

Why Mentorship Matters for Financial Literacy

Personal finances and decisions about money are a private matter for most individuals. Additionally, in some cultures, not all members of the family make financial decisions. The symbolic head of the household may be the only person with access to financial information and decision-making power. Money is also a topic that can trigger fear and insecurity in people, especially if they have not had a positive relationship with it in the past or lack understanding.

For newcomers to Canada, financial literacy mentorship offers a way to learn in a safe environment, with a relationship built on trust. Not only will the financial landscape be different in Saskatchewan, but it can also be hard to know whom to trust and when accurate information is provided. For this reason, newcomers seek basic advice from family, friends, settlement organizations and bank representatives.

Although initial points of contact and support are helpful for newcomers, these people may not have full knowledge of finances in Canada to provide accurate information or may try to influence the newcomer's decisions. Usually the advice will be given with positive intentions; however, it may be influenced by personal financial experiences that are irrelevant to the newcomer or, in the case of banking representatives, sales and commission structures could reduce objectivity.

Financial literacy mentors do not need to be experts in all aspects of finances in Canada before starting to mentor newcomers. Instead, it is important to be aware of leadership and relationship building skills, provide objective information, challenge the mentee to grow, teach them how to seek

information independently and assist with referrals to professionals, if required.

Building a trusted mentorship relationship is central to ensuring the newcomer feels safe talking about their financial challenges and begins planning. Mentorship will also reduce the chances of newcomers waiting until emergencies happen to ask for help.

“Immigration status, education and household income are correlated with the likelihood of not getting financial advice. Almost 40 percent of immigrants and individuals with lower incomes and education receive no information or advice. In relation to retirement income, recent retirees without pensions were half as likely to have received financial information prior to retirement.”³

What is Multicultural Diversity?

According to the United Nations Educational, Scientific and Cultural Organization (UNESCO), “multiculturalism emphasizes that acknowledging the existence of ethnic diversity and ensuring the rights of individuals to retain their culture should go hand in hand with enjoying full access to, participation in and adhesion to, constitutional principles and commonly shared values prevailing in the society.”^{vi} Multiculturalism celebrates differences in culture and does not require assimilation.

Across Canada, multiculturalism is a value and strength that allows the economy, and society as a whole, to grow, diversify and be inclusive. In Saskatchewan, this has become especially true in recent years.

Among current Saskatchewan residents 15 years of age and older, 7% were born outside Canada but another 22% are “first generation” Canadians in the sense that at least one of their parents was born outside Canada. The province may be ready for a new generation of immigrants. Labour market trends indicate that there will be a surge in retirements over the next ten to fifteen years: immigrants may be able to help meet the demand for workers.^{vii}

Immigrant friendly programs offered by the provincial and federal governments have encouraged many newcomers to make Saskatchewan their new home. In order for newcomers to fully engage in the economy, most need to earn an income,

save money and choose how to invest it within the Canadian financial culture. Many newcomers arrive with high expectations of finding employment in their field of expertise relatively soon, earning a good income, being able to support family overseas, purchasing property and living comfortably.

In reality, newcomers may not find work in their professional field soon after arriving in Saskatchewan. Many newcomers obtain temporary survival jobs or entry-level positions to earn some income while they seek career-related employment, complete credential recognition requirements and develop language skills.

“Between 2006 and 2011: 70 different languages increased in prevalence, 16 of which are completely new to the province.”⁴



Experiencing Culture Shock

Depending on where newcomers are from, Canada can be vastly different in many ways, such as:

- Language
- Transportation
- Cost of living
- Weather
- Workplace certification
- Culture
- Skill requirements
- Consumerism

With so many differences in everyday life, culture shock can be a common problem many newcomers experience within a few weeks to months upon arrival and can last years.

Culture shock is the natural reaction to a series of transitions that occur when we are uprooted from our cultural environment and transplanted into a new situation where the language, gestures, customs, signs and symbols that have previously helped us to make sense of our surroundings suddenly have no meaning or have new meanings. Most of all, we have lost our social supports (family, friends, classmates, coworkers) and we are having to begin again in a world where things are unpredictable. While the words “culture shock” imply something immediate, the onset is usually gradual and cumulative. ^{viii}

This can lead to challenging situations for newcomers, as it can be common to ‘shut down’, lessen communication with others from the new community and become isolated. Culture shock, coupled with the often harsh realities of experiencing difficulty finding employment in Canada, while paying for a higher than anticipated cost of living can lead to depression, resentment, anger and loss of self-identity, in the worst scenarios.

Despite culture shock, the majority of newcomers are optimistic about the opportunities and future that lies ahead in their new communities around Saskatchewan.

Family, friends and trusted settlement agencies help to bridge immigrants to their new life. Additionally, access to a mentor can provide depth and increase the speed at which newcomers feel at home in their new communities. This is important because it allows newcomers to network, engage in meaningful employment and experience the benefits of living in Saskatchewan that originally attracted them to settle in Canada.