

Bank offers financial services to inner city's poor, homeless

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GORDON KENT

The head of a group running one of Canada's first bank branches aimed at inner-city residents says the facility is making life better for people with few other options for managing their money.

"It's been painful and distressing over the years to witness the impact of this lack of access to mainstream financial services," Julian Daly, executive director of Boyle Street Community Services, told a news conference Monday.

He described one homeless client who signed a form he hadn't understood that required him to give \$1,500 to a payday loan company for a \$200 debt, and another man who was beaten up when he couldn't cover \$5 he borrowed on the street.

Boyle Street opened Four Directions Financial last fall with ATB Financial as a way to remove banking barriers so poor and homeless people can open accounts, cash cheques and build savings.

Four Directions is Alberta's first financial institution that allows

customers to use biometric identification based on retinal or fingerprint scans so they don't have to carry ID, which can be lost or stolen.

It also lets them set daily withdrawal restrictions and have government cheques directly deposited. Based in a branch at 10112 105 Ave., next to the Boyle Street office, Four Directions has grown to more than 500 clients.

About one-third of those people now have money left at the end of the month, compared to virtually none of them before Four Directions started, Daly said.

"Four Directions calls time in our city on the predatory and exploitative payday loan companies, cheque-cashing companies and street-based money lenders, and offers a safe, supportive financial service alternative to some of the most vulnerable citizens."

Customer Bryan Kenny, a former homeless addict, said he used to keep his funds in cash, but that made it easy to spend on impulse purchases.

"When I used to cash my cheques downtown, I felt almost quietly

stereotyped, because I'm not dressed like blue-collar society ... Coming here, these people know me on a first-name basis," he said.

"Having a bank account and a bank card, I'm not apt to go spend money because I don't have it. I have to go to a bank machine or go to the bank. It's just giving me that sense of security."

The bank charges customers a \$10 monthly fee, but Daly said the operation is unlikely to do much more than break even for his non-profit organization.

He still thinks it's well worth the effort, and hopes to attract customers from all over Edmonton.

"A mainstream financial service like this, which is about keeping people safe, helping people save, and not exploiting them, makes a world of difference in very real, tangible terms for a lot of people," he said.

"For the first time in their life, they're able to have that kind of service that most Edmontonians would take for granted."

gkent@postmedia.com
twitter.com/GKentYEG