

Initial Findings from the 2009

Canadian Financial Capability Survey

“Working Paper”

Prepared for the
The Canadian Task Force on Financial Literacy
August 2010

Prepared by
Stephen Arrowsmith and Jean Pignal

Special Surveys Division
Statistics Canada

Special Surveys Division – “Working Paper”

Initial Findings from the 2009 Canadian Financial Capability Survey

Stephen Arrowsmith and Jean Pignal

Statistics Canada

August 2010

This paper represents the views of the authors and does not necessarily reflect the opinion of Statistics Canada.

Acknowledgements

This working paper was prepared by the Special Surveys Division of Statistics Canada. We would like to thank all those involved in the development and production of the Canadian Financial Capability Survey, in particular the teams from HRSDC and Finance Canada.

The assistance of numerous people was critical in the production of this working paper. In particular we would like to acknowledge the assistance of Sylvie Guilmette and Brad Lindahl. We also wish to thank those who provided comments on the draft versions especially Marc-André Pigeon, Pamela Best and Geoff Bowlby for their detailed review. A special thank you is extended to Danielle Baum for her expertise in turning this paper into a proper manuscript.

Note of appreciation

Canada owes the success of its statistical system to a long-standing co-operative effort involving Statistics Canada, the citizens of Canada, its businesses, governments and other institutions. Accurate and timely statistical information could not be produced without their continued co-operation and good will.

Table of contents

Highlights	5
1 Introduction	7
2 Background – Why measure financial capability	9
3 Money management	15
3.1 Making ends meet	15
3.2 Keeping track	28
4 Planning ahead	33
4.1 Major expenses	33
4.2 Planning for children’s post-secondary education	38
4.3 Retirement planning	43
5 Choosing financial products	57
6 Staying informed	61
7 Objective quiz	63
Conclusion	65
References	67
Appendices	
Appendix A Data tables	69
Appendix B Glossary of terms	95
Appendix C Survey methodology and questionnaire structure	103

Highlights

Identified below are some of the key findings from the survey. The data highlighted below refers to how Canadians responded to the questions asked of them in 2009.

Budgets:

- 51% of Canadians had a budget;
- Women (54%) were more likely to have a budget than men (49%);
- Residents of Quebec (60%) and New Brunswick (57%) were more likely to have a budget than residents of other provinces;
- Those with higher levels of education were more likely to have a budget; 61% of Canadians with graduate level degrees indicated they had a budget;
- Lifecycle plays into the presence of a budget with the youngest cohort (35%) and the eldest cohort (41%) least likely to have budgets;
- 66% of Canadians were keeping up with bills and payments without any problems; while 31% were struggling.

Managing money:

- Debit cards (47%) were the preferred method of paying for day-to-day transactions;
- Internet (44%) was the most common method for paying bills;

Planning ahead:

- 30% of Canadians were planning to spend \$10,000 or more on a major purchase in the next three years;
- Vehicle purchases (55%) and home renovations (21%) were the most common reasons for a major expenditure;
- Of those Canadians planning to purchase a home, 48% have saved less than 5% of the cost, increasing to 67% of potential home buyers at less than 10% of the cost;

- 52% of Canadians planning to purchase a home were not expecting to incur any costs other than the down payment;
- Men (73%) were more likely than women (67%) to be preparing financially for retirement;
- 70% of Canadians were fairly or very confident that their retirement income would provide the standard of living they hoped for; though just 40% of Canadians have a good idea of how much money they need to save to maintain their desired standard of living in retirement.

Choosing financial products:

- The two domains where most Canadians make use of financial advice were general financial planning (25%) and retirement planning (21%);
- Two key sources for obtaining advice were banks/caisses populaires (40%) and financial advisors/planners (39%);
- The sources of advice that most influence decisions about financial investments were financial advisors (54%) and knowledgeable friends (43%).

1 Introduction

This paper provides a first look at the data collected by the Canadian Financial Capability Survey (CFCS),¹ providing a portrait of Canadians' financial capability. Implemented by Statistics Canada in early 2009, the CFCS² collected data from 15,519 Canadians³ on the topics of day-to-day money management, financial planning, and retirement planning. Questions on the survey refer to the past 12 months from time of collection; thereby effectively encompassing the 2008 calendar year. The survey was sponsored by Human Resources and Skills Development Canada (HRSDC) and Finance Canada (FC).

