SAVER PLUS – ENCOURAGING SAVINGS AND INCREASING FINANCIAL CAPABILITIES AMONG LOW-INCOME FAMILIES
JULY 2006
EVALUATION OF THE SAVER PLUS PILOT PHASE 2

Roslyn Russell *, Sandra Mihajilo *, Aruna Nair * and Rob Brooks **

* Business Portfolio, RMIT University
** Department of Econometrics and Business Statistics, Monash University

ABSTRACT

Saver Plus is a matched savings program designed to help families on low-income improve their levels of financial literacy, develop a savings habit and build assets for educational purposes. The program is an initiative of the ANZ Bank and the Brotherhood of St Laurence and has been implemented through partnerships with Berry Street Victoria, The Benevolent Society in New South Wales and The Smith Family in Queensland. Saver Plus is comprised of three components: matched savings, financial literacy education and relationship management. This paper presents the results of the second savings period of the Saver Plus pilot program that ran from October 2004 to December 2005 in four locations, with 408 participants having completed the program.

The program has proved highly successful with 96% of participants either meeting or exceeding their savings goal. The participants also reported improved money management behaviour and a general increase in financial capabilities. The program also brought many other benefits to participants such as development of support networks, increased confidence and self-esteem from having achieved a goal, reduced stress and passing on a savings habit to their children.

The results of the evaluation demonstrate that the conceptual framework of the Saver Plus program is successful. The incentive of the matched funds is a crucial element in attracting participants to the program; the education component gives the participants the ‘tools’ needed to succeed in achieving their savings goals; and the relationship management provides support when needed.