

Financial Inclusion and Financial Literacy: Implication to Persons with Disabilities (PwDs) in Funtua Local Government

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Abstract

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Financial inclusion is a global initiative designed to bring on board the unbanked or financially excluded segment of the population into financial sector. The present study examines the nexus between financial inclusion and financial literacy, and possible implication to persons with disabilities in Funtua local government. Quantitative research designed was adopted, and primary type of data is employed which include questionnaire, interview and focus group discussion. Cluster sampling technique is used in the study, where two (2) groups of persons with disabilities are selected; these are blind/visual impaired and physically impaired. The population of the study covers all persons with disabilities in Funtua, while ninety (90) respondents are selected from the two groups to represent the whole population. Table, percentage, OLS regression and Pairwise correlation were employed as methods to analyse the data. The study has failed to established financial literacy as an impediment to the realization of financial inclusion agenda, most especially to persons with disabilities; rather it is the low level of income, poverty and unemployment that contribute significantly to low access to financial services or financial inclusion. Unexpectedly, the study found a high financial literacy among PwDs which was attributed to advancement in communication technology and digital financial economy initiated by government, particular period after Covid-19 lockdown. Therefore, the study recommends that government should create employment opportunities targeting mainly PwDs, this will go a long way in ensuring regular income and poverty reduction. Also the need for Banks to improve on services provision and to overcome all challenges related to network glitches, so as to restore confidence on the Banking system and make their products and service more accessible and attractive.

Keywords: Persons with Disabilities, Financial Inclusion, Financial literacy, Funtua, accessibility, awareness

1. Introduction

Inclusion is a policy designed to promote and ensure provision of equal access to financial opportunities, services or resources to persons that may otherwise be considered as excluded or marginalized, these include persons with disabilities and other minority groups (Mastercard, 2022). It advocates elimination of any form of discriminations against any persons irrespective of their status, race, gender, social and economic positions. Inclusion has since become a key priority of World Bank (Grohmann & Menkhoff, 2020). Therefore, the need for inclusion of persons with

disabilities in achieving a Sustainable Development Goals (SDGs) can never be over-emphasized (Peprah *et al*, 2022). Generally, financial inclusion is a global initiative aims at bringing on board the unbanked or financially excluded segment of the population into financial sector that may enable them to patronize the financial products and services. It targets all potential banking customers into banking and other financial activities, so that the economy would felt their impact and also account for that. Underlying the importance of financial inclusion led to the formation of financial inclusion target by the World Bank and other public and private sector partners, the target plan was encapsulated in what was known as “Universal Financial Access 2022”.

For over one decade, the Nigerian government through the Central Bank has come up with various programs and policies for promoting financial digital economy, among which is the cashless economic policy. However one of the main challenges confronting the full implementation of cashless economy and achievement of high rate of financial inclusion in Nigeria is lack of financial literacy, particular in the North-West states. This implies that financial literacy is an integral factor that harnesses and promotes financial inclusion (Ramakrishnan, 2011). While financial inclusion entails access to financial products and services, financial literacy deals with creating awareness about the financial products and service (Biswas & Gupta, 2016). Beside the fact that financial literacy impact on financial inclusion, the former also serves as both moderator and mediator of financial inclusion (Khan *et al*, 2022).

However, the link between financial inclusion and financial literacy was established in the literature in the recent time, and turns to be a policy issue globally. Khan *et al* (2022) posits that deprivation of adult access to basic financial services affect formal savings and investment, leading to poor financial and economic development of a nation. Studies have established that financial literate persons are more inclined and likely to patronize and use financial products and services compare to financially illiterate persons.

Financial inclusion and financial literature are twin concepts (Biswas & Gupta, 2016) that attract the attention of development bodies and institutions. They have been subjects of discussion among academics, practitioners, policy makers and global communities (Khan *et al*, 2022). Global economy has been evolving most especially in the recent years owing to the large scale transformations or changes in technology and technological related factors that breeds digital financial