Commissioned by the National Task Force on Financial Literacy, this paper is intended to provide a first look at the CFCS data, shedding light on the knowledge, understanding, and patterns of behaviour exhibited by Canadians in their approach to financial activities. Commencing with a background discussion on the topic of financial capability, the paper provides descriptive findings organized around the four major domains that encompass financial capability: money management; planning ahead; choosing products; and staying informed.

-
1. Unless otherwise sourced, all tables and figures presented in this paper use data from the 2009 Canadian Financial Capability Survey. Collected between February and May of 2009, the information from this survey references financial information from the previous 12 months.
 2. The CFCS was conducted in all ten provinces of Canada but excluded the North, reserves and institutions.
 3. Respondents to the survey must have been a minimum age of 18.

2 Background – Why measure financial capability

In the initial proposal to conduct the Canadian Financial Capability Survey, Human Resources and Skills Development Canada noted that within Canada “...financial and government services are evolving quickly and in ways that place a greater burden of responsibility for informed decision-making on individuals,”⁴ underscoring a growing need for a population to have a solid understanding of the structures and mechanisms of the financial system. It has been observed in Canada, as well as a number of other countries (Australia, New Zealand, England, and America), that understanding citizenry’s knowledge of financial capability is important.⁵ Of particular interest, for some observers, are the implications for the future as the leading edge of the “baby-boomers” enters their retirement years. The Organization for Economic Cooperation and Development (OECD) notes that:

An increasing number of workers will have to rely on defined contribution pensions and their personal savings to finance their retirement as governments begin scaling back the benefits of state-supported social security programmes and as the number of employers offering defined benefit plans decreases.

Yet concerns over financial literacy extend beyond issues of retirement planning. One commentator stated that, “We are living in what is indisputably the most materialistic and consumption-driven culture in the history of mankind. And right in the middle of that, there is this lack of confidence about how money works.”⁷ The ubiquity of financial transactions as a medium for exchange relations in Western society is a reality that is difficult to challenge, and yet “surprisingly for a large number of people, even well-educated people, financial literacy is simply not a core competency.”⁸

4. HRSDC proposal presented to Policy Research Data Group.

5. Arrowsmith, Stephen and Pignal, Jean “Thematic Model for the Development of the Canadian Financial Capability Survey” P.3.

6. Organization for Economic Co-operation and Development *Improving Financial Literacy: Analysis of Issues and Policies*. Paris 2005. p.11.

7. Eisenberg, Lee. *The Number: A Completely Different Way to Think About the Rest of Your Life*. Free Press. 2006. New York.

8. Maclean’s Magazine Feb. 2006. Interview with Eisenberg P.12.

The OECD points out that a number of factors consistently appeared in member countries,

- Consumer debt has been increasing to all-time high levels and the deregulation of financial markets has led to increased competition for new credit card holders. As a result, many young people have been burdened with high debts at a time when they are trying to start a family and buy a home.
- With the growth in the number of financial transactions taking place electronically, it is increasingly important that individuals have at least a bank account. Yet in a number of countries, a significant percentage of consumers do not participate in the financial system.⁹

Measuring financial capability

There is a general sense of the types of elements that need to be measured to obtain an understanding of financial capability¹⁰ although little is known about the processes surrounding financial decision-making and there is no agreed-upon definition of financial capability either in Canada or internationally.

As a starting point, the initial project proposal submitted by HRSDC provided a working definition based on the synthesis report “Canadians and Their Money: A National Symposium on Financial Capability (June 2005).¹² Financial capability, as distinct from financial literacy, consists of:

1. Financial knowledge and understanding

The ability to make sense of and manipulate money in its different forms, uses, and functions, including the ability to deal with everyday financial matters and make the right choices for one’s own needs.

2. Financial skills and competence

The ability to apply knowledge and understanding across a range of contexts including both predictable and unexpected situations and also including the ability to manage and resolve any financial problems or opportunities.

3. Financial responsibility

The ability to appreciate the wider impact of financial decisions on personal circumstances, the family, and the broader community, and to understand rights, responsibilities, and sources of advice or guidance.

9. Organization for Economic Co-operation and Development *Improving Financial Literacy: Analysis of Issues and Policies*. Paris 2005. p.11.

