



Financial Abuse of Seniors

Information from...

The National Clearinghouse on Family Violence

1. What is the financial abuse of seniors?

- Financial abuse refers to the misuse of a senior's money, property or other assets by a relative or a person in a position of trust. A relative may be a spouse, sibling, or child, and a person in a position of trust may be a neighbour, home care worker, or staff person in a care facility. Financial abuse by strangers is not included in this fact sheet.

Some examples are:¹

- Forcing or tricking a senior into selling his or her property;
- Stealing money or personal possessions;
- Forcing a senior's signature on pension cheques or legal documents;
- Misusing a Power of Attorney;²

– Pressuring a senior to provide services for no payment.³

- Financial abuse is one type of elder abuse and it is sometimes referred to as material abuse.
- Financial abuse **IS** a crime.⁴
- Often when seniors are financially exploited, they are subject to other forms of mistreatment, such as physical or psychological abuse or neglect.

2. How widespread is the problem?

- As with other types of elder abuse, it is difficult to determine the extent to which seniors are being financially abused in Canada. This difficulty arises primarily from a failure to recognize or acknowledge that financial abuse is occurring.⁵ As well,

the abuse of seniors is an emerging issue and research in the area is still developing.

- A number of small-scale studies conducted in various parts of Canada found that financial or material abuse was the most frequently reported type of elder abuse.⁶
- The National Survey on Abuse of the Elderly in Canada: The Ryerson Study, conducted in 1989 found that financial abuse was reported most often and accounted for over 50% of the documented elder abuse cases. The study estimated that at least 60,000 senior Canadians in private dwellings were victims of financial abuse.⁷

3. Facts to consider

- Victims and abusers come from all geographic, economic, social, and cultural backgrounds.
- Seniors with lower literacy levels may be vulnerable to financial abuse because they may depend on others to handle their finances, fill out forms, and read government notices.⁸
- Some older immigrants and seniors from ethnocultural groups may also be susceptible to financial abuse if they are isolated and lack communication skills in the official languages. As well, immigrant seniors may not be familiar with their rights in Canada.⁹

- Seniors may not disclose financial abuse because they feel ashamed, guilty, fearful, or they may wish to protect the abuser. A physical or mental impairment can also make reporting difficult.¹⁰
- Although various factors contribute to the financial abuse of seniors, many authorities believe that it is primarily caused by greed. Other contributing factors may include: the personal problems of an abuser, such as substance abuse or unemployment; a pattern of family violence; and negative stereotypes of seniors.¹¹

4. Detecting financial abuse

- Financial abuse is often difficult to detect and frequently occurs over a long period of time.¹²
- Some behavioural indicators of financially abused seniors are:
 - Sudden removal of large sums of money from a bank account;
 - Unexplained inability to pay bills, purchase food or personal care items;
 - Fear or anxiety when discussing finances or being visited by a family member only when pension cheques arrive;
 - Inaccurate or no knowledge of finances;
 - Unexpected revision of a will or sale of property;

- Complaints of belongings such as clothing, jewelry or cigarettes disappearing from his or her room in an institution.

In some instances these indicators are non-abusive and further investigation is required to determine if financial abuse is occurring.¹³

- If abuse is suspected, ask the senior directly if someone is financially exploiting him or her. If questions are asked in a respectful manner, the senior may feel confident to disclose his or her situation. Contact one of the support services listed in Section 6 for further information and assistance.

5. Intervention

- Seniors are a diverse group of individuals who require personalized responses when in financially abusive situations. An intervention plan should be sensitive to the needs of the senior, provide practical options for change, and empower the individual to regain control over his or her life.¹⁴
- As is the case with all adults, every senior has the right to self-determination which means he or she has the right to accept or reject help. To respect this right, interventions should be directed by the wishes of the senior unless he or she is mentally incompetent.¹⁵

- Possible interventions are:
 - Providing information on financial abuse and support services;
 - Advocating for the rights of the senior;
 - Helping the senior interact with a support network;
 - Exploring other living arrangements;
 - Assisting with legal procedures.

6. Where to go for support services

- Community legal aid clinic or legal aid services¹⁶
- Police station
- Local health or social service agency
- Local bank or financial institution
- Public Trustee's Office¹⁷

7. Preventing financial abuse^{18, 19}

As a senior:

- Maintain your network of friends and acquaintances.
- Learn to recognize the indicators of financial abuse listed in Section 4.
- Become informed of your financial position, including property, bank accounts and possessions.
- Keep your money in a bank or financial institution rather than in

your home to avoid the risk of theft. Arrange to have pension cheques deposited directly into your bank account.

- Agree upon a schedule of repayment before you loan money to a relative.
- Find a lawyer sensitive to seniors' issues to help prepare or revise a will. A lawyer can also offer advice on arrangements you can make now for possible future incapacity.
- Review your will periodically and make revisions only after serious consideration.
- Have a person you trust review documents that you are uncertain about before you sign them.
- *If you are being financially abused*, talk to someone you trust. This may be a physician, member of the clergy, police officer, neighbour, or relative.

As a family member or friend:

- Maintain close ties with older relatives and friends.
- Discuss financial matters and power of attorney with your older relative or friend in the event of his or her incapacity.
- If you suspect financial abuse is occurring, support the older person and obtain information about available options from existing services.

