wealth for retirement and on average, women's net worth is lower than men's. While New Zealand Superannuation offers a universal pension, this is at a basic level and life-long wealth accumulation impacts upon an individual or households standard of living into retirement. Outcomes in retirement for women arise from the combined effects of their lifetime income, greater life expectancy, savings behaviour, asset accumulation (including housing) and debt and its management²

Why the need for research with Māori women?

Māori women may be doubly disadvantaged in financial opportunities. The disproportionate incidence of smoking and consequential ill health among Māori women for example compounds financial disadvantage. Glover (2011) reports that "Māori have higher rates of lung cancer, breast cancer, stomach cancer, liver cancer, leukemia, cervical cancer and smoking related respiratory diseases" and also reports "Māori women have one of the highest rates of smoking while pregnant in the world". (p.128) Glover also reports "[S]moking is a social justice issue in that its practice leads to unjust outcomes. It is an economic issue - in that it is the poorest people that are the most vulnerable to tobacco industry marketing." (p.131) In addition to gender, research could suggest that there is a negative association between ethnicity, culture and financial capability (OECD, 2013). In order to avoid erroneous assumptions about causality, findings such as these must be considered not just in cultural context but importantly in historical context. In the case of Aotearoa/New Zealand Cram (2011) states "it is impossible to understand or to intervene in any issue without some understanding of this country's colonial past". (p.153). Not only is an understanding of our colonial history critical but an understanding of cultural context is also critical.

Miller (2010) has highlighted that gaining an understanding of the cultural context is essential to the development of financial literacy programmes and policies for changing financial behaviour. Her research suggests the existence of money knowledge differences across ethnic groups (in her case, between African Americans and their white counterparts) (Miller, 2013). Furthermore, as indigenous

people, Māori have endured the cultural and material loss characteristic of colonised white settler countries (Panoaho 2012). Contemporary manifestations of colonisation abound with income levels for Māori a case in point. Cram (2011) points out that “Māori are over-represented among those with low annual personal incomes under-represented among those with annual personal incomes of \$30,000 or more”. (p.148)

An OECD’s publication ‘Women and Financial Education’ 2013, states that ‘subgroups of women are often most in need of improved financial literacy and should be the target of specific initiatives’ (p.8). This suggests that identifying sub-groups of women which may be in need of improved financial management skills, such as young Māori women, is important. Morrison (2011), in a study investigating the accelerating participation of Māori women in gambling, points out that “Progressively, generation after generation, Māori women have struggled economically, socially and educationally.” (p.190)

Māori women may also value money differently for cultural reasons. Noone also highlights that there are a ‘variety of cultural and ethnic factors that may exacerbate disadvantages for women’ (p.4). While his research focused on women identified as Asian or Asian-Pacific, he noted a that there is a key difference between “Western” societies and some ethnic societies, namely, that most “Western” societies place ‘responsibility on the individual to accumulate wealth,’ which contrasts with more ‘collective societies where commitment to the greater good and the family and extended family overrides the needs of the individual’ (p.10). Demsthenous noted that in Māori families, ‘monetary obligations to the whānau...at times take precedence over household obligations’ (p.7). Such ‘monetary obligations’ are embedded in tikānga Māori, described by Mead (2003) as “the Māori ethic” (p.6). Tikānga embodies complex notions of material and spiritual wellbeing and balance within a Māori world. Demsthenous , proposes a ‘way needs to be found to acknowledge the tradition while finding an appropriate pathway to develop skills that will prepare ethnic women to safeguard their future in ‘western value-based’ societies’ (p.10).

The difference between Māori and New Zealand Europeans is evident from the lower proportion of Māori with high financial knowledge (26%) compared to New Zealand Europeans (48%) as well as the higher proportion in the low knowledge group (43%) compared to 22% (Financial Knowledge and Behaviour Survey, 2013).

The disparity between Māori and other groups in New Zealand is also evident from the PISA (2012) report where one of the key findings was that Māori students achieved lower financial literacy scores than the average for New Zealand (Whitney, May, & Lamy, 2014). New Zealand’s current national strategy for financial literacy is wide-ranging with an overall theme of everyone getting ahead financially. Within the national strategy the disparity between Māori and other New Zealanders has been recognised by the objective to increase access to quality financial education among Māori and Pacific learners (New Zealand National Strategy for Financial Capability, 2014).

Māori women have an important role, as sources of knowledge to deliver financial literacy to the next generation (Reynolds, 2013). The Westpac Massey Financial Education and Research Centre’s discussions with the Commission for Financial Capability, Māori Women’s Development Inc., Māori Women’s Welfare League and the Centre’s recent project with the Ngāpuhi iwi has highlighted the need for some concrete data to guide targeted financial literacy programmes for Māori women. To sum up in one of the participants words –

'We are not stupid, far from it, we know what needs to be done, we just need to learn how and then be prepared for a major mind shift.'

Effective financial literacy programmes

Due to differences in financial literacy skills between population groups, research suggests that financial literacy programmes should be targeted. Lusardi and Mitchell state that 'to change behaviour, financial education programs must be targeted to specific groups of the population,' as these are 'more likely to be effective than one-size-fits-all financial education programs (p. 37).' In order to be successful financial literacy programmes must be culturally relevant, cognisant of cultural values.

In addition, to determine the effectiveness of a financial literacy programme, Lusardi and Mitchell highlight the need for evaluation, and assert that evaluations must be 'rigorous if they are to persuasively establish causality and effectiveness.' However, they note that when evaluating, it is necessary to recognise that programmes are 'unlikely to change everyone's behaviour in the same way,' as for some, it 'may not be optimal to save; instead, such persons might rationally reduce their debt (pp. 36-37).' Māori centered research requires outcomes that contribute to Māori development and advancement (Cunningham, 2008). Participants themselves are best placed to reflect and evaluate.

Who participated in the study?

This research intended to focus on age groups of Māori women – 17 to 25 years and 35 to 50 years. However, in some cases participants themselves determined age breakdown and who took part as a group and/or whānau (family) group. Therefore some were older than 25 in the first group and the second group included few women from the 50+ age group; some women were very keen to participate in the focus groups. Māori-centered research accommodates Māori determined methodologies. Smith (2005) proposes that "Allow [ing] people to define their space and meet on their own terms." (p.98) recognises the cultural value of Aroha ki te tangāta.

The decision was therefore made by the lead researcher to keep the age-group flexible. However, no participant under the age of 17 years was included in this research.

- All participants in both groups provided their consent either in writing or verbally in the focus group setting.
- The women came from the Auckland area and majority were from the South Auckland metropolitan area.
- A very small number of participants (4 in total) in the first group came from Kaitaia in Northland

In keeping with the importance of research which actively seeks to produce Māori knowledge outcomes (Cunningham, 2008, p.52) three Māori women from the community were engaged as research assistants to recruit the majority of participants who were individually contacted. Some of the

participants were related to each-other and they reported at the end of the project that whānau support proved to be a factor in them completing their spending diaries. The importance of kanohi ki te kanohi (face to face contact) and whakawhānaungatanga (connection through relationships) is well documented within contemporary Māori research methodologies (Smith 1999, Bishop & Glynn 1992).

How did we go about collecting the data?

Multiple methods were used for collecting the data.

For the First Group

- The main data was collected through spending diaries maintained by the participants for a minimum of 6 weeks and maximum of 12 weeks.
- Participants were also sent a follow-up questionnaire with four key questions to record their reflection on the experience and any possible changes they were likely to make on their own spending habits. The return rate for the post questionnaire was very low and insufficient for statistical analysis but the anecdotal and verbal feedback from the participants provided useful insights.

For the Second Group

- The data for this group was collected through focus group discussions and financial health check survey.
- In addition, the verbal feedback received from the participants was also included in the final data analysis.
- The three research assistants also provided their reflection in a combination of written and face-to-face contact.

Limitations to our study

Despite many efforts, a series of meetings and skype meetings with some of the Māori organisations in the Auckland area, there was a poor response from the Northland area. This again confirms the importance of relationship building.

Originally it was hoped that a random selection method would be used to select the participants in both groups. However, due to low responses and reluctance of the participants this approach had to be abandoned. In its place a snowball technique and personal networks of the three women from the community were used to recruit participants. The importance of kanohi ki te kanohi and whakawhānaungatanga was further reinforced.

Therefore, the outcomes of this research cannot be viewed as a representative sample of the Māori women in Auckland and Kaitaia. However, the characteristics presented by the self-selected participants do represent what the researchers have observed around the country through other projects and has a valuable contribution to make towards empowerment of these communities.