10. See the consultation document of The Canadian Task Force on Financial Literacy for a discussion of financial literacy. It should be noted that while the Task Force uses the term financial literacy it is more in line with the term financial capability as used above.

11. Social and Enterprise Development Innovations (SEDI) - executive summary 2005.

12. SEDI - June 2005.

13. This construct is based on an amalgam of British (part 1 and 2) and American research (part 3).

While each of these three constructs provides a useful analytical means to compartmentalize information they are also entwined. Moreover, from the perspective of a global understanding of the interaction effects that might exist, it was critical to recognize that many of the elements that comprise financial capability require to be thought of as “reflexive”; both determining actions and re-acting to actions.

The temporal dimension

In developmental psychology, the life-cycle is “used either as the main or as a subsidiary criterion in anchoring virtually all accounts of change in the lifespan.”¹⁴ The variation of needs and wants, the knowledge-base that may exist within a household and the behavioural approaches to financial matters will vary according to where the household members are located on the cycle of life.

For a survey tasked with understanding financial capability, one's progression in the life-cycle provides an important reference point in terms of trying to understand behaviour that can be either attributed to a previous event (e.g. family values surrounding money or level of education); or is concerned with future events – such as saving for children's post-secondary education or retirement. The business-cycle (cyclical economic booms and busts) is equally important in terms of impact on a given cohort at a specific point in time. The relationship between financial capability and lifespan development is a useful means for understanding the types of reflexive relationships that exist between individual actions, policies and programs.¹⁵

Moving towards measurement a conceptual framework

In developing the survey instrument it was necessary to create operational constructs that would support the conceptual framework of financial capabilities. Critical for the survey design was to recognize the key explanatory building blocks and how they might influence an individual's/household's financial capability. In the context of “past” experience and “present” situation it was useful to create a foundation based upon key demographic variables. Key items of interest included age, gender, education, occupation, income, net worth, family structure and size, immigration status, and labour force status. It is also clear that level of educational attainment (LEA) and literacy levels are linked and may profoundly impact an individual's financial capability. As mentioned earlier, age is also a variable of particular interest as average educational levels vary across generations and life-cycle factors can have a profound influence on the knowledge-base and the types of financial decisions both taken and required. Lifespan theories show clear differences in how individuals react to their circumstances—as they age, people's financial priorities change. They move from debt management to asset management.¹⁶

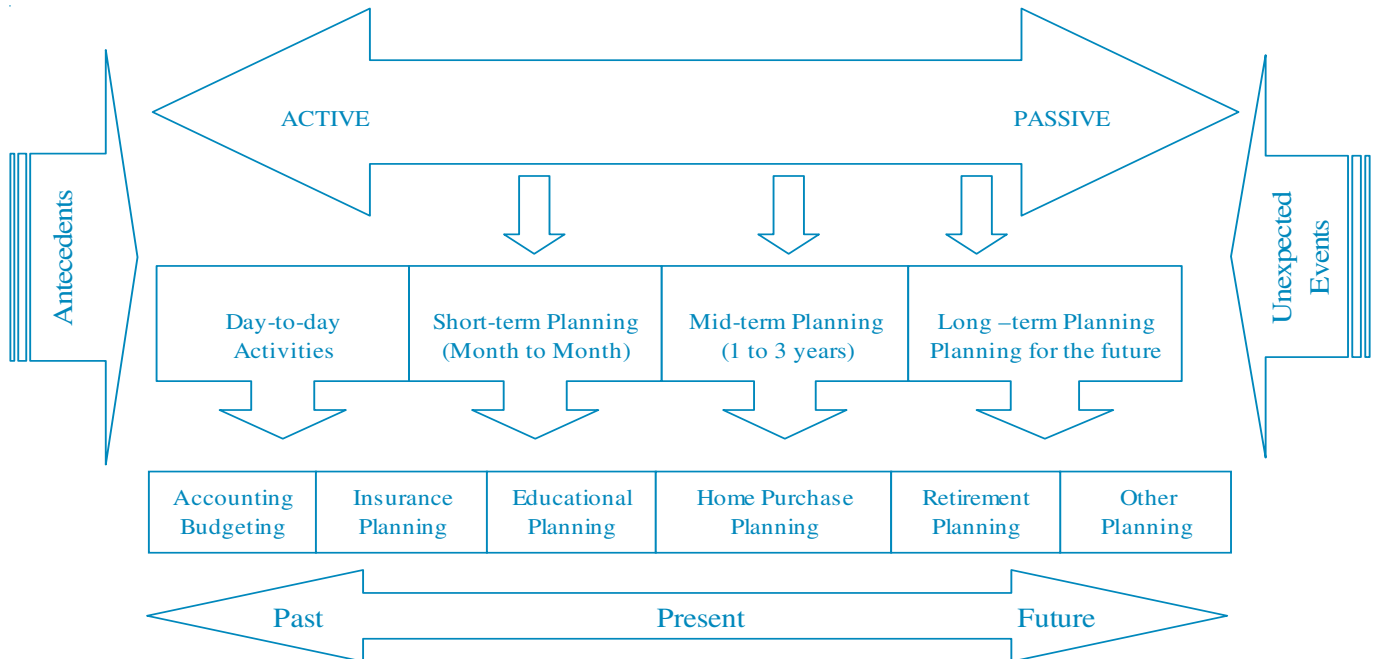
14. New Trajectories of Learning Across the Lifespan. P. 134.