As a service provider:

- Become familiar with the aging process.
- Assume that seniors are competent. Under Canadian law, seniors are considered capable of making decisions for themselves until otherwise proven.²⁰
- Adapt or develop protocols for the identification and investigation of suspected cases of financial abuse.
- Establish or support training programs which familiarize service providers to the issue of financial abuse and appropriate interventions.
- Promote a multidisciplinary approach to respond to financial abuse.
- Publicize available support services for seniors and develop appropriate outreach services.

As a media professional:

- Promote positive images of seniors.
- Avoid sensationalizing cases of financial abuse by focusing on prevention and the empowerment of seniors.
- Increase public awareness of financial abuse through the mainstream, aboriginal and multicultural media.

As a community:

- Challenge negative perceptions of seniors in our society.

- Strive to develop positive attitudes about aging and seniors.
- Mobilize community action to involve all Canadian citizens in the prevention of financial and other forms of abuse.

8. Suggested readings

Committee on Abuse of the Elderly (1989) Growing Old... and Remaining Free: Report of the Committee on the Abuse of the Elderly. Quebec: Ministère de la Santé et des Services sociaux, Direction des communications.

Richard L. Douglass (1987) Domestic Mistreatment of the Elderly: Towards Prevention. Washington, D.C.: American Association of Retired Persons.

Robert M. Gordon (1987) "Financial Abuse of the Elderly and State 'Protective Services': Changing Strategies in the Penal-Welfare Complex in the United States and Canada." In Crime and Social Justice, No. 26, pp. 116-134.

P. Lynn McDonald, Joseph P. Hornick, Gerald B. Robertson & Jean E. Wallace (1991) Elder Abuse and Neglect in Canada. Toronto: Butterworths.

Judith A. Wahl & Sheila Purdy (1991) Elder Abuse: The Hidden Crime. Toronto: Advocacy Centre for the Elderly & Community Legal Education Ontario.

Audiovisual: The Family Violence Prevention Division of Health and Welfare Canada has films and videos on elder abuse which can be borrowed through the regional offices of the National Film Board. Highly recommended is the video on financial abuse entitled, "Standing up for Yourself."

9. Endnotes

1. Judith A. Wahl & Sheila Purdy (1991) Elder Abuse: The Hidden Crime. Toronto: Advocacy Centre for the Elderly & Community Legal Education Ontario, p. 3.
2. A Power of Attorney is a legal document which allows a mentally competent senior to give another person the power to act on his or her behalf in financial and legal matters. A senior has the right to cancel the Power of Attorney at any time. Unless otherwise indicated, the Power of Attorney ends when the senior becomes incompetent or dies. Variations in Powers of Attorney exist between the provinces and territories so contact your lawyer for more information.
3. Toronto Mayor's Committee on Aging, Subcommittee on Crime and Abuse (1989) "Proceedings of the Forum on Elder Abuse – Cultural Perspectives". Unpublished document, pp. 7, 9, 11.
4. For example, theft and fraud are offenses under the Canadian Criminal Code. Judith A. Wahl & Sheila Purdy, 1991, p. 3.
5. Nancy Gnaedinger (1989) "Elder Abuse: A Discussion Paper." Ottawa: Family Violence Prevention Division.

6. For example see Donna J. Shell (1982) Protection of the Elderly: A Study of Elder Abuse. Winnipeg: Department of National Health and Welfare & Carol Stevenson (1985) Family Abuse of the Elderly in Alberta. Edmonton: Alberta Social Services and Community Health.
7. Elizabeth Podnieks et al. (1990) National Survey on Abuse of the Elderly in Canada: The Ryerson Study. Toronto: Ryerson Polytechnical Institute.
8. Andrew Aitkens (1991) A National Literacy Strategy for Older Canadians. Ottawa: One Voice, p. 14.
9. Toronto Mayor's Committee on Aging, Subcommittee on Crime and Abuse (1989), pp. 7, 9, 11.
10. Judith A. Wahl & Sheila Purdy (1991), p. 8.
11. Richard L. Douglass (1987) Domestic Mistreatment of the Elderly: Towards Prevention. Washington, D.C.: American Association of Retired Persons.
12. Robert M. Gordon (1987) "Financial Abuse of the Elderly and State 'Protective Services': Changing Strategies in the Penal-Welfare Complex in the United States and Canada." In Crime and Social Justice, No. 26, p. 117.
13. Pamela Ansell & Risa Breckman (1988) Elder Mistreatment Guidelines for Health Care Professionals: Detection, Assessment and Intervention. New York: Mount Sinai/Victim Services Agency Elder Abuse Project, pp. 10-17.
14. Office for the Prevention of Family Violence (1985) Elder Abuse and Neglect. Alberta: Alberta Family and Social Services, p. 12.
15. Ibid.
16. There are variations in legal aid services among the provinces and territories.
17. Each province and territory has a Public Trustee's office with different names but similar structure and function to provide protective services for mentally incompetent people. i.e. the Administrator of Estates, the Public Curator.
18. Nancy Gnaedinger (1989).
19. Richard L. Douglass (1987).
20. Judith Sylph (1987) "Legal Issues in the Care of Mentally Impaired Elderly Persons: Competence, Surrogate Management, and Protection of Rights" in Canada's Mental Health, Vol.35, No. 2, June 1987, pp. 6-11.

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For further information and publications on elder abuse or other family violence issues, contact:

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