economy. Therefore the global financial sector has gradually moving towards digitalization; as a result, countries across the world are struggling to attain high financial inclusion. However, attainment of high financial inclusion depends on the level of financial literacy. Unfortunately, developing countries (Nigeria inclusive) record low financial literacy, due to low level of education and high illiteracy rate. Severely affected are persons with disabilities that tend to suffer most and excluded from banking and other financial activities. Despite the fact that they constitute about 15% of the world population (equivalent to 1 billion persons) having different type of disabilities such as visual, speech, hearing, cognitive, mobility and psycho-social (Mastercard, 2022, Imandjemo *et al*, 2018 and World Bank 2017). Imandjemo *et al* (2018) further submitted that Nigeria has about 4.8 million people living with different types of disabilities, even though the number could be higher than the estimated amount. Therefore, suggested that this significant number could not be allowed to be ignored or excluded from the development efforts. Studies have identified that persons with disabilities are contributing to the world economy, specifically World Bank reported that the exclusion of PwDs has accounted for about 5% and 7% global GDP loss (CBM, 2016), which was estimated at between \$1.71 trillion to \$2.23 trillion annually (Imandjemo *et al* 2018).

Despite the roles they play in the global economy, persons living with disabilities are increasingly marginalized and disperse from participation into the formal financial system. Evidently, the physical disabilities serve as a constraint to effectively access financial products and services by this group of persons. In some cases the difficulty arises from the inability to walk into the financial institutions or bank branches, use of ATM machines, inability to comprehend what is written on the paper or electronic devices as well as their inability to hear or communicate with the financial service providers (Mastercard, 2022). Few of them who can access banking services, hardly perform the financial tasks without the support of others, however such financial services require privacy. In addition, most Banks are not ready to accommodate the needs of such PwDs, owing to lack of financial literacy among others (CBM, 2016, Imandjemo *et al* 2018, Jiya *et al*, 2021, Peprah *et al*, 2022). Therefore, Banks have developed a discriminating relationship against persons with disabilities in terms of services provision (Goodman *et al.*, 2017). Corroborate this was 2019 UN report, which estimated that about 28% of banks in developed nations and between 8% and 64% of banks in some developing countries are not accessible by PwDs (Mastercard, 2022).

Moreover, there is still a little policy efforts that have practically demonstrated to ensure equal access to financial services be granted to such groups just like their able persons counter-part. This further reveals the extent of indiscrimination against this vulnerable group, even in policy formulation and implementation as well as in their participation in the financial system. This may not be unconnected with the fact that the groups are generally considered unproductive, with low level of income, savings, and limited access to credits in both formal and informal financial system, thereby subjecting them to poverty and marginalization (CBM, 2016, Peprah *et al* 2022), they are equally considered not credit worthy, but tagged as mere beggars and destitute (Imandjemo *et al*, 2018)

Against this background the present study examines the nexus between financial inclusion and financial literacy, and possible implication to PwDs in Funtua local government. Other specific objectives are: To ascertain the level of financial literacy of persons with disabilities in Funtua, Also to investigate the extent of financial inclusion of persons with disabilities in Funtua local government. Therefore the study formulates the following null hypothesis;

H₀: Financial literacy has no influence on financial inclusion

H₀: There is low financial literacy among PwDs in Funtua local government

It is however observed that there is dearth of literature linking financial inclusion and persons with disabilities especially in the core North state of Katsina, due to less significant attention given to this vulnerable segment of the population. Moreover, studies on financial inclusion and financial literacy in relation to PwDs are at infant stage. Therefore, the present study is imperative at this juncture, while countries around the world are trying to ensure the attainment of Sustainable Development Goals agenda as well as ensuring that persons with disabilities are not tactically excluded from participating into the productive economic decision and activities. Policy makers and apex bank would find the study useful while drafting appropriate policies interventions and programs target at promoting financial literacy and enhance financial inclusion to PwDs.