General findings from this study

- Māori want to equip themselves and build internal capability at local hāpu, iwi and marae level so they can then take over the financial well-being of their own community. Concern was expressed about non- Māori leading education and research programmes involving Māori. However, there is a wide acceptance of the fact that some of the expertise that could be beneficial for Māori may not be available within their own community and they may need to import that but this needs to be on a short-term basis and on Māori terms.
- There is still a considerable lack of understanding in distinguishing between need and want which requires further qualitative investigation in order to progress programmes such as these.
- The need for a more culturally responsive methodology is apparent and is likely to result in increased participation. An opportunity for self- improvement and free access to financial literacy programmes is not a sufficient incentive to encourage participation in a financial literacy programme. Additional incentives are also needed to encourage participation and these incentives may vary in different locations and communities.
- A more culturally responsive methodology can allow for whakawhānaungatanga. For any new programme (research or intervention) time needs to be invested in building relationship and trust with the participants. This needs to be kept in mind when developing a project as the timelines can be easily shifted.
- Participant determined parameters are appropriate. There needs to be flexibility built into designing the programmes/projects and funding allocation to various parts of the project as both can change and the project team in most cases does not have control over the circumstances of such change.
- **Specific findings from the financial health check survey of the participants**
- Almost 60% women reported as never having saved their money whereas 27% reported as saving 10% or more.
- Almost 60% reported as not tracking their spending therefore not having an idea about their spending on a day to day basis.
- Major purchases were reported by 55% participants as being unplanned or spontaneous.
- When it came to paying for emergency expense, over 40% reported that they would use funds already on hand, whereas 32% reported that they would borrow from a non-bank lender and 23% answered this question being not applicable
- When asked about having access to emergency funds to meet day to day expenses and to meet financial obligations in the event of losing their job – only 32% reported as being able to survive for three or more months whereas 50% stated that they could only survive for less than one month.
- The participants were also asked about the current status of their debt. We did not ask them about the amount of debt that they are in. We were only interested in finding out the types of debts people are in or to whom they owed the money.
- From an extensive list presented to them the following stood out as being 25% or more:

- 50% Student loan
- 36% Mobile phone
- 36% Utilities (phone, electricity, gas)
- 32% Car or other large purchase
- 32% Family/Friends
- 27% Rent
- 27% Finance company

The participants were also asked about their first three options if they needed to borrow money urgently. In preference, the following three options were rated highly:

- 77% Family/friends
- 36% Bank loan
- 32% Finance company

One interesting observation here is that reliance on using a credit card was very low. When asked about their ability to meet future financial obligations:

- Only 9% stated as being completely at ease
- The remaining 91% were moderately and very concerned about it.

One of the areas of most concern was that:

- 68% reported that they did not have any savings at this stage for their retirement.
- Only 14% reported as reviewing their retirement plan in the past one year.

Of concern to the researchers was that the women reported the need to borrow money for basic need items like food, power, personal use and emergency repairs to the vehicle.

The final two questions were about their saving habits and the things they found useful in saving money:

- 65% of participants reported as not having saved any money.

In terms of money saving tips, they found the following things as being helpful in saving money or encouraging them to save:

- Direct debit from wages
- Not buying on impulse
- Spending diary, careful shopping and thinking about needs versus wants
- Learning about how to budget and save

- Managing spending and budget (sticking to budget, shopping carefully)
- Putting money away into two separate accounts e.g. one for emergency and the other one for specific goals as being not to touch

For further details see pages 21 - 29 and refer Appendix 1.

In addition to the above findings, the second group of participants also reported

- Many major financial decisions they had taken in past had not always been planned in advance. Sometimes the spending just happens and then we think about paying it. This also highlighted the fact the pre-planning or saving for big ticket items wasn't a norm for this group.
- That if they were to go and seek advice for big purchases or seek funds/loan for such items, they would prefer to have one stop shop approach rather than going to two-three different people. One of the examples given by the participants was when buying a car. The preference was that if they went to the bank for a loan, they would like to know what options of borrowing they have available, how much in total it will cost, do they need to take out insurance or not, if they need to take out insurance, who do they need approach for that?. In other words their preference was that all these questions be answered in one place and they should also be able to borrow money, take out insurance and any other matters- all in one place. This one stop shop approach was cited as one of the reasons they preferred to go to the non-bank lenders than going to a bank. They also stated that going to a bank can be somewhat intimidating if they were not used to dealing with the officials.
- Lack of understanding about the pitfalls of using non-bank lenders, not understanding the true cost of borrowing and where to go for professional and independent advice.
- A prevalent reliance on their friends and whānau for financial advice rather than going to a professional. A comment was made that you only go to the professionals when you are talking in hundreds of thousands dollars.

Gaps in our knowledge - what we still need to know

Although the current research will answer some of the questions, it has also highlighted the need for further research to better understand the gender and cultural differences in financial literacy of women in New Zealand and across the world.

It has been widely accepted that gender and ethnic differences do exist when it comes to the topics of financial knowledge and behaviour. However, there exists a need to further investigate and analyse the following aspects:

- The extent of these differences at a young age, and whether these differences at a young age are due to lack of opportunities for learning about personal financial management or due to a lack of access to and experience with formal financial products and services. More information is needed about these differences as they must impact on the design and delivery of financial literacy programmes.
- If women are more risk averse they may not be taking up wealth generation/creation opportunities in comparison to men. However, what is still not known is whether this risk

adverse behaviour exists from young age or is a product of increased family responsibilities. Further work is also needed to understand the relationship between financial attitudes and financial behaviour.

- Further work is also needed to understand that why women are not able to transfer their good day-to-day money management/keeping the household financially afloat skills into later years of their life and build a strong asset base for their retirement. Anecdotally, few reasons have been provided but some formal research is needed to better understand the barriers to this lack of transferability of skills.
- We still do not know enough why Māori women do not use their strength of character as a motivating factor to take control of their financial well-being. They are known to be good managers of marae affairs, home affairs and whanau affairs and yet when it comes to applying those skills in planning for their future, there doesn't appear to be similar level of commitment.
- We also need to do further work into finding out what roles men can play in motivating and supporting women in general, and Māori and ethnic women in particular, to financially secure their future especially their retirement.
- We also do not know enough about young Māori women in relation to their lack of interest about upskilling themselves in taking financial responsibility for their future. For example what will it take for them to recognise the fact that small changes in their current spending habits can help them to reduce their dependency on borrowing and help them to embark on a path of saving? Who or what are the key motivating factors that might help them on this journey?
- A follow-up project with women in the current study, to track their progress after six and 12 months, will be really useful to help identify sustainable approaches to building financial capability.
- According to OECD research, women appear to be less confident than men in their financial management skills and yet they are also less likely to seek advice from financial advisors. It would be important to know the triggers or drivers that may encourage women to seek professional advice and types of advice they make seek as well as the age difference in seeking advice.

Suggestions/Recommendations for the funding body

The researcher has been working in this field for a number of years and has a considerable experience in the community development field. Therefore, the following suggestions/recommendations are based on this experience, work in New Zealand and overseas, work with Māori communities across the country and especially as a result of this project.

- Your funding investment model could be better balanced between intervention, education and capability building categories. There has been considerable investment made by successive governments and private funders in intervention but the need and/or demand for budgeting advice continues to grow. Perhaps some focus on education and therefore, prevention of some of the crisis mode living is needed. It is important to have specific programmes targeted at reducing the 'dependency on borrowing.'
- It would be more effective to focus on a small number of projects and fund them for 2-4 years duration with some clear outcome expectations. This timeframe provides the programme provider with an opportunity to introduce some innovative and sustainable approaches. This will also provide researchers and evaluators to carry out more substantial work in this area. It is important that the funding provided is not used to fund a short fall in current delivery. If this happens, the project is not going to be sustainable if funding stops
- One of the measures of success with this research was the identification of effective processes for reaching and engaging young Māori women to equip them with tools and resources to make wise financial decisions. In particular consideration should be given to more culturally responsive methodologies that may increase participation and improve effectiveness.
- Consideration should be given to investing in further research and independent evaluation of the projects funded so far, to measure their effectiveness and sustainability.
- It will also be useful to ask about the exit strategy of each intervention project funded in future so as to ensure participants in future programmes develop the skills to effectively and independently manage their finances and to build a clear picture of what is needed in each community

INTRODUCTION

Background

This report is an evaluation of the recent financial literacy research on Māori women, an initiative led by Massey University, in collaboration with the Māori Women Development Inc., Māori Women's Welfare League and the Commission for Financial Literacy and Retirement Income. The research involved two age groups of Māori women; Group 1: ages 17 – 25 and Group 2: 35 – 50. The spending habits of Group 1 were analysed through spending diaries. The financial literacy skills of Group 2 were assessed through a financial health check survey as well as through focus groups.

Through a participation in a series of focus-groups, the completion of spending diaries and surveys, participants provided the researchers with insights into the spending habits of young Māori women, as well as with an understanding of how to reach Māori women and equip them with the necessary tools and resources to make wise financial decisions.

The OECD renewed its focus on improving the financial literacy of youth and as highlighted at the G20 Leader's Declaration in 2012, women often have less financial knowledge and competence. In the New Zealand context, gender gaps remain as women constitute a higher proportion of the lower knowledge age group.

The impetus for this research was based on the findings of recent research and the identified need for further insights into the financial literacy of Māori women. Specifically, recent publications (x) highlight the positive impact that budgeting and early engagement can have on families. In addition, although literacy and numeracy levels of Māori population is well recorded, there is a lack of documented research on how women, especially Māori women, make financial decisions and what information they use to make financial decisions. Previous research with the Ngāpuhi iwi, and discussions with the Commission for Financial Literacy and Retirement Income, Māori Women Development Inc., Māori Women Welfare League, has highlighted that there is a need for data to support the development of targeted financial literacy programmes.

Definition of Financial Literacy

Financial literacy, a key term used throughout this report, is defined as:

'A combination of awareness, knowledge, skill, attitude and behaviour necessary to make sound financial decisions and ultimately achieve individual financial wellbeing' (OECD, p.11)

Objectives

The objectives of the research were to:

Identify the spending habits of young Māori women, through engaging a group of young Māori women to participate in the research and complete spending diaries, indicating which purchases are 'wants' and 'needs.'

Explore a process for Government, NGOs, private sector organisations and educators to work together to implement an effective, coordinated approach for reaching Māori women and equipping them with the necessary tools and resources to make wise financial decisions

The intended outputs of this research:

This research has produced a collection of data, findings and recommendations on the spending habits and financial literacy of Māori women. The data collected will add to the knowledge base of Māori women and financial literacy and may generate interest for further research in this field, and will be used to inform future policy and strategy and to develop targeted programmes for financial literacy.