15. If required future analysis of the data by age segments can, if necessary, comment on any unique business cycles or government policies that may have influenced decision-making for a given age cohort.

16. Foot, David, K. *Boom, Bust and Echo* P.50. 1996.

As Canadian society evolves and becomes increasingly heterogeneous it is quite conceivable that new patterns of behaviour may be emerging. Given the seemingly intricate web of financial activities that individuals can be faced with daily, the factors that influence both the timing and nature of the decision-making process, and the nature of the planning event horizon it was important to visualize the many interrelated components that comprise the nexus of decision-making activities surrounding financial capability.

Figure 2.1
Financial capability – A conceptual framework



The framework displayed above permits the visualization of many of the components that comprise financial capability across what might be referred to as an action dimension. By using a continuum between active and passive activity it is possible to obtain a sense of how individuals/households act/react (behave) in terms of both their current activities and their future activities.¹⁷

Activities can be viewed across four different time spheres from day-to-day through to long-term planning. Day-to-day activities may present as more dynamic, as individuals by necessity need to actively manage their daily transactions encompassing activities such as shopping, food and/or gasoline purchases and the paying of bills.

The planning dimension encompasses both longer term and medium term planning. Longer term planning such as retirement activities or post-secondary

17. The dichotomy of future into medium and long term is an arbitrary distinction and could be affected by many factors. We did observe during cognitive testing that for many respondents medium term was maximum 3 years. For the elderly the frame of reference may be much shorter.

education planning for children may be more passive either requiring decisions only sporadically (tax-time) or in some instances no activity.¹⁸ Medium term planning may refer to items such as weddings, home ownership, or a special holiday. To varying degrees all levels of planning require that respondents stay informed and ultimately choose products. These distinctions are important in relation to understanding the processes that are used to inform decision-making and the directions that individuals take in their choices of financial products.

Antecedents are the tools you bring with you and are a dynamic construct that allow for both growth, and possibly, decline. Unexpected events include health issues, changes in government policies that, for example, might affect your retirement planning, and other events that typically occur in life. Moreover, by integrating antecedents and unexpected events the model permits multilevel analysis allowing the researcher to position the findings in an appropriate dimension in terms of situational, institutional and societal contexts.

During the planning stages of the Canadian Financial Capability Survey (CFCS), it was important to ensure that key life events were considered. Planning for major purchases such as cars and or homes, savings for children's post-secondary education, retirement savings, and insurance are all important elements in financial planning. Clearly, the type of products people seek, who provides advice on financial matters and how people perceive their financial knowledge are all important components of the original three dimensional construct that was used as the starting point for this research.

In order to interpret the findings of this report, one must first understand what the survey is attempting to measure. As indicated by Kempson and Atkinson (October 2009), while a broadly similar definition of financial literacy is used by many countries, there is no single operational definition or agreement about the terms used to describe what is being measured.

Operationally, surveys either concentrate on measuring levels of knowledge or they are broad-ranging, covering behaviour, attitudes, and knowledge. The first group tends to be called surveys of 'financial literacy' while the second have sought a broader term; the common one in English is 'financial capability',²⁰

The measurement of financial knowledge, financial abilities and associated behaviour is not straightforward and there is no "correct" approach when talking about financial capability. However, issues such as having a bank account, budgeting, monthly expenses and planning for future activities are all important aspects of financial well-being now and into the future.