However, literature on the nexus between financial inclusion and financial literacy are enormous, but a study by Yeo and Moore (2003) observed that access to formal and informal financial services by persons with disabilities are generally very limited both in developed and developing countries. Adetunji and David- West

(2019) added that in Nigeria people have resorted to use the informal financial institutions for savings than patronizing the formal financial system. Thus, financial inclusion is low in Nigeria compare to other countries in the world. Even within Nigeria, there is wide gap between the North and South regions, with the Southern Nigeria recording high financial inclusion and high literacy rate than the North. Sanni (2019) cited in 2015 Nigeria Financial Survey explained that low access to financial services is due to low financial literacy in the urban and rural areas. Specifically, financial illiteracy is 68.5 per cent in rural areas and 31.1 per cent in urban areas. Furthermore, financial illiteracy among men in the urban areas is 48.5 per cent, for men in the rural areas is 50.3 per cent. The study therefore concluded that low financial literacy have created disadvantageous groups (financially excluded groups) that lack basic financial skills. There is also observed inequality between the North and South regions of Nigeria with regards to financial literacy rate, with the North still lagging behind despite several programmes aim at reducing the rate of financial literacy Subbarao (2010) reasoned that financial inclusion and financial literacy are two complementary factors that ought to work together for the betterment of the financial system. While financial inclusion operates from the supply side, acting as a supplier of the financial products and services that people demand, financial literacy is considered in the demand side by creating awareness to people to understand their demand. However, Ramakrishnan (2011) observed that low financial literacy is a barrier to demand for financial services, meaning that people who are not aware or uncomfortable with the products or services would neglect and pay less attention to them. Studies have established that financial literacy bears a positive relationship with the demand of financial products and services, that as people becomes more financially literate the demand for financial products and services such as ATM debit cards and insurance tend to increase (Chen & Jin, 2017, Grohmann *et al.*, 2018, Khan *et al* 2022). On the demand side factors of financial inclusion, some studies reaffirmed that age, gender, income and region plays an important role in determining the financial inclusion level (Khan *et al*, 2022). Young age groups are generally less financially inclusion than the older age groups. Also low income transmits to low financial literacy, the latter lead to low financial inclusion; this implies that high income groups are more financially literate than the opposite. Biswas and Gupta (2016) empirically verified whether financial literacy has any influence on financial inclusion, the study established that the demographical factors, that is demand side factor; namely occupation, household income, educational background are statistically significant factors influence financial literacy in Kolkata, India. Financial inclusion index is further found to have a statistical significant relationship with financial literacy.

Peprah, Avorkpo and Kolo (2022) investigate the impact of disabilities on access to financial services in Ghana using instrumental variable regression approach. The study discovered that disability reduces the chances for people to have access to financial institutions or patronize at least any of the banking product or service. Therefore, the study recommends the need to raise awareness on mobile money and fintech solutions as well as increase access function that can promote inclusion of disabled persons into the financial system.

2. Methodology

Study area

Funtua local government has a population of 225,571 (2006 population census) and 502,110 according to 2016 estimate, covering an area of 448KM². Funtua became a local government area in Katsina state in 1967. It is the headquarters of the Katsina South senatorial district, which comprises of eleven local governments. It is the second largest city in the state after Katsina (Faruk, 2020), occupied majorly by the Hausa and Fulani ethnic groups. The major occupations of the inhabitant are farming, animal rearing and trading. The local government area was well known as industrial and commercial centers since colonial days.

Nature and Sources of Data and Population of the study

The study is of primary nature, as the data was generated from a field survey. The population of the study is the total number of persons with disabilities in Funtua Local Government, which could not be ascertain due to poor record keeping and frequent migration of persons with disabilities, but the population was estimated to be over 200.

Sampling Technique

The study employs cluster sampling technique in choosing the respondents. Where the respondents are classified into two groups namely, the visually impaired and physically impaired. Thereafter a convenience sampling method was employed which involves collecting information from members who are readily and conveniently available to provide the information.

Sample Size

Three things namely, precision, prevalence and design effect in case of cluster sampling determine the size of the samples should be drawn from a population. To have a fair representation of the targeted respondents, both male and female persons

with disabilities from each group are selected randomly with special attention to gender of the respondents. Ascertaining the exact number of persons with disabilities may not be possible due to lack of documented figures from the relevant agencies. However, leaders of the associations stated that there are about 70 registered physically challenge/impairs living in Funtua local government area. Same number was estimated for blind/visual impaired, making a total of 140 Persons with Disabilities (PwDs). However, the number excludes other persons with disabilities who have not duly recognized or registered by these associations and who cannot be easily traced. Therefore, the study administered 90 questionnaires.

