

Canada's first for women

Credit union grows

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TORONTO (CP) — Canada's first credit union for women — the Metro Toronto Women's Credit Union — is growing.

Four years since its inception, the credit union has over \$700,000 in assets and has 1,700 members.

Pat Mackay, educational director for the union which prides itself on tearing down what she calls the discriminatory practices of traditional financial institutions towards women, said in an interview that it hopes to expand to include older women on fixed incomes.

"As yet, we haven't developed anything specific for this problem group," she says, "but all of our policies are directed to women who don't have a lot of money."

In her recently published book *The Canadian Women's Guide to Money*, Ottawa economist Monica Townson said that in 1975 — the last year for which information was available — 76 per cent of women aged 65 and over who were single, divorced or widowed had incomes below \$4,000 a year.

The Metro Women's Credit Union began with the recognition that women as a group are poorer than men.

"They are paid less than men," says Ms. Mackay, "and have less access to funds."

Former bank branch manager Anna O'Donnell now manages the credit union with three full-time staff persons and several part-time trainees.

The majority of women members participate in a savings pledge plan which Ms. Mackay says "increases the credit union's services and makes more money available for women's needs."

To achieve this, members are asked to send batches of post-dated cheques for regular deposit into their savings accounts which in turn earn them interest while putting the money to work towards the prosperity of the union.

Although the practice of lending mortgage money or loans for setting up small businesses has been curtailed by the credit union, Ms. Mackay says that up to \$7,000 in personal loans have been made to individual women "for a whole variety of reasons."

She says that even though women are beginning to be recognized as good financial risks,

"there are still a pile of bad stories."

"We are still working for fairer credit legislation as it applies to women," she says. "But another important aspect is to educate women in how to make money work for them."

One new project that she says is working well is the introduction of accounts for children.

"Some mothers deposit baby-bonus cheques or birthday and holiday money in their children's accounts," she says. "Kids can deposit and withdraw money and receive a special savings passbook. It teaches them how to handle money at an early age — particularly important with young girls."

Feminist credit unions and banks have been operating in the U.S. for several years, but as yet only two others are operating in Canada — in Thunder Bay, Ont., and London, Ont.

Ms. Mackay says that plans are afoot to form one in Ottawa from an established tenants' group but she is mystified that others haven't sprung up elsewhere in Canada.

She admits that there had been a few instances of "bad debts" but in the majority of cases it has been dealt with through counselling.

"Sometimes misfortune such as a divorce or loss of a job can lead women into financial disaster."

"We aren't only here to lend money or help women to save, our services extend to budgeting, money management and to boost morale when times get tough."

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*Metro Toronto Women's
Credit Union*