18. This approach may provide researchers an opportunity to develop engagement scales to examine engagement by broad types of activities and socio-economic status. An active product could, for example, be an RRSP while a passive product could be a pension plan through your employer.

19. For a discussion of shifting levels of analysis see Pettigrew, Thomas F. "The Advantages of Multilevel Approaches" in the *Journal of Social Issues*.

20. Kempson and Atkinson (October 2009) p.7.

Financial capability is about how people approach daily spending and budgeting as well as longer-term financial planning. The types of choices people make concerning banking, bill payments, insurance, financial investments, planning for major expenditures, planning for retirement or children's post-secondary education—not to mention managing unforeseen expenditures, are all elements that comprise financial capability. In essence financial capability can be thought of as an amalgam of skills and knowledge that are necessary for functioning in modern society. Following from the work conducted in Britain²¹ this paper presents findings across the four major domains outlined in the UK as well as providing some insight into how Canadians responded to a number of objective quiz questions.

- Money management
 - Making ends meet
 - Keeping track
- Planning ahead
- Choosing products
- Staying informed

The chapters that follow contain a series of charts and tables that explore the key aspects of the four domains of financial capability.

21. Financial Services Authority “Levels of Financial Capability in the UK: Results of a baseline survey. Adele Atkinson, Stephen McKay, Elaine Kempson, and Sharon Collard Consumer Research Paper # 47 March 2006.

3 Money management

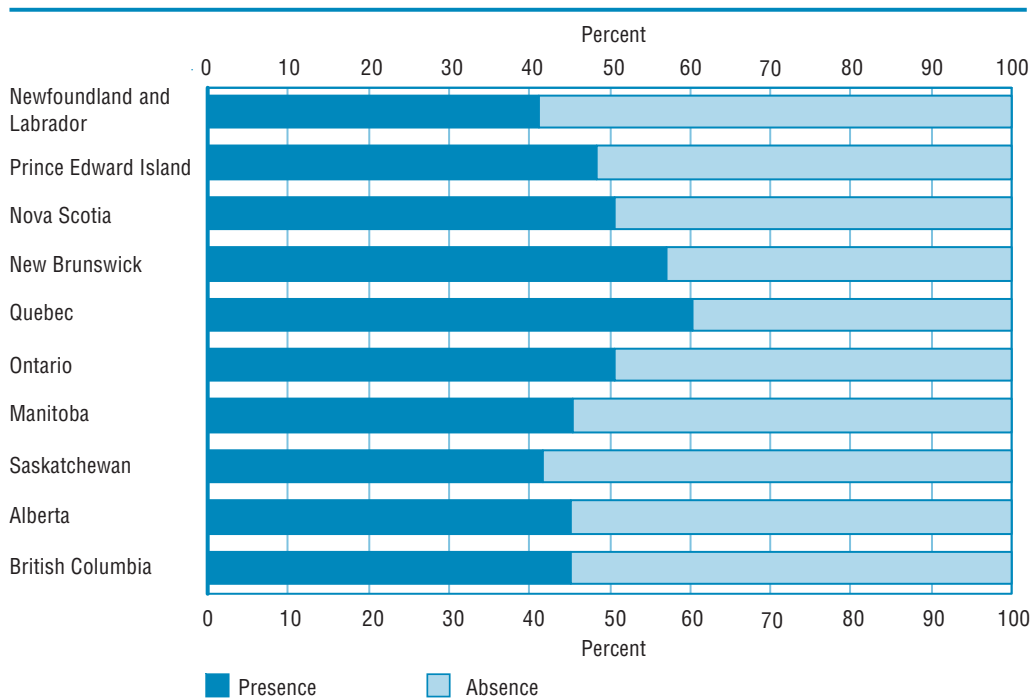
Money management comprises many components. Two components of particular interest are the ability to make ends meet and the degree to which individuals keep track of their finances. In essence these indicators tend to focus on how individuals manage their day-to-day or short-term financial activities.²²

3.1 Making ends meet:

The ability to ensure that the amount of money coming in is sufficient to cover the amount of money being disbursed is a fundamental activity that the majority of Canadians perform on a regular basis.