Data Collection and survey instrument:

The study used mainly primary source of data through a well-structured questionnaire, interview method and focus group discussion. However, a focus group discussion targeted the group members of the association of different disabilities is also observed, specifically the persons with disabilities comprises of blinds/visual impaired and physically impaired only. The questionnaire was adopted from OECD financial literacy questionnaire developed by the International Network on Financial Education (INFE) with few modifications to capture and accommodate the peculiarity of the study area, culture, tradition and other social aspects. The questionnaire comprises of closed ended questions only, while interview and focus group discussion was targeted to the whole members of each association.

Data analysis Technique: The analysis of the data generated preceded the coding of the responses obtained from the questionnaire, this follows by examining the frequencies and percentages of the responses using tables. The data was further analysed using OLS regression model and Pairwise correlation, to enable testing the hypotheses of the study with the application of STATA 12.0 software.

Model Specification

The three indicators of financial inclusion consist of accessibility, availability and usage. Therefore, this study uses number of respondents with Bank accounts, and those carrying out financial transactions as well as those who have borrowed money from Banks as proxy of financial inclusion. Similarly indicators of financial literacy include: knowledge, awareness and behaviour. Hence, proxy of financial literacy in this study covers awareness or knowledge about banking products and services such as mobile banking, ATM cards, E-Payments/transfer, Bank loans, savings etc.

It also comprises of awareness about other financial services such as insurance, mortgage, as well as the customers' confidence about the Banking and financial services. The functional relationship is expressed as

$$\begin{aligned} \text{finInc} &= f(\text{finLt}) \dots\dots\dots 1 \\ \text{finInc} &= \alpha_0 + \alpha_1 \text{finLt} + \mu \dots\dots\dots 2 \end{aligned}$$

Where finInc denoted financial inclusion index, finLt is a proxy of financial literacy, α_0 is the constant term and α_1 is the coefficient of the specified model, while μ stands as the random disturbance.

3. Result and Discussion

This section presents the data, analysis and discussion of results obtained from the administered questionnaire using tables, percentages, OLS regression and Pairwise Correlation. All the ninety (90) questionnaires administered were 100% retrieved due to the involvement of research assistants to directly help the respondents to carefully and diligently filled the designed questionnaires. Moreover, all ethical considerations were upheld consists of explanation about the purpose of the research, the information needed, their approval and consent as well as the confidentiality of the information.

Table 1: Socio-Demographic Characteristics of the Respondents

S/N	Item	Frequency	Percentage
1	Gender		
	Male	49	54.44
	Female	41	45.56
	Grand Total	90	100
2	Age		
	18 – 30 years	48	53.33
	31 – 45 years	22	24.45
	46 – 59 years	12	13.33
	60 years and above	8	8.89
	Grand Total	90	100
3	Marital Status		
	Single	41	45.56
	Married	35	38.89
	Divorce/Separated	6	6.67

	Widow/Widower	8	8.89
	Grand Total	90	100
4	Highest Educational Qualification		
	Primary	14	15.56
	Secondary	20	22.22
	Tertiary	7	7.78
	No Formal Education	42	46.67
	Others (Specify)	7	7.78
	Grand Total	90	100
5	Nature of Disability		
	Blind/Visual Impair	47	52.22
	Physical Impairment	43	47.78
	Others	-	-
	Grand Total	90	100
6	Source of Income		
	Civil Servant	1	1.11
	Business	27	30.00
	Farming	15	16.67
	Street Begging	42	46.67
	Others (Specify)	5	5.56
	Grand Total	90	100

Source: Extract from the administered questionnaires, 2024.

Table 1 above shows the Socio-Demographic characteristics of the respondents who are mainly persons with disabilities from Funtua Local government, in the table majority of the respondents are Male (49) accounted for 54.44%. In terms of age, those within the age bracket of 18-30 years (48) representing 53.33% have dominated other categories; also on the marital status, single respondents were 41(45.56%) as the majority compared to others. However, on the educational qualification those with no formal education constituted the majority with 46.67% or 42. This alone has portrays the high rate of illiteracy rate among PwDs in the study area, although most of the respondents have no formal education but have attended Islamic religious schools and acquired Islamic knowledge. Still there are few visually impaired/blind respondents who have attended various training and skill acquisition centers, school for deaf and blind Malumfashi, Katsina State as well as rehabilitation centers located in Bakori Local government in Katsina state and Lagos State.