The intended outcomes of this research:

This research served as a data collection exercise to capture baseline data, which will be used to inform the content and delivery of future financial literacy programmes. It is those programmes which will seek to impact the intended outcome i.e. to increase the level of financial literacy of Māori women.

For the individual participants involved in the research project, the intended outcome is to increase research participants' awareness of their money management skills and to enhance participants understanding of financial literacy to ensure they implement effective money management practices (through encouraging those with poor money management skills to participate in relevant financial literacy programmes).

The success of the research was measured by:

- The quality of the data collected on spending habits of Māori women
- The identification of effective processes for reaching and engaging young Māori women to equip them with tools and resources to make wise financial decisions

Scope of the research

The scope of this report includes analysis of the:

- 28 spending diaries
- The survey responses (22-23 responses per question) of the Māori women Financial Health check.

Limitations to the data

There were several limitations to the data:

- The small number of participants in this research
 - The number of spending diaries submitted was 28.
 - The number of respondents to the Financial Health Check Survey was between 22 and 24 per question.
- Although the intention of the researchers was to allocate participants to specific groups based on their age, there were participants outside of the intended ages in Groups 1 and 2
- Participation in the research was via self-selection and therefore was not a random sample of young Māori women

As a result of these factors, the data in this report cannot be interpreted as representative of young Māori women. However, despite these limitations to the data quality, the data offers unique insights into the spending habits and financial literacy of a specific group of young Māori women. In addition, the characteristics observed in this research align with characteristics observed in other studies [e.g. Pushpa to confirm] around New Zealand. Therefore this data serves as a useful benchmark from which to launch further research on financial literacy in young Māori women and contributes to the knowledge base of financial literacy in ethnic and cultural contexts more broadly.

Comparisons to the New Zealand adult population and a group of Māori women from across New Zealand

Throughout the Results (Financial Health Check) section of the report, on pages 21 – 29, some comparisons have been to the New Zealand adult population and to a broader group of Maori women from across New Zealand. The Commission for Financial Capability (with support from ANZ), 'Financial Knowledge and Behaviour Survey 2013' was used for comparisons with the New Zealand adult population. As part of this survey, 852 people were surveyed. In addition, the survey results from a group of Māori facilitators from across New Zealand, collected by the Westpac Massey Fin-Ed Centre, and was used for comparisons. The questions asked in these surveys were not the same as the questions asked of the Māori women in the Financial Health Check survey and therefore, direct comparisons are not possible. However, there were similar questions which serve as useful indicators in the absence of direct comparable data.

FINDINGS

OPPORTUNITY FOR IMPROVED UNDERSTANDING OF THE DIFFERENCE BETWEEN 'NEEDS' AND 'WANTS'

As highlighted on page [x], Group 1 participants completed spending diaries, where they identified all purchases and categorised those purchases as 'needs' or 'wants.' The spending diaries were completed by 28 participants for between 6 - 12 weeks, however, there was significant variation in the length of time participants completed their spending diaries.

To interpret the data collected from the spending diaries, it is necessary to understand how participants classified purchases.

The following table highlights examples of purchases classified by participants as 'needs.'

Items classified as 'needs'	Examples
Bills	Water, cell phone, internet, power, debt, doctors, insurance, Sky television, rent
Shopping	Home shopping
Education	None provided
Childcare	None provided
Fines	None provided
Travel	International airfares, passports
Transport	Bus fares, parking, car maintenance
Exercise	Indoor sports, gym

The following table highlights examples of purchases classified by participants as 'wants.'

Items classified as 'wants'	Examples
Food and drink	Lunch, meat, breakfast, dinner, energy drinks, alcohol
Medication	Weight loss pill
Gifts	Father's Day, wedding, birthday
Household items	Television
Habits	Cigarettes
Clothes	Ball dresses
Entertainment	Bowling, movies, ice-skating, iTunes music, nice hair conditioner, sports tickets, concert tickets
Beauty products	Make-up
Purchases to supporting others	Raffle tickets

Observations from the spending diaries

Inconsistency of categorisation of 'needs' and 'wants' between participants

Many of the purchases were classified differently (i.e. a 'want' or a 'need') by different participants. Examples include:

- Rent
- Purchases for children's items were classified differently e.g. a car seat was classified as a 'need' by one participant, whereas nappies and baby formula were classified as a 'want' by another participant.
- Coffee/hot drinks
- Haircuts/colour

On average, 36% of participants' purchases were self-identified as 'wants'

- Cigarettes
- Petrol
- Food e.g. some respondents consider lunch a need and others a want, others considered snacks differently e.g. one respondent consider a cookie a need, while another respondent considered a slice a want. One respondent considered chicken nuggets as a need.

Inconsistency of categorisation within respondents spending diaries

The analysis of participants' spending diaries highlighted inconsistencies of categorisation within individual spending diaries. For example, one respondent classified McDonalds lunch as a need at one point, and also listed it as a want at another point.

These inconsistencies highlight limitations in the evaluation, as it is difficult to draw conclusions across the group when 'needs' and 'wants' have been categorised differently by different participants. This presents an opportunity for improvement for the next group which completes spending diaries, specifically, to ensure participants are aware of what constitutes 'needs' and 'wants.'

Despite the limitations detailed above, the data has been evaluated on a group level. The figures on this page highlight the lowest and highest proportion of purchases categorised as 'needs' and 'wants,' as well as the average proportion of purchases spent on 'needs' and 'wants' across all participants.

Proportion of purchases spent on 'wants' and 'needs'

The figures on the opposite side of this page highlight the proportion of purchases which spent on 'wants' and 'needs.' The figures highlight the average, the minimum and the maximum proportion of purchases spent on 'wants' and 'needs.'

Proportion of purchases spent on 'needs'

Minimum = 31%

Average = 64%

Maximum = 100%

Key points

- On average, 64% of purchases were spent on needs
- 31% was the lowest proportion of purchases spent on needs
- 100% was the highest proportion of purchases spent on needs

Proportion of purchases spent on 'wants'

Minimum = 0%

Average = 36%

Maximum = 69%

Key points

On average, 36% of purchases were spent on wants

0% was the lowest proportion of purchases spent on wants

69% was the highest proportion of purchases spent on wants

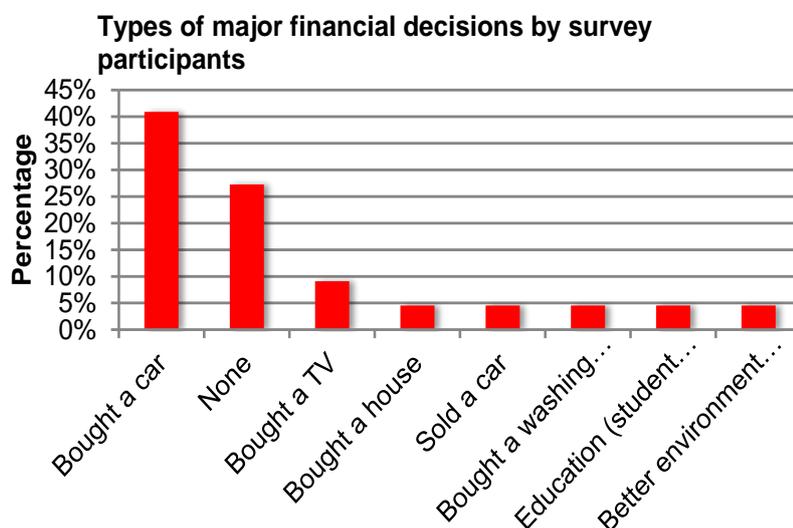
This highlights that on average, participants consider the majority (64%) of their purchases to spend on 'needs.' However, on average, a significant proportion (36%) of purchases is spent on 'wants.' In addition, there is large variation between participants' spending habits, with some indicating that they spend no money on 'wants,' and others indicating they spend '69% of purchases on 'wants.'

RESULTS - SPENDING HABITS OF MĀORI WOMEN - GROUP TWO SURVEY

The following pages detail the results of the survey on spending habits completed by Group Two participants. The purpose of this survey is to identify what type of major financial decisions participants have made recently, what information sources they use to inform their decisions and whether there is additional information they would have found helpful. The respondents were asked to write their own answers i.e. options were not provided.

Note: all respondents did not answer all questions, and some respondents provided multiple responses to single questions. The number of responses (including multiple responses by individuals) ranged between 15 and 22. Therefore, this data analysis is only based off a small number of responses and therefore is not be representative of all Māori women in the South Auckland and Kaitia areas.

Question 1: In the last five years, what major financial decision have you had to make?
Examples could be – you bought or sold a house, invested in your business, personal life changes etc.



Key points:

The responses to Question 1 highlight that the most common (41%) large financial decision made by survey participants was buying a car.

27% of survey participants did not make any major financial decisions in the last five years.

A smaller percentage of participants (5%), bought a house, sold a car, bought a washing machine, took out a student loan, and made a purchase to enhance the living environment for family.

This indicates that buying a car is a common major financial decision made by survey participants, however, there is a wide variety of other types of major financial decisions.

Question 2: When making these decisions, what information did you need to inform your decision?

Examples of the types of information needed to make decisions included:

Payment information, for example, deposit required, due date of payments, payment amount, length of time payments will need to be paid, interest, fees.