The presence of a budget may suggest a positive awareness concerning financial management. In 2009, 51% of Canadians had a budget while 49% did not. Among women, 54% indicated having a budget, which is somewhat higher than the share for men (49%). Examination of Figure 3.1 provides a clear indication of the variation by province, ranging from 60% in Quebec to 41% in Newfoundland and Labrador.

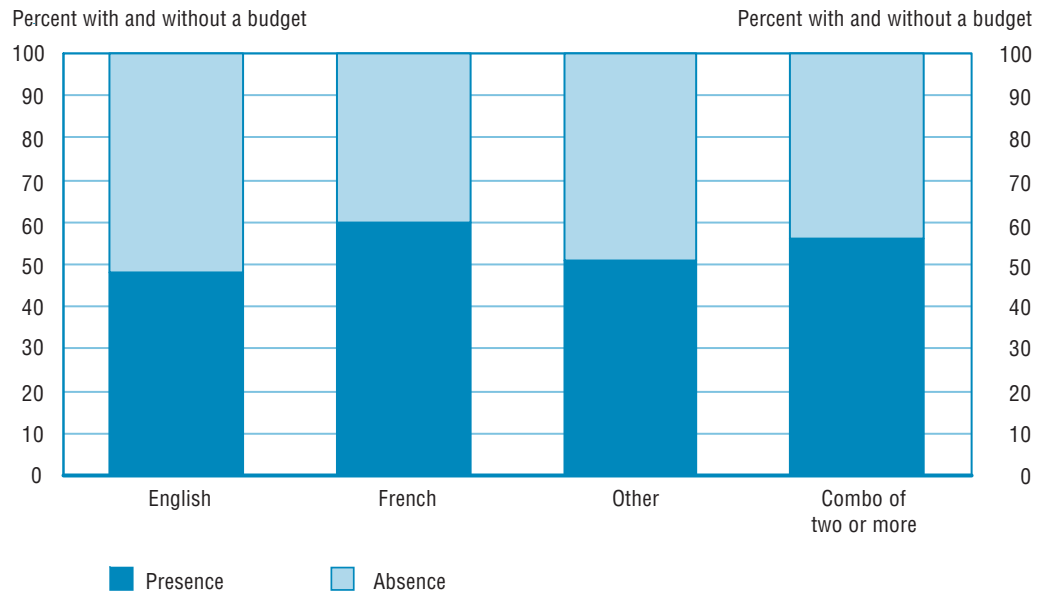
Figure 3.1
Presence and absence of household budget by province



22. Day-to-day also includes weekly and monthly recurring expenses.

Approximately 60% of people whose mother tongue was French had a budget, 12 percentage points higher than people whose mother tongue was English.

Figure 3.2
Presence of a budget by mother tongue



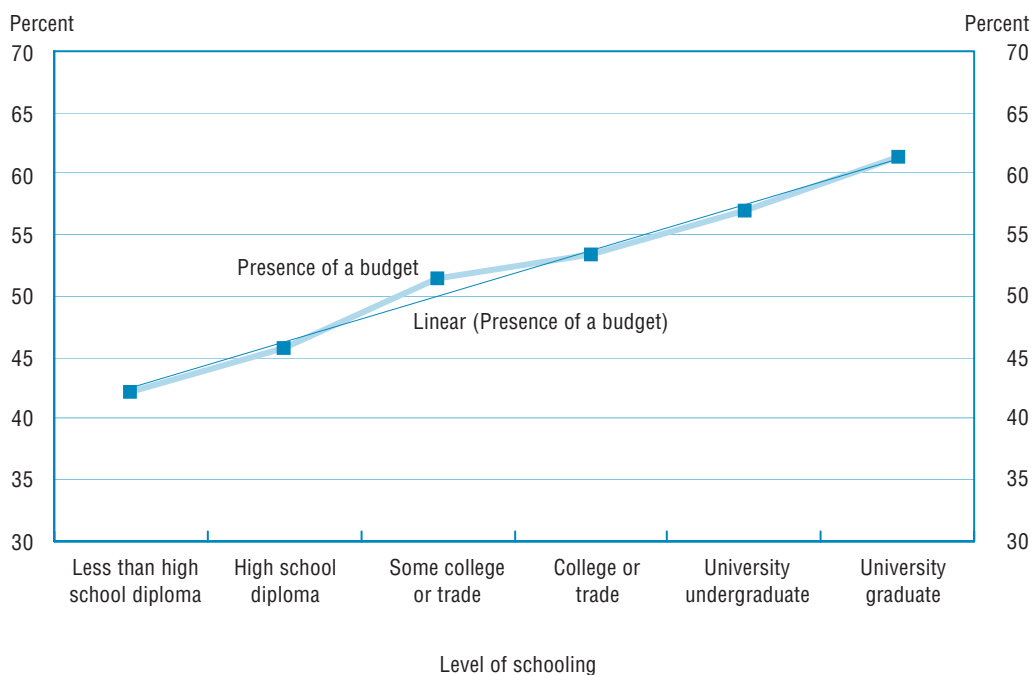
The importance of the life-cycle cannot be underestimated. Individuals in the upper and lower age extremes are less likely to budget than those in between, with the highest percentage of budgets found in the 35 to 44 age cohort.

