

**SERVING INDIGENOUS  
AND PACIFIC ISLAND  
COMMUNITIES**



## **A FINANCIAL WELLBEING THEORY OF CHANGE (FWToC)**

**FOR MOB RESIDING IN REMOTE, RURAL AND  
REGIONAL AREAS OF AUSTRALIA ©**

A Financial Wellbeing Theory of Change (FWToC) for mob can be used to develop new financial wellbeing programs and evaluate existing programs that target improving the financial wellbeing of mob residing in remote, rural and regional areas of Australia.

The FWToC can be used as a guide to evaluate current money management services and programs, to keep up to date and to be relevant to the financial wellbeing needs of our mob. This FWToC does not seek to negate the current financial wellbeing programs offered. Instead, it could be used to evaluate their relevancy and effectiveness based on their ability to address the problems that have been identified.

Additionally, the FWToC can be used by service providers and organisations who wish to conduct financial literacy training with mob or introduce them to a program concerned with Indigenous money management habits.





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As outlined in the FWTtoC, any proposed financial wellbeing solutions must consider the impact of historical traumatic events and draw from this context and traditional practices to create metaphors and examples about what good money management practices mean and entail. This includes how to develop a savings practice within the context of a remote and rural economy that counters extreme demand sharing (humbugging).

The solutions must be trauma-informed, use culturally appropriate, respectful, and relational approaches, and create pathways that enable mob to be more comfortable and confident in engaging with the money business ecosystem.

Finally, to consider whether the solution will be practically feasible, for example, in the case of online courses, internet access must be considered if more than a mobile phone is required. The outcome of the programs and initiatives must be improved financial wellbeing and the development of a regular savings habit amongst mob residing in remote and rural areas of Australia.

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## PROBLEMS

Six core problems hinder the improvement of remote, rural, and regional mob's financial wellbeing, including promoting a savings culture.

1. Low levels of good money management practices due to a range of personal barriers, such as not always being able to set aside money for savings due to sharing money and resources with family.
2. Low regular/consistent income levels are received due to a high dependency on welfare payments and royalty payouts.
3. A lack of personal capacity to engage in market income-generating economic activities – employment and enterprise.
4. High levels of crisis-driven or conflicting priorities that strongly influence how money is spent.
5. The strong cultural practice of sharing and caring, which is at the heart of traditional Aboriginal cultural ways, can work against mob having good money management practices, such as when extreme demand-sharing (humbugging) on a regular basis does not leave the giver with enough money for their own basic needs.
6. Traumatic historical events that have been faced by past generations have impacted and continue to negatively impact mob's relationship and confidence in managing their money business.

## SOLUTIONS

Solutions refer to programs, activities, events, resources, apps, and financial well-being support services such as accessing financial counselling.

Does the solution:

1. Include an acknowledgement of historical traumatic events and draw from this context and traditional practices to create metaphors and examples about what good money management practices mean and entail?

For example, just as seasons are used for hunting and gathering, there can also be seasons for money—seasons to spend (e.g. Christmas), and seasons to put money aside (e.g., an upcoming power bill).

2. Include elements of money management education that assists mob to understand, and use, good money management practices? For example, coaching on the use of practical tools like accessing your bank business with a bank app rather than going into the bank each time.

3. Enhance/promote a savings culture within the context of the remote, rural and regional economy in which mob interact and engage?



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## EVALUATION LENSES

The following lenses are integral to evaluating the effectiveness of a solution to improving the mob's financial wellbeing, including the promotion of a savings culture.

Does the solution:

1. Apply a trauma-informed, social, and emotional wellbeing lens?
2. Use culturally appropriate, respectful, and relational approaches?
3. Create pathways that enable mob to connect more easily with and engage in the 'money business'/financial ecosystem (such as with banks and superannuation firms).
4. Does it work? In other words, is it practically feasible within the remote, rural and regional areas where mob reside? If not, what barriers are there (such as poor internet connectivity), and how can these barriers be overcome?

## OUTCOME

Remote, rural and regional mob have improved financial wellbeing including the development of a regular savings habit.

## IMPACT

1. Stronger financial wellbeing for mob improves their overall wellbeing.
2. Reduced levels of poverty in remote, rural and regional Indigenous Communities.
3. Financially healthier families and financially healthier communities.