Some participants highlighted more broadly that information on 'money,' 'finance,' or 'WINZ' was needed

Information on the purchases e.g. courses and learning institutions

Financial planning information

Comparisons between banks/companies

The opinion of others, for example, a participant's partner

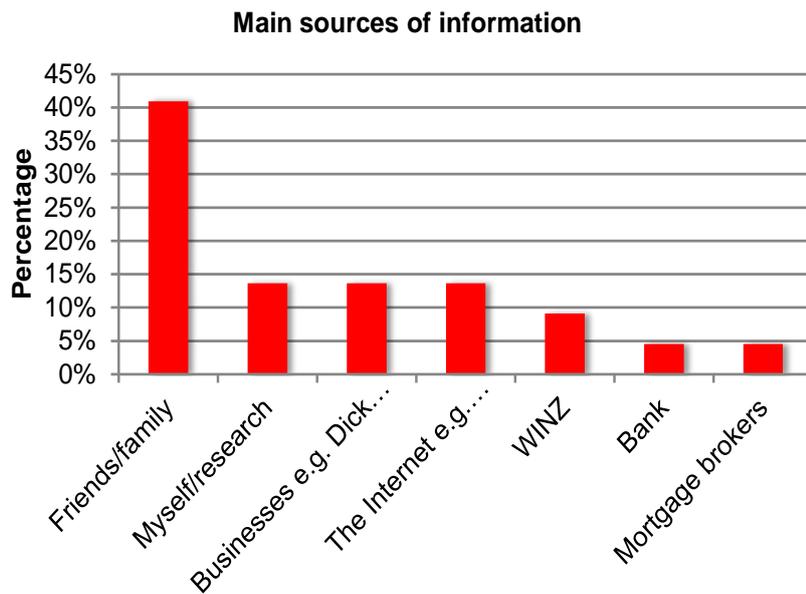
Insurance information

Some participants indicated they did not need any information

Note, the total number of responses to this question was 15.

The list of responses above highlight that a range of different types of information were required to inform participants' major financial purchases. While this list details many different types of information, most participants wrote one or two types of information and therefore may not have sourced all relevant information to make the decision. In addition, some participants specified that they did not require any information to make their decision.

Question 3: What or who was your main source of information?



Total number of responses: 22

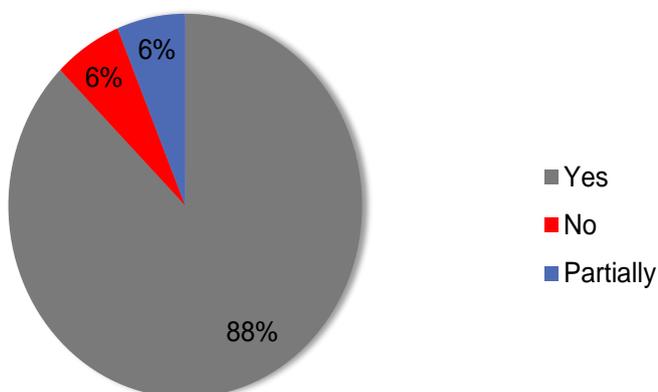
Key points:

The graph above highlights that family/friends was a main source of information for 41% of survey participants, when making a major financial decision.

14% of participants sourced the information themselves through research, communicated with businesses sales consultants or referred to the Internet. Note, the type of research was not specified by participants and may involve use of the Internet.

Question 4: did you find the information you received was sufficient and helped you to make a decision?

Percentage of participants that found the information sufficient and helped to make a decision



Total number of responses: 16

Key points:

The majority (88%) of participants considered their main information sources to be sufficient and to help them to make a decision.

12% of participants considered the information was only partially sufficient or insufficient.

Question 5: if you answered no to the above question, what else did you need?

There was only one response to this question and it specified 'information on lending interest rates.'

PARTICIPANTS WOULD LIKE MORE INFORMATION TO MAKE MAJOR FINANCIAL DECISIONS

Question 6: if you were to make a similar major financial decision, what type of information will you find helpful?

The types of information that participants indicated would be helpful to make a similar major financial decision were:

- All relevant information/more information
- Talking with friends/family
- Information on how to pay off debt faster
- Interest on loans
- Understanding contracts
- Goals
- Saving
- Financial help
- Repayment information
- Cost
- Consequences for missing a payment
- Money
- Don't know

This indicates that participants are keen to ensure they have all relevant information and in some instances, would like to have more information to make major financial decisions in the future.

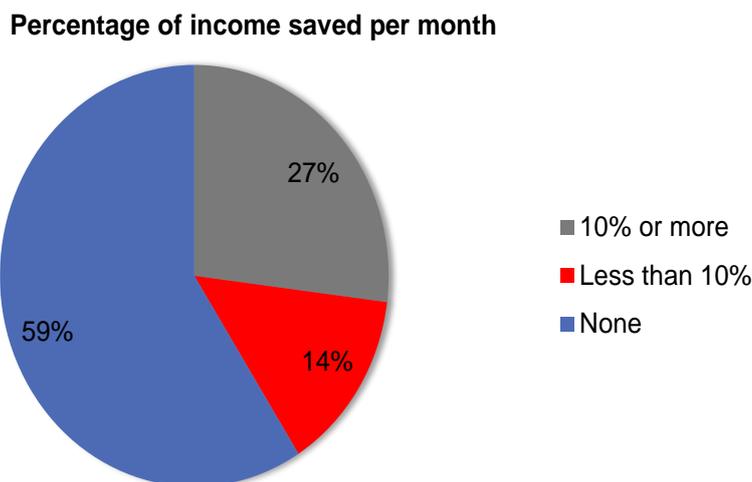
Specifically, the responses indicate that some participants find it useful speaking with friends and family when gathering information to make a significant financial decision, others want to ensure they have information which helps them to understand the consequences of what they are signing up for, such as contract details, interest, and repayments.

RESULTS – FINANCIAL HEALTH CHECK

Financial health check survey results

The following pages detail the results of the Māori Women Financial Health Check, completed by Group 2 in the focus groups meetings between April to August 2015. The purpose of this survey was to identify the level of financial literacy of the research participants.

Question 1: what percentage of you income do you save each month?



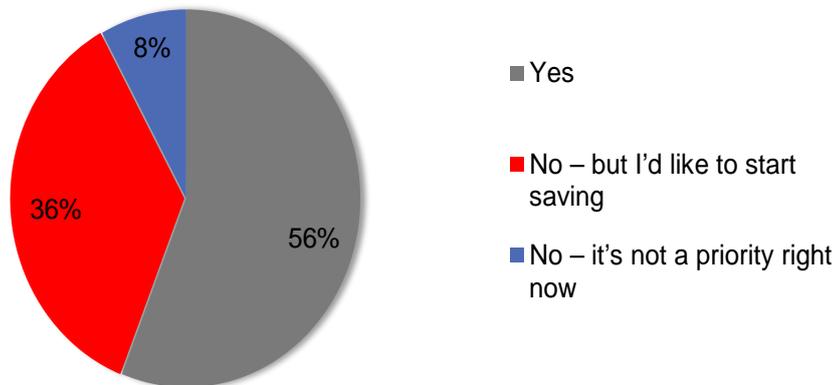
Key points:

- 59% of participants save none of their income each month
- 14% of participants save less than 10% of their income each month
- 27% of participants save 10% or more of their income each month
- The percentage of participants that do not save any of their income each month is a concern, as it highlights that they may be spending all of their income on day-to-day living expenses.

Comparison to Māori women from throughout New Zealand
The graph below highlights the results of a different survey (the MWWL survey) and provides a comparison to Maori women from throughout New Zealand.

Question from Māori Women's Welfare League Facilitator survey: are you saving regularly at the moment?

Percentage of Māori women saving regularly



Key points:

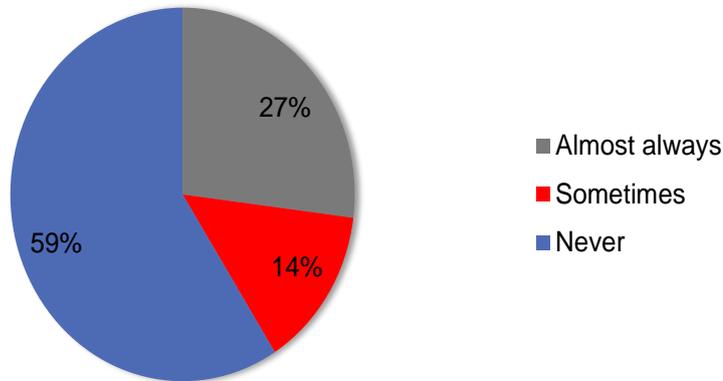
56% of respondents are saving regularly

44% of respondents are not saving regularly, of which 36% would like to start and 8% do not consider it a priority.

Although one question refers to income saved per month and the other refers to regular savings, they both provide indications of the percentage of the percentage of participants saving on a regular basis. The results highlight that significant proportions from both groups do not save regularly; from the financial health check, 59% do not save any of their income per month and that from the MWWL, 42% do not save regularly. This highlights a 17% variation in saving behaviour between the different groups of Māori women, indicating that while significant proportions of both groups do not save, there are differences in saving behaviour between Māori women across New Zealand.

Question 2: how often do you use a monthly budget to track and plan your spending?