Table 3.1
Presence of a budget by age group

Age group	Presence of budget	Absence of budget
	Percent	
18 to 24	35	65
25 to 34	57	43
35 to 44	58	42
45 to 54	53	47
55 to 59	53	47
60 to 64	55	45
65 to 69	52	48
70 and over	41	59

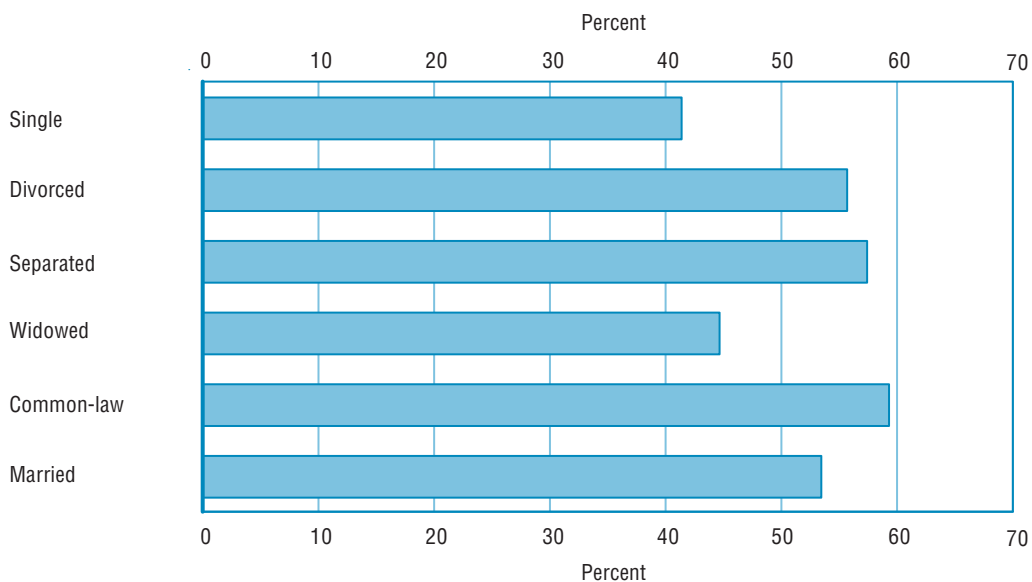
An examination of the relationship between the presence of a budget and level of educational attainment shows that among Canadians whose highest level of education was a graduate level university degree, 61% had a budget, 20 percentage points higher than that for people with less than high school.

Figure 3.3
Presence of a budget by level of schooling



By marital status, single and widowed Canadians were the least likely to have a budget while people in common-law relationships were the most likely to have a budget.

Figure 3.4
Presence of a budget by marital status



As can be seen in Figure 3.5 students, the self-employed and retired respondents were the least likely to have a budget while all the other groups showed little dispersion.