Similarly, out of the total respondents, majority are blinds/visually impaired who constituted 47 (52.22%), while the remaining 43(47.78%) are physically impaired/challenges. Also street begging represents the major source of income of the respondents going by the highest percentage of 46.67% or 42 total number of respondents. Although the study observed that the practice of street begging is prevalence to blind/visually impaired persons compared to physically impaired respondents. However, few of both blind and physically impaired combined street begging and small scale business such as; netting, tailoring, welding, selling firewood, groundnut processing, drying and selling grinded maize and groundnut oil, as well as selling readymade caps, Islamic medicine, and some engage in shoe making among others. Therefore, Persons with physical disabilities are more prone to have more entrepreneurship skills and engage in small scale businesses capable of generating more income compare to blind/visually impaired counterpart

Table 2: Questions on financial inclusion and financial literacy

Questions		Options	Frequency	Percentage
Do you have a bank Account?	i.	Yes	51	56.67
	ii.	No	39	43.33
		Grand Total	90	100
Which type of Bank Account?	i.	Savings	47	52.22
	ii.	Current	3	3.33
	iii.	Recurrent	0	0.00
	iv.	Fixed Deposit	0	0.00
	v.	Others(Specify)	0	0.00
	vi.	None	40	44.44
		Grand Total	90	100
What were the reasons you Opened the Account?	i.	Saving Money	26	28.89
	ii.	Request for Loan	1	1.11
	iii.	Received money		
		from	26	28.89
		Gov't/individuals	0	0.00
	iv.	Others (Specify).....	37	41.11
	v.	Not applicable	90	100
		Grand Total		
How frequent do you use/save money in the account?	i.	Don't save/Never	41	45.56
	ii.	At least one in a month	9	10.00
			8	8.88
	iii.	Less than once in a month	21	23.33
			11	12.22

	iv.	I put money as and when I can	0 90	0.00 100
	v.	No money added since account was opened		
	vi.	Others (Specify)		
	Grand Total			
Reasons for not having Bank Account?	i.	I have no money to put in	20 3	22.22 3.33
	ii.	No Bank in the area		
	iii.	No point-benefit received in cash	1 1	1.11 1.11
	iv.	No-point-paid in cash	0	0.00
	v.	Concerned there may be too many charges	5 2	5.55 2.22
	vi.	Tried to open but was refused	7 51	7.78 56.67
	vii.	Lengthy Processes	90	100
	viii.	Not Important to me		
	ix.	Not Applicable		
	Grand Total			
Do you have confidence with the Banking service?	i.	Yes	71	78.89
	ii.	No	19	21.11
	Grand Total		90	100
Did you make any attempt to open an account or carryout any financial Transaction	i.	Yes	71	78.89
	ii.	No	19	21.11
	Grand Total		90	100
Are you aware about Banking products and services such as ATM card, Mobile Banking, E-transfer/payment, Western Union, Loans, Savings etc?	i.	Yes	71	78.89
	ii.	No	19	21.11
	Grand Total		90	100
Are you aware about other financial products and services such as accident and	i.	Yes	61	67.78
	ii.	No	29	32.22
	Grand Total		90	100

life insurance, mortgage, credit card etc?				
Do you face any	i.	Yes	18	20.00
discrimination when	ii.	No	43	47.78
opening an	iii.	Never Try	29	32.22
account/operating a bank account?	Grand Total		90	100
Any barrier to access	i.	Yes	22	24.44
the financial product	ii.	No	44	48.89
and service?	iii.	Never try	24	26.67
	Grand Total		90	100
Have you ever	i.	Yes	7	7.78
borrowed money from	ii.	No	83	92.22
Bank?	Grand Total		90	100
If ever borrowed, what	i.	Housing Loan	2	2.22
was the type of	ii.	Business Loan	3	3.33
credit/loan?	iii.	Training/education	0	0.00
		Loan	0	0.00
	iv.	Vehicle Loan		
	v.	Personal Loan for		
		household items or	2	2.22
		day to day living	83	92.22
		expenses	90	100
	vi.	Not applicable		
	Grand Total			
In the past three years,	i.	Yes	3	3.33
have you been refused	ii.	No	8	8.89
a loan or credit or any	iii.	Not asked for any	79	87.78
other financial		credit	90	100
service?	Grand Total			
If you were refused,	i.	No	5	5.56
do you know why you	ii.	Yes, explain;	2	2.22
were turned down?	iii.	Not applicable	83	92.22
	Grand Total = 90		90	100
Over the past couple	i.	Yes	43	47.78
of years, have you	ii.	No	47	52.22
been anywhere for	Grand Total		90	100
taking advice about				
money matters from				
Bank or any financial				

adviser or social
worker?