Frequency of use of a monthly budget to track and plan spending



Key points:

59% of participants never use a monthly budget to track and plan spending

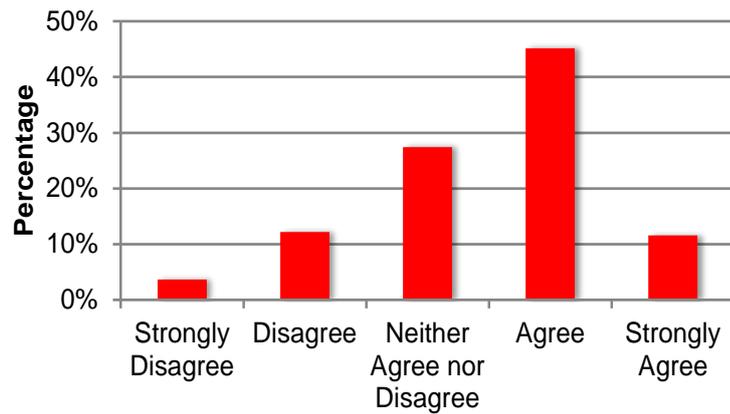
14% of participants sometimes use a monthly budget to track and plan spending

27% of participants almost always use a monthly budget to track and plan spending

The proportion of participants that never use a monthly budget is a concern as it highlights that a significant proportion of the participants may not have an effective way of managing their finances and therefore may make poor financial decisions.

Comparison to Māori women from throughout New Zealand
The graph below highlights the results of a different survey (the MWWL survey) and provides a comparison to Māori women from throughout New Zealand.
Question from MWWL survey: how do you feel about managing your money? Sub-question: I budget and track spending.

Percentage of respondents that budget and track spending



Key points:

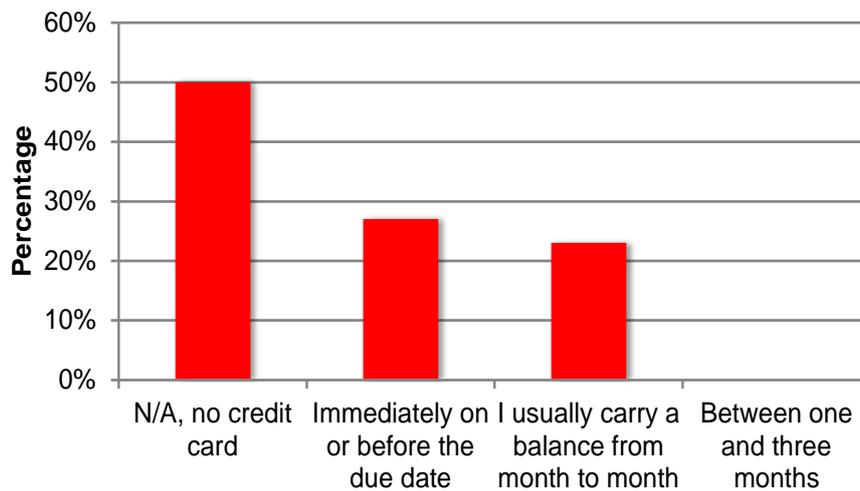
57% of respondents to the MWWL survey agree or strongly agree that they budget and track spending, while 16% disagree or strongly disagree.

Although the question is different to question 2 of the financial health check, they both provide useful indicators of whether respondents use budgets. The results indicate that 59% of the financial health check participants never budget, and that 16% of MWWL respondents do not budget and track spending. This highlights that there is a significant (43%) difference between the budgeting habits of different groups of Māori women across New Zealand.

23% of participants carry a balance on their credit card month-to-month

Question 3: when making a purchase using a credit card, how quickly do you usually pay off the entire balance?

When making a purchase using a credit card, how quickly do you usually pay off the entire balance?



Key points:

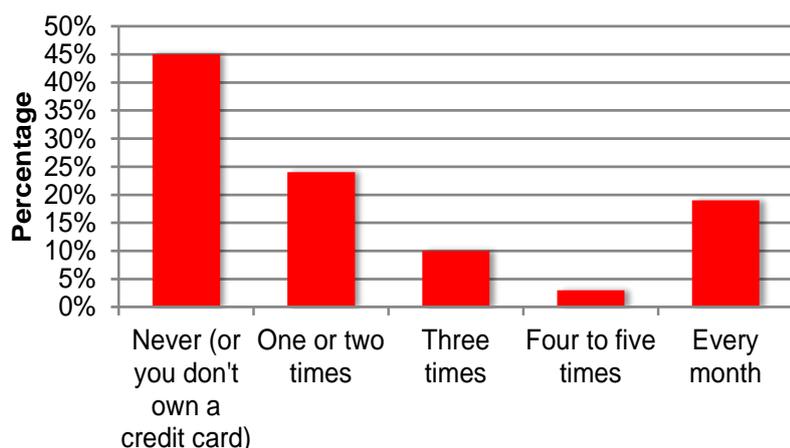
- 27% of participants pay off the entire balance of their credit card purchase immediately on or before the due date
- 23% of participants carry a balance from month-to-month

When compared to the New Zealand adult population, a smaller proportion of the participants in this survey pay off their entire balance in full each month. The Commission for Financial Capability 2013 report (p. 136) asked respondents 'over the last three months, how have you paid your monthly credit card bill or bills?' The response highlights that 57% of respondents paid off their credit card bills in full each month for the past three months (compared to 27% of participants which in this survey which usually pay off the entire balance immediately on or before the due date). Although the Commission for Financial Capability's question refers specifically to the last three months, it provides a useful comparison of the proportion of participants which pay off their credit card in full each month, highlighting a 30% difference between the Maori women from Auckland and Kaitaia and the broader New Zealand population.

Comparison to Maori women from throughout New Zealand

The graph below highlights the results of a different survey (the MWWL survey) and provides a comparison to Maori women from throughout New Zealand.
Question from MWWL survey: how often over the last six months have you not paid your credit card in full?

Number of times of respondents have not paid their credit card in full over the last six months



Key points:

45% of respondents reported having 'never' not paid their credit card in full over the last six months (or do not own a credit card)

55% of respondents have not paid their credit card in full one or more times over the last six months, with 19% not paying their credit card in full every month.

Analysis continued on next page.

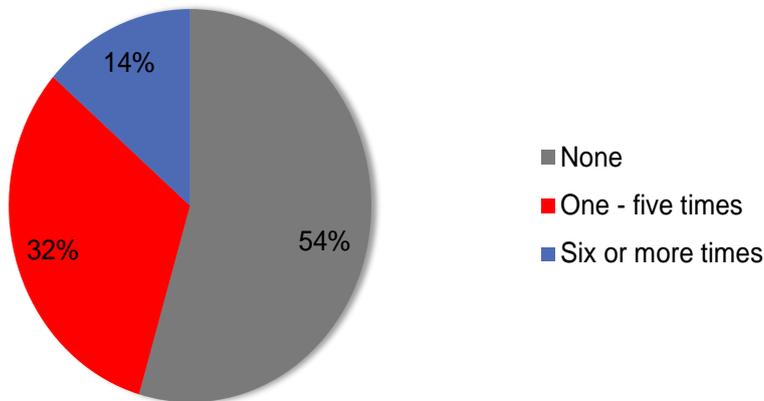
46% of participants paid a bill late during the last six months

How often over the last six months have you not paid your credit card in full?

- Although the questions are different, they both provide useful indications of the frequency that participants pay off their credit card in full. The results indicate that 23% of the participants in the financial health check survey do not pay of their balance in full (instead, they carry a balance from month to month), whereas 56% of MWWL respondents indicate that they have not paid their credit card in full at least once over the past six months.
- This highlights that a larger proportion of the financial health check participants from the South Auckland and Kaitaia areas do not budget and track spending i.e. there is a 33% difference between the financial health check participants and MWWL respondents that budget. This indicates that there are differences between Māori women's budgeting behaviour across New Zealand.

Question 4: how many times during the last six months have you paid a bill late?

How many times during the last six months have you paid a bill late?



Key points:

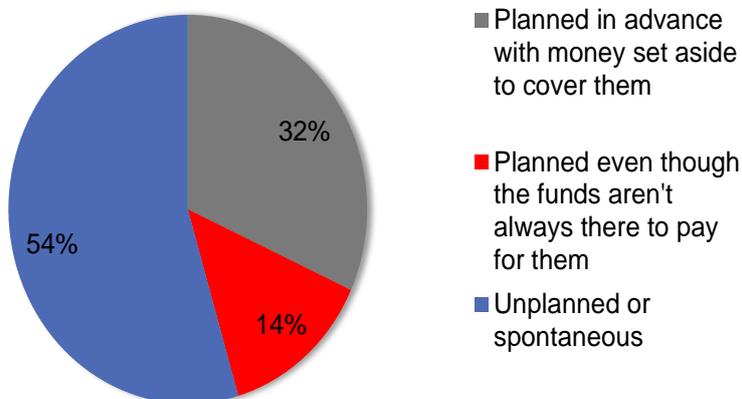
46% of participants have paid a bill late at least once during the last six months, of which 14% paid bills late six or more times. This may highlight the difficulty some participants have in paying their living costs.

54% of participants have never paid a bill late during the last six months.

