Preliminary findings from Canada’s Financial Well-Being Survey

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Presentation overview

- FCAC’s Financial Well-Being Survey - Methods

- Preliminary Findings:
  - Canada compared to other jurisdictions
  - Issues that require further attention
  - Illustrating the importance of daily financial behaviours
Methods

• Conceptual Model (Kempson & Poppe, 2018)
• Sample:
  • Online panel
  • 1935 Canadian adults
  • 18 – 91 years
  • 55.5% Female

Preliminary Findings

Financial Well-Being

Overall financial well-being
Meeting commitments
Resilience for the future

Score

- Canada
- Australia
- New Zealand
- Norway
Preliminary Findings

Financial Well-Being Behaviours

<table>
<thead>
<tr>
<th>Behaviour</th>
<th>Canada</th>
<th>Australia</th>
<th>New Zealand</th>
<th>Norway</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active savings</td>
<td>68</td>
<td>63</td>
<td>75</td>
<td></td>
</tr>
<tr>
<td>Not borrowing for daily expenses</td>
<td>84</td>
<td>83</td>
<td>82</td>
<td>93</td>
</tr>
<tr>
<td>Informed decision making</td>
<td>69</td>
<td>66</td>
<td>66</td>
<td>70</td>
</tr>
</tbody>
</table>
Issues that require further attention

• Too few Canadians are saving for emergencies
  • More than 50% do not regularly save for unexpected expenses

• Too many Canadians use credit for basic necessities
  • 14% of Canadians regularly use credit to purchase food and other expenses because they ran short of money
Illustrating the importance of daily financial behaviour
FINANCIAL BEHAVIOURS INFLUENCE FINANCIAL WELL-BEING

Female, Renter

<table>
<thead>
<tr>
<th>Age group</th>
<th>18-29</th>
<th>30-44</th>
<th>45-59</th>
<th>60-75</th>
<th>76-91</th>
</tr>
</thead>
<tbody>
<tr>
<td>Household income</td>
<td>&lt;$33K</td>
<td>$33K-$58K</td>
<td>$59K-$89K</td>
<td>$90K-$135K</td>
<td>$136K and above</td>
</tr>
</tbody>
</table>

Behaviours

- Borrowing for daily expenses
- Not actively saving

Financial Well-Being

- 47
  - Not borrowing for daily expenses
  - Actively saving
  - 69
FINANCIAL BEHAVIOURS INFLUENCE FINANCIAL WELL-BEING

Family

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Behaviours

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Financial Well-Being

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- 76
Significance of the findings

• Active savings behaviours
  o Help Canadians to prepare for emergencies
  o Reduce stress related to financial uncertainty
  o Provide a buffer to avoid relying on credit
  o Lead to high levels of financial resilience and overall well-being
Next steps

• Further analysis will focus on factors related to financial well-being and how they vary across different socio-economic factors
Questions or Comments?