Source: Response from the administered questionnaires, 2024

In table 2, most of the respondents constituted 51 or 56.67% acknowledged having Bank accounts, only 39 or 43.33% do not have Bank accounts. However, those with Bank accounts majority of them operate saving account (47) or 52.22% as against very few with current account (3) or 3.33%. Similarly, majority of those who opened Bank accounts did that purposely for either saving money or to be receiving money from individuals, business or government which accounted for 26 or 28.89% each. On the frequency of saving money, majority of the respondents (41) or 45.56% don't save money, this follows by those who put money in their Bank accounts as and when they can, constituting of 21 or 23.23% respondents.

Majority of those without Bank accounts attributed that to lack of money to put in (20 or 22.22%), due to their low income level, followed by those who claimed that Bank account is not important to them representing 7 or 7.78% of the total respondents.

On the issue of confidence in the Banking service, majority of the respondents 71 (78.89%) consisted of those with and without bank accounts expressed their confidence on the banking services in general as against 19 or 21.11% who have no confidence on the banking services. Again on whether the respondents made any attempt to open an account or carryout any financial transaction, most of them 71 or 78.89% have responded with "yes" option.

There seems to be high awareness about Banking products and services such as Mobile Banking, E-transfer/Payment, Western union, ATM cards, loans, savings etc, with majority of the respondents 71 (78.89%) indicated that there are very much aware about those banking products and services as against few respondents (19) or 21.11% who claimed unaware. In the same vein, 61 (67.78%) respondents are also aware about other financial products and services such as insurance, mortgage, credit card etc. Despite that the level of awareness is high, but none of the respondents ever use or enjoy services such as insurance and mortgage.

An issue of concern is whether PwDs face any discrimination when opening an account or in the process of operating the Bank account due to their disabilities, majority of the respondents 43(47.78%) affirmed no discrimination against them, in fact most of them claimed to have been receiving special treatment when visiting

the banking hall or at ATM centres for any transaction, only 18 (20%) respondents experienced discriminations. Further, most of the respondents 44 (48.89%) have indicated absence of any barrier in accessing financial products and services, only 22(24.44%) claimed to have barrier in accessing financial products and services.

Usability/accessibility of banking product and service such as borrowing from the Bank is observed to be low considering the fact that majority of the respondents 83 (92.22%) never borrowed money from the Banks, only 7 (7.78%) respondents have ever borrowed facilities from Banks. Few who borrowed have used the money for Business (3 or 3.33%), housing purchase (2 or 2.22%) and/or cater for day to day or purchase of household items (2 or 2.22%). This finding supports studies by Yeo and Moore (2003), Adetunji and David- West (2019) who established that there is low patronage of formal financial system by person with disabilities both in developed and developing countries.

On whether they were ever refused a loan, credit or any financial services, the table shows that though large number of the respondents (79 or 87.78%) have never asked for any loan or credit from Banks, few who have sought for a loan indicated that Banks and other financial institutions never refused (8 or 8.89%) to borrow money or credit to them, despite that 3 respondents (3.33%) emphasize that they were refused a loan by Banks. However, majority of latter (5 or 5.56%) viewed that the reason for the refusal were not known to them, while 2 (2.22%) respondents attributed it to their disabilities and financial status. Other possible reason put forward by Imandojemo *et al* (2018) is that PwDs are considered not credit worthy, therefore tagged as mere beggars and destitute with low financial standard. Therefore this present study is in line with Peprah, Avorkpo and Kolo (2022) who viewed that disability reduces the chances for people to have access to financial institutions or patronize at least any of the banking product or service.

Lastly, the table 2 indicated that 47 (52.22%) respondents explained that they don't seek advice for any money related matters from friends, Banks or any financial adviser, only 43 (47.78%) of the respondents stated that they usually seek for advice on financial related matter.