54% of participants' major purchases are unplanned or spontaneous

Question 5: most of your major purchase are:

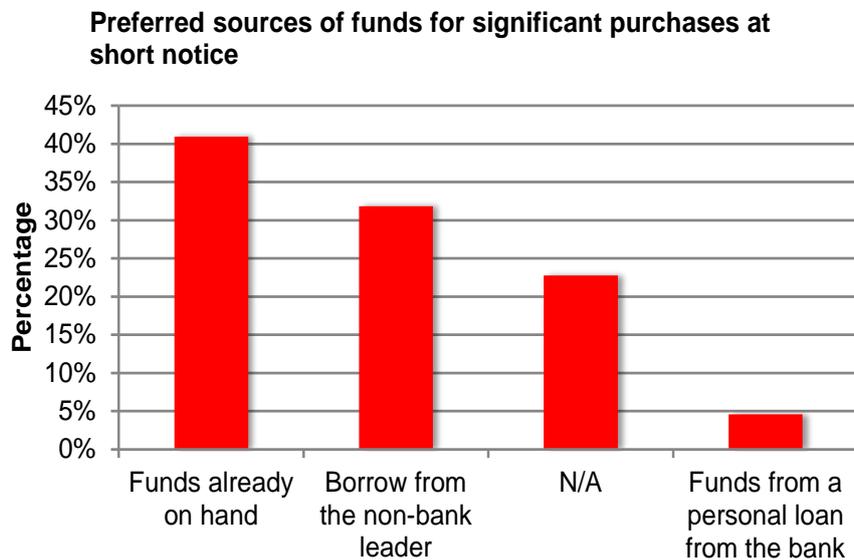
Percentage of major purchases that are planned



Key points:

- 54% of participants consider the most of their major purchases to be unplanned or spontaneous
- 14% of participants consider most of their major purchases to be planned, even though funds are not available to pay for them
- 32% of participants consider most of their major purchases to be planned in advance with money set aside to cover the cost
- The percentages of participants that make unplanned or spontaneous major purchases indicate that a majority of participants are not budgeting for major purchases.

Question 6: if you needed to come up with money quickly to pay for a major home repair or an emergency, what source would you use?



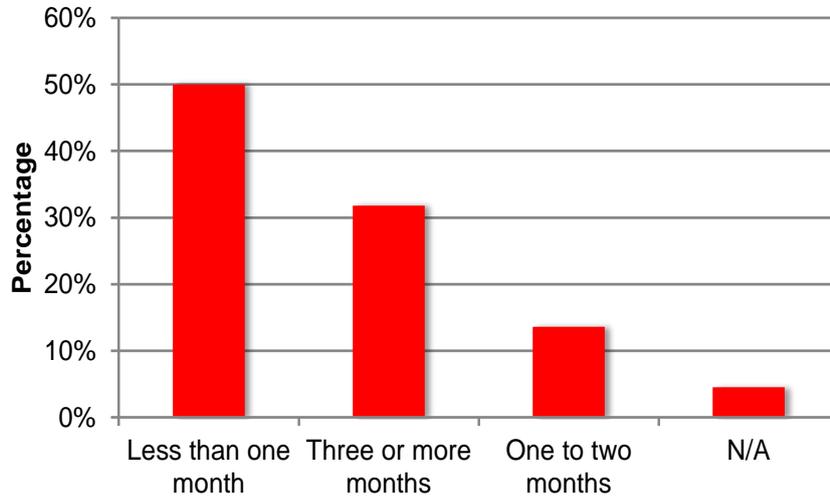
Key points:

To pay for a major home repair or an emergency at short notice, 41% of respondents would use funds already on hand, 32% would borrow from the non-bank lender, and 5% would use funds from a personal loan from the bank.

64% of participants are unsure whether they have, or do not have, insurance

Question 7: if you lost your job or main source of household income, how long could you provide for your basic needs and meet your financial obligations?

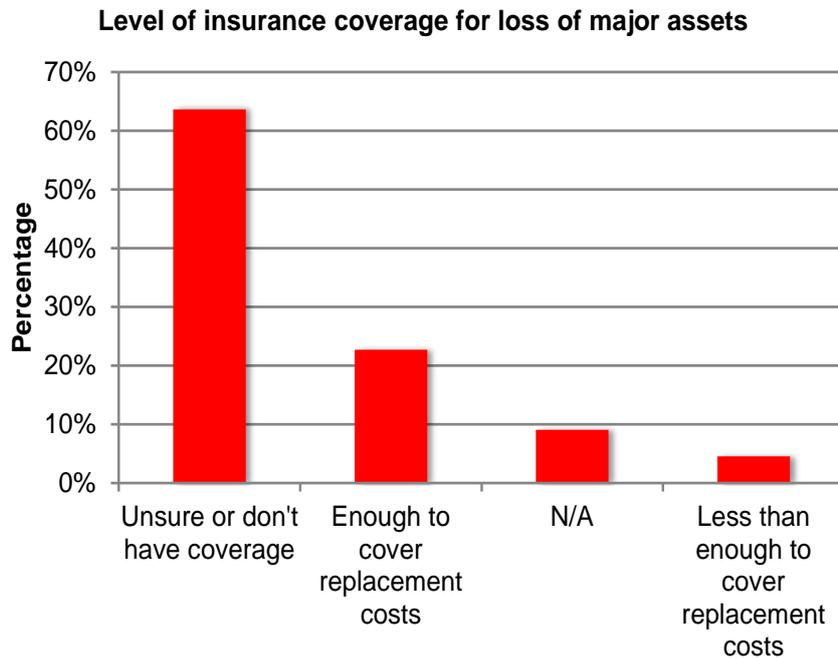
Length of time participants could provide for their basic needs and meet their financial obligations in the situation of the loss of primary source of income



Key points:

- In the scenario of losing a job or the main source of household income, 50% of respondents consider they could provide for their basic needs and meet their financial obligations for less than month.
- 32% of respondents consider they could provide for their basic needs and meet their financial obligations for three or more months
- 14% of respondents consider they could provide for their basic needs and meet financial obligations for one to two months

Question 8: the insurance I have to cover the loss of major assets, including household, contents, car, and personal property is:

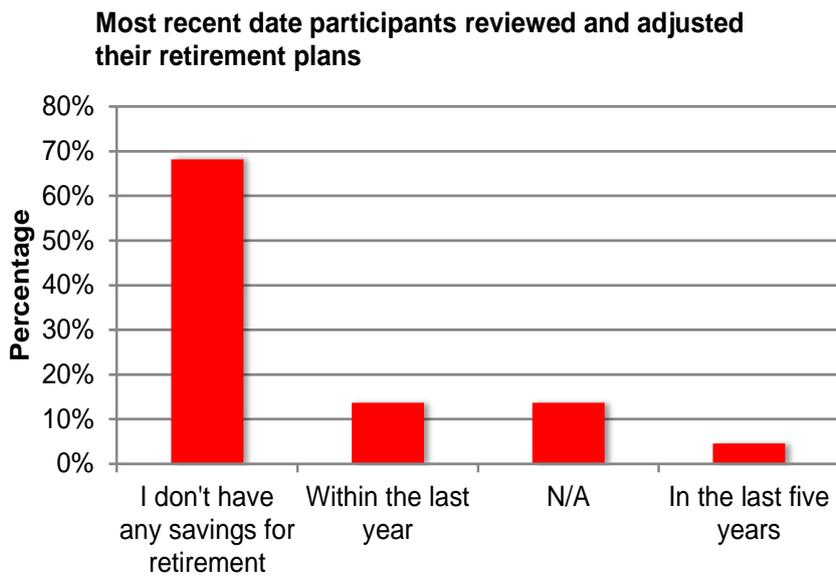


Key points:

- 64% of respondents are unsure what insurance coverage they have or do not have insurance coverage
- 23% of respondents have enough insurance to cover replacement costs
- 5% of respondents do not have enough insurance to cover replacement costs

68% of participants do not have any retirement savings

Question 9: when was the last time you reviewed and adjusted your retirement plan?

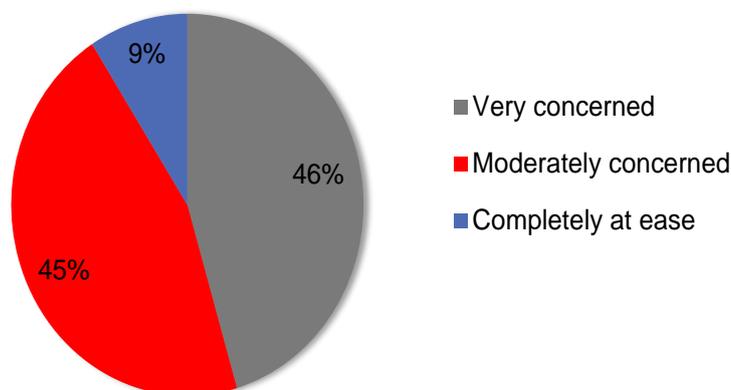


Key points:

- 68% of participants do not have any savings for retirement
- 5% reviewed and adjusted their retirement plan in the last five years
- 14% reviewed and adjusted their retirement plan within the last year
- The high proportion of participants without any saving toward their retirement is a concern, as it may result in participants not planning effectively for their retirement and therefore living on minimal funds when they retire.

Question 10: when you think about your ability to meet future financial obligations you feel:

Participants level of concern regarding their ability to meet future financial obligations

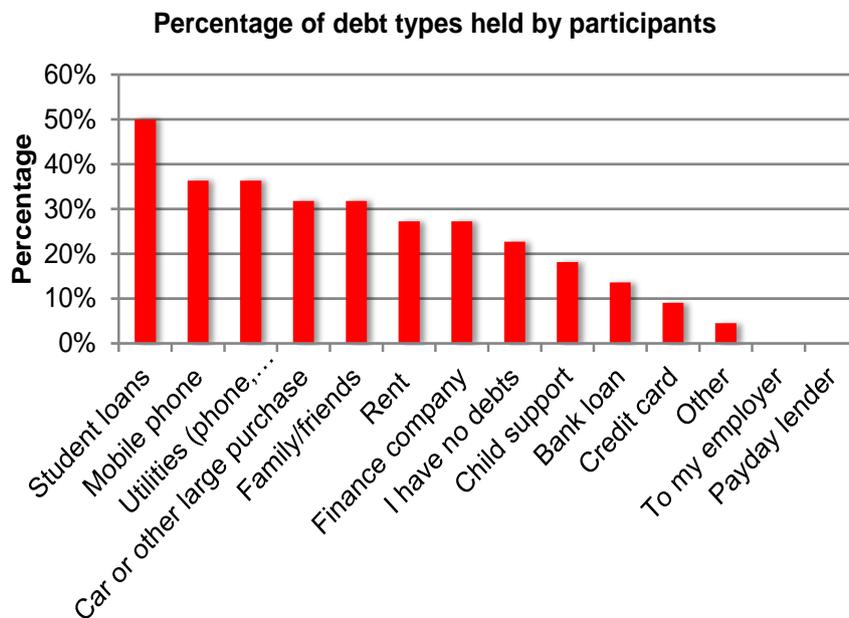


Key points:

- 91% of participants expressed concern at their ability to meet future financial obligations
- 9% of participants feel completely at ease regarding their ability to meet future financial obligations
- This indicates that a very high proportion (91%) of participants have some level of concern about meeting their future financial obligations, suggesting that they are not confident in their financial plans and finance management practices.