Despite the successes recorded in the area of financial literacy (in form of awareness) among PwDs in Funtua local government, an extract from the focus group discussions and interview conducted with the targeted respondents through their different groups or Associations has revealed that there are many challenges and difficulties face by PwDs when accessing the financial products and services.

These include: refusal by some Banks to issue ATM cards most especially to blind persons, but only allowed them to cash- over -the -counter, which they pointed out that, situations usually arise that may require them to demand for cash even at night for personal and emergency needs which pose a great challenge to many PwDs. More often they face difficulties in operating Bank account which hinder them from patronizing and using Banking products and services. Also account opening requirements like electricity bills are usually unavailable which discourage them from opening an account with the Bank. Similarly, distances to Bank locations create a lot of inconvenience considering their physical challenges. Others are network failure/glitches that usually discouraging accessing such Banking product and service, delay in issuing ATM cards, debiting/dispensing errors, difficulty in withdrawing money from the ATM machines. Also religious perception about some financial products and services such as insurance, interest payment on loan collected from Banks are among the enormous challenges and difficulties face by PwDs.

Regression Result

Table 3: Result of OLS Regression

Dependent Variable: Financial Inclusion

Variable	Coefficient	Standard Error	t- statistics	Prob-value
C	327.20	258.4696	1.27	0.426
FL	-4.20	3.810512	-1.10	0.469
R-squared = 0.5485				
Adj R-squared = 0.0970				
F-statistics = 1.21				
Prob (F) = 0.4691				
Root MSE = 31.113				

Source: Authors' computation using STATA 12.0

The result in table 3 above indicates that there is negative and statistically insignificant relationship between financial literacy and financial inclusion to PwDs in Funtua local government. The outcome is not surprising considering the fact that most of the respondents interviewed seem to be financially literate, due to high level of awareness about financial products and services resulted from improved technological especially in the area of mobile communications and the changes in the global trend towards digital economy. However, the accessibility of such financial products and services are very low among persons with disabilities due to low source of income, unemployment, poverty and absence of standard, sustainable and reliable occupations among others. The finding contradicts studies by Sanni (2019) who established that low access to financial services is due to low

financial literacy in the urban and rural areas and also that of Ramakrishnan (2011) who observed that low financial literacy is a barrier to demand for financial services. Contradict further are the studies by Chen and Jin, (2017), Grohmann *et al.*, (2018) and Khan *et al* (2022) who portray that a positive relationship between financial literacy and demand of financial products and services.

However, the goodness-of-fit indicted that about 55% variation in financial inclusion is explained by changes in financial literacy included in the regression model. The joint coefficients of the model are found to be statistically insignificant indicated by high probability value that is above 5% significant level.

Table 4: Pairwise Correlation

Variable	FinInc	FinLt
FinInc	1.0000	
FinLt	-0.7406	1.0000

Source: Authors' computation using STATA 12.0

The Pairwise correlation further indicates a strong negative correlation between financial literacy and financial inclusion which further supported the OLS regression result.

Hypotheses testing

From the result obtained the study accepts the first null hypothesis and concludes that financial literacy has no influence on financial inclusion to PwDs in Funtua Local government. Also having found high financial literacy rate, the study rejects the 2nd null hypothesis and concluded that there is high financial literacy rate among PwDs in Funtua Local government.

4. Conclusion and Recommendations

From the foregoing discussions, it can be conclude that although financial literacy supposed to impact positively on financial inclusion, also financial literacy has improved in the recent years due to the changes in the global trend towards digital economy and advancement in communication. However, irregular income, unemployment, poverty, illiteracy rate, traditional and religious beliefs couple with physical and mental health challenges has imposed restrictions in the utilization of those financial products and services. Consequently, this leads to high financial exclusion of persons with disabilities in accessing and using the financial products and services. Based on the findings from the study, it is recommended that Banks need to improve on services provision and to overcome all challenges related to

network glitches, so as to restore confidence on the Banking sector and make their products and services more accessible and attractive. Bank should also create a desk officer to facilitate any transaction to be carryout by disabled person. Banks should also design and introduce special ATM cards with a unique identification code for PwDs. Government can equally undertake a policy action to create employment opportunities for PwDs, this will ensure regular income and reduced poverty level.

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