Student loans, mobile phones and utilities are the most common form of participants' debt

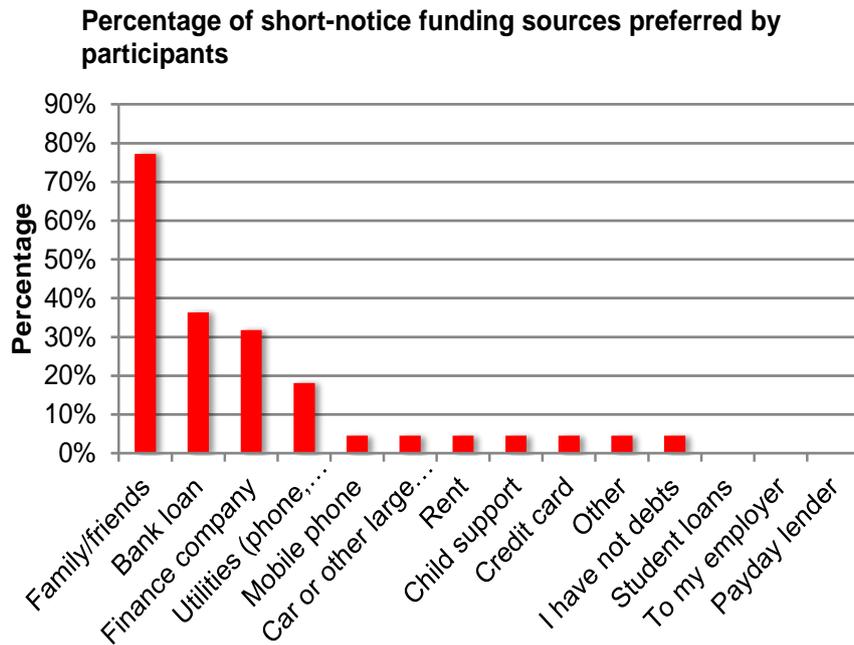
Question 11: right now, what kinds of debts do you have?



Key points:

- The most common type of debt held by participants is student loan, with 50% of participants indicating they have a student loan.
- Mobile phone and utilities are the second most common debt types held by participants, with 36% of participants holding debt in each these areas.

Question 12: if you needed to borrow money tomorrow, what are the first three options you would use?



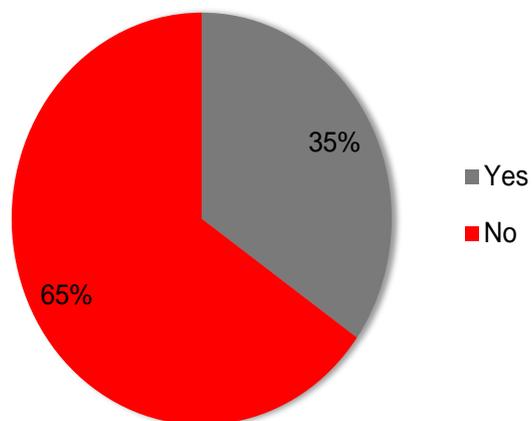
Key points:

- Family/friends are the most preferred source of funding at short-notice, with 77% of participants indicating this as a preferred option.
- Bank loans are the second most preferred source of funding at short-notice, with 36% of participants selecting this as a preferred option.
- Finance companies are the third most preferred source of funding at short notice, with 32% of participants selecting this as a preferred option.

65% of participants have not saved money

Question 13: have you borrowed any money?

Percentage of participants that have borrowed money

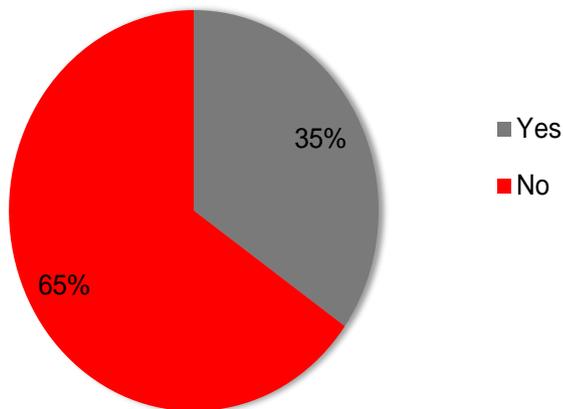


Key points:

- 35% of respondents have borrowed money
- 65% of respondents have not borrowed money

Question 14: have you managed to save any money?

Percentage of participants that have saved money



Key points:

- 65% of respondents have not managed to save any money
- 35% of respondents have managed to save money

When compared to the New Zealand population, a smaller proportion of the participants in this financial health check survey save money. The Commission for Financial Capability 2013 report (p. 142) asked 'thinking back over the last three months only, have you put any money into short, mid, or long-term savings when you have received your pay or other form of income? Please do not include savings you plan to spend in the next months.' The response highlights that 62% of New Zealanders put at least some money into savings over the last three months. Although the Commission for Financial Capability question specifies a timeframe, it still provides a useful comparison when compared to the 65% of participants in this survey which have not saved any money. This represents a difference of 27% between the broader New Zealand population that has not put at least some money into savings in the last three months, and the Auckland/Kaitaia survey participants that have not saved any money.

FINDINGS AND RECOMMENDATIONS

Research results and alignment with research objectives

As specified on page 12, the objectives of the research were to:

- 1) Identify the spending habits of young Māori women
- 2) Explore a process for Government, NGOs, private sector organisations and educators to work together to implement an effective, coordinated approach for reaching Māori women and equipping them with the necessary tools and resources to make wise financial decisions

The results of the research have provided insights into the spending habits and financial literacy of young Māori women. These insights serve as useful benchmarks and have enabled conclusions and recommendations to be made as to how to improve intended outcomes and where further research would be most beneficial. In addition, the recruitment and assessment processes undertaken allowed researchers to identify effective and ineffective methods of engaging you Māori women, and to equip them with appropriate tools and resources to make wise financial decisions.

The main findings of this research are:

1) A lack of understanding of the difference between 'wants' and 'needs'

There is a lack of understanding by participants of what constitutes a 'need' and what constitutes a 'want.' This lack of clarity was demonstrated through the inconsistency of categorisation of needs and wants between participants, and also within individual participants spending diaries. This lack of understanding should be considered when drawing conclusions from the data collected from the spending diaries.

The data indicates that on average, 64% of participants purchases are 'needs' and 36% are 'wants.' In addition, there is significant variation between individual spending habits, with some participants indicating that up to 69% of their purchases are spent on 'wants.' However, this variation may be due to the different interpretation of 'wants' and 'needs.' This difficulty in distinguishing between 'wants' and 'needs' is of concern as it may inhibit participants from developing an appropriate budget and to live within their means.

2) A significant proportion (41%) of participants rely on family/friends when making major financial decisions.

While it is appropriate to seek information from family/friends when making a major financial decision, the information may not always be appropriate, sufficient or accurate. In some instance, it may be more useful to engage the services of a professional to ensure all relevant information is provided and that therefore when making major financial decisions, participants will be able to make informed decisions and will be fully aware of the consequences. The survey results highlight that there was far less engagement by participants with formal financial institutions, which may indicate an underlying hesitancy to seek advice or engage with formal financial institutions.

3) The majority of participants do not budget or track spending

Nearly 60% of participants never use a monthly budget to plan and track spending and an additional 14% of participants only use a budget sometimes. This is a concern as it highlights that a significant proportion of the participants may not have an effective way of managing their finances and therefore may make poor financial decisions.

4) Nearly half of participants have paid bills late

Nearly half the participants (46%) paid a bill late at least once during the last six months, of which 14% paid bills late six or more times. This may highlight the difficulty some participants have in paying their living costs. However, as data was not collected on the types of bills paid late, it cannot be determined which types of bills are paid late, for what reasons and what impact that is having on participants' finances.

5) Over half of participants do not plan major purchases

Over half of the participants (54%) consider most of their major purchases spontaneous or unplanned, with an additional 14% of participants indicating that purchases may be planned even if the funds are not there to pay for them. This is a concern as it indicates that a majority of participants are not budgeting for major purchases and that some participants may not have sufficient funds to be able to afford the purchases.

6) A lack of planning for the future

- Nearly 60% of participants do not save any of their income each month, with an additional 14% of participants saving less than 10% of their income each month.
- If participants lost their primary source of income, 50% of participants consider they could provide for their basic needs and meet their financial obligations for less than one month.
- 68% of participants do not have any savings for retirement
- 91% of participants expressed concern at their ability to be able to meet future financial obligations, with 46% feeling very concerned.

This data highlights the difficulties that a significant proportion of participants have when planning for the future and suggests that participants may be using most, if not all, of their funds for day-to-day living expenses.

7) A significant proportion of participants does not have insurance, are not sure whether they have insurance or do not have enough to cover replacement costs

64% of participants are unsure what insurance coverage they have or do not have any insurance coverage, with an additional 5% indicating that they do not have enough insurance to cover replacement costs. This highlights that many of the participants may not be able to manage in unexpected circumstances.

8) Recruitment of participants through community members was effective; however, an effective way to ensure participation in follow-up surveys has not been identified.

The researchers contacted community members and engaged them to recruit the participants for the research. While this was not the intended method of recruitment, it enabled the researchers to gather sufficient participants to undertake the research. In addition, the researchers identified several ways this process could be improved in the future and how the process could ensure random selection including using membership database of various Māori organisations and marae networks.

A key limitation to the research was the poor return rate of post-participation surveys, which inhibited the researchers from gaining comparative data. However, an area identified as working successfully, was the role that whānau in supporting participants to complete their spending diaries. While this finding was identified anecdotally, it is useful to know when conducting further research in this area.

These findings indicate that while some of the participants have an understanding of financial literacy, and are able to translate this understanding into effective money management behaviours, overall, the majority of participants have not implemented appropriate financial management behaviours. Therefore, there is a need to support Māori women to enhance their financial literacy levels and their ability to implement effective money management behaviours.

Based on these findings, the following recommendations have been developed:

1) Opportunity to identify disparities in financial management practices of young Māori women at a national level, in comparison to other young New Zealanders, at a national level, and to support Māori women to enhance their financial management practices

- The findings from the spending diaries highlight there may be a need to support some Māori women to distinguish between 'wants' and 'needs' and to empower them to adopt effective financial management behaviours. In addition, the data sourced from the financial health check data highlights that some participants have poor financial management behaviours, such as the lack of planning for the future. Informal conversations with several participants and feedback from the two research assistants indicated their desire for further learning opportunities to increase their financial literacy and financial management skills.
- All relevant public, private and civil stakeholders should be included in the development and delivery of financial management education for young Māori women. This will help to ensure that any initiatives developed are designed in a way which is supported by Māori communities, as well as by female groups.
- While the findings from this research highlight the need to support some Māori women to improve their financial management behaviours, this data was collected from a small, self-selected sample of Māori women from the Auckland and Northland region. Therefore, the research is not representative of Maori women. Further research should be undertaken, with a larger sample size, to understand t Māori women's financial management behaviours at a national level and to determine whether Māori women face unequal access to financial learning opportunities. It would be useful to identify, through further research, the specific needs and gaps at a national level. For example, it would be useful to better understand whether there are

legal or social norms, or cultural or economic factors that constrain Māori women's ability to learn and apply financial knowledge.

2) Financial literacy training should be championed by Māori leaders and should be delivered on Māori terms fully engaging with Māori centered methodologies

- Anecdotal comments from participants, such as a comment from a participant asking why a non-Māori was leading the group, as well as comments from participants indicating the support of their whānau played a key role in some participants completing their spending diaries, suggest that Māori leaders should be engaged to support women in their communities to increase their level of financial literacy. In addition, there should be female leaders supporting women to improve their financial management skills (OECD Women and Financial Education, 2013).
- Māori centered methodologies would help to ensure maximum participant engagement and survey response rate. In addition appropriate incentives should be developed to encourage participation and engagement for the full duration of financial literacy training. Specifically, the incentives offered as part of this research (opportunity for self-improvement, free access and a \$40 voucher) were insufficient to ensure full engagement of participants for the duration of the research. Incentives may differ in different communities, and therefore, should be tailored to different communities.
- Financial literacy courses for Māori women should be offered and delivered on Māori terms, in a way that best supports learning outcomes for Māori. Learning resources should be culturally appropriate to Māori learning. For example, almost all the resources for future planning still focus on an individual rather than a collective wealth creation model. The notion of collective wealth creation and asset protection needs to be recognised while safeguarding individual financial security. Further research to understand financial decision-making processes for Māori women will allow resources to be better targeted.

3) Financial literacy education for Māori women should be outcome-focused

- Financial literacy courses should focus on achieving the intended outcomes for Maori women i.e. ensuring participants are equipped with the necessary knowledge and skills to implement appropriate money management practices.
- The research highlights that specific areas of focus should be ensuring participants understand the difference between 'wants' and 'needs' and are therefore able to budget effectively and prioritise spending on 'needs.' In addition, a focus on saving for the future, including saving income and saving for retirement, to ensure that Māori women are equipped to meet their future financial needs.

4) Opportunity to combine financial literacy education with other areas of learning.

Anecdotal evidence suggests that Māori women would prefer to have a one stop shop approach to money matters. Although this is outside of the scope of the research, financial literacy courses could be combined with other areas of learning opportunities (such as when and why to purchase insurance), to create a one stop shop type approach to financial management education.

5) Opportunity exists for further investigation into the differences in financial management behaviours between different groups of Maori women.

This research highlighted some differences in financial management behaviours between two groups of Māori women surveyed – the Māori women from Auckland and Kaitaia surveyed as part of the financial health check and the Māori women facilitators surveyed through the MWWL survey. However, as the sample sizes were small and the questions were not the same, it would be useful to further investigate the differences between different groups of Māori women across New Zealand to determine the extent to which different sub-groups of Māori women have different financial management behaviours and therefore to determine which specific groups require support.

6) Opportunity exists for comparative research between Māori women and the broader New Zealand population

This research highlighted differences between the Māori women surveyed in the financial health check and the New Zealand adult population. While the questions were not the same and the sample size of the Māori women financial health check was small (22-23 responses per question), the data was able to provide some useful insights. Therefore, to gain a more thorough understanding of the comparisons between Māori women financial management behaviours and the whether these differ from the New Zealand adult population, it would be useful to undertake further research. This would help researchers to determine whether Māori women require a different form of support to ensure they are equipped with appropriate financial management skills.

7) Ongoing monitoring and evaluation of financial literacy skills in Māori women.

If financial literacy programmes are delivered for Māori women, pre and post engagement assessments should be completed, to understand whether participant's financial management practices change and whether changes in financial practices and spending habits are sustainable.

Future financial literacy education programmes delivered should be monitored through a performance measurement framework. Education should be outcome-focused (and those outcomes should be within the sphere of influence of the programme delivery group), educational activities should clearly align to the achievement of outcomes (i.e. there should be clear causal linkage between the education delivered and its impact on the intended outcomes), stakeholders should be identified as accountable for achieving outcomes and any benefits delivered should be identified.

APPENDIX

MAORI WOMEN – SNAPSHOT OF FINDINGS FROM THE FINANCIAL HEALTH CHECK SURVEY

1. 59% do not save any money whereas 27% reported as saving 10% or more.
2. Tracking and planning spending:
 - a) 59% never
 - b) 27% almost always
3. Paying off Credit Card:

50% reported as not having a credit card, however, 23% reported as carrying on their balance from month to month.
4. Late bill payment in past six months:
 - a) 32% one to five times , whereas
 - b) 14% reported as being late six or more times in the past six months.
5. Major purchases were reported by 55% participants as being unplanned or spontaneous.
6. When it came to paying for emergency expense, 32% reported that they would borrow from the non-bank lender.
7. When asked about having access to emergency funds to meet day to day expenses and to meet financial obligations in the event of losing their job –only 32% reported as being able to survive for three or more months whereas 50% stated that they could only survive for less than one month.
8. One of the areas of most concern was that:
 - a) 68% reported that they did not have any savings at this stage for their retirement.
 - b) Only 14% reported as reviewing their retirement plan in the past one year.
9. When asked about their ability to meet future financial obligations:
 - a) Only 9% stated as being completely at ease and.
 - b) The remaining 91% were equally moderately and very concerned about it.
10. The participants were also asked about the current status of their debt. We did not ask them about the amount of debt that they are in. We were only interested in finding out the types of debts people are in or to whom they owed the money. From an extensive list presented to them the following stood out as being 25% or more:
 - 50% Student loan
 - 36% Mobile phone

- 36% Utilities (phone, electricity, gas)
- 32% Car or other large purchase
- 32% Family/Friends
- 27% Rent
- 27% Finance company

11. The participants were also asked about their first three options if they needed to borrow money urgently. In preference, the following three options were rated highly:

- a) 77% Family/friends
- b) 36% Bank loan
- c) 32% Finance company

Reasons for borrowing from the above listed sources:

- No added cost
- Easy access, reasonable lending rates
- Had the items to get a loan against, knowing we could get them back
- They were willing to take us on
- Because it wasn't pay day
- I did not have this money

One interesting observation here is that reliance on using credit card was very low in their preferences.

12. Some of the reasons stated by the participants for borrowing money recently included:

- Buy outfit and petrol
- Food, power, gas
- Vehicle repairs
- Attend course to upskill
- Personal use
- Car payment
- To buy a vehicle
- Tangi
- To cover legal costs.

It was of concern to the researchers was that the women reported the need to borrow money for the basic need items like food, power, personal use and emergency repairs to the vehicle.

The final two questions were about their saving habits and the things they found useful in saving money:

- 65% of participants reported as not having saved any money.

In terms of money saving tips, they found the following things as being helpful in saving money or encouraging them to save:

- Direct debit from wagers
- Not buying on impulse
- Spending diary, careful shopping and thinking about needs versus wants
- Learning about how to budget and save
- By managing my spending and budget
- Put money away into two separate accounts e.g. one for emergency and the other one for specific goals as being not to touch
- Sticking to budget, shopping carefully

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