Figure 3.5
Presence of a budget by Labour Force status

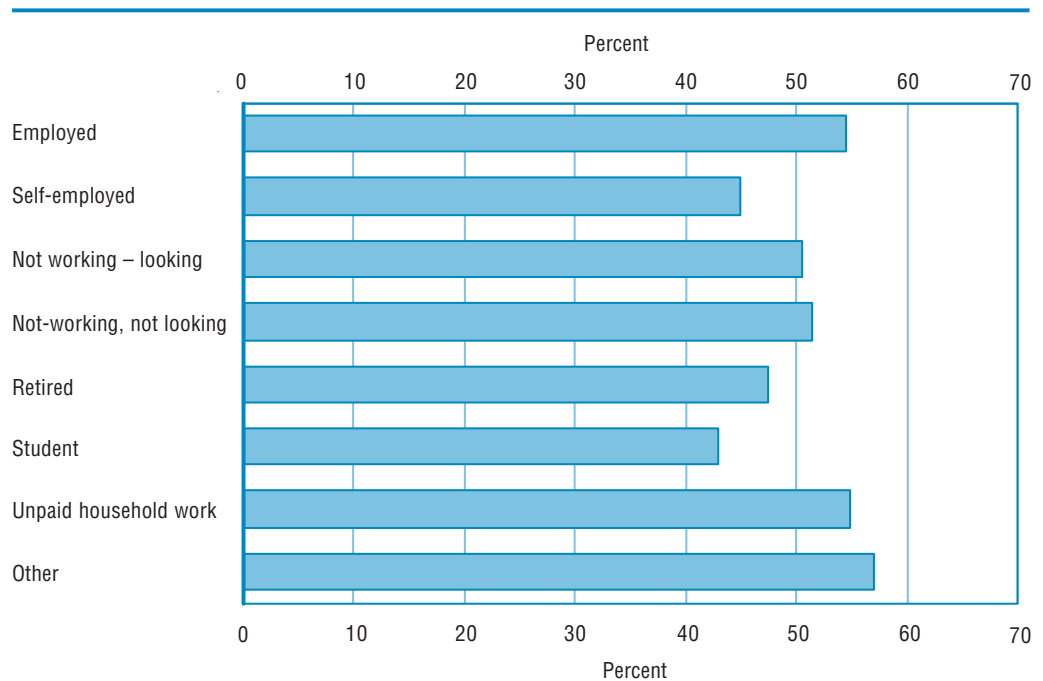
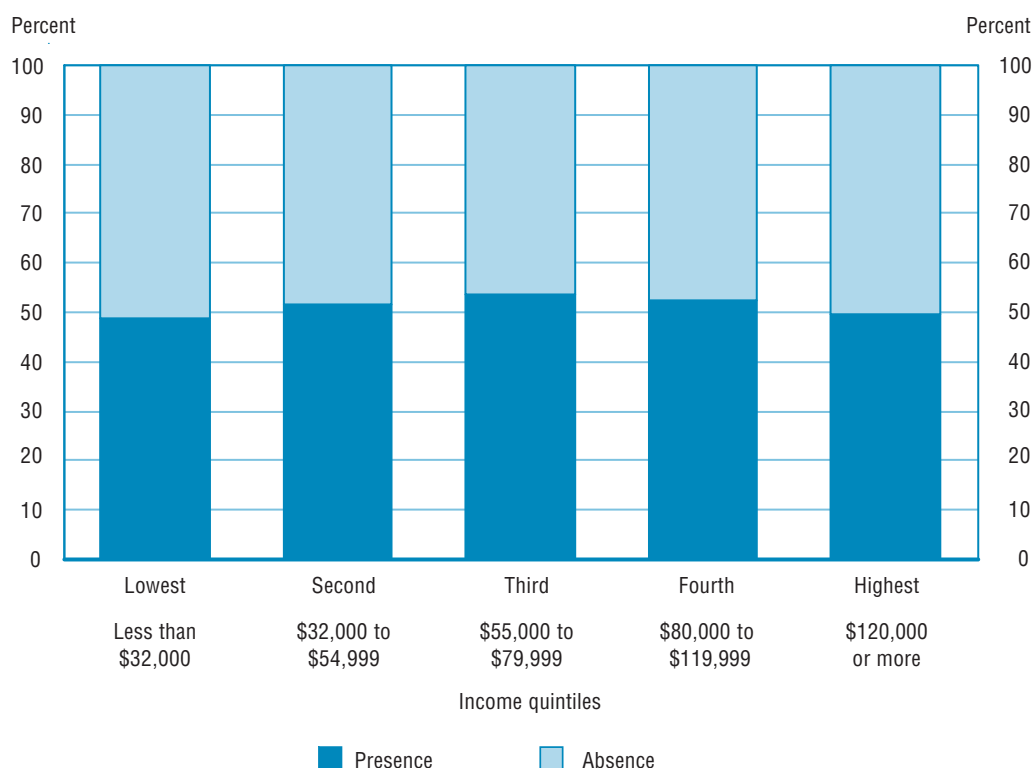


Figure 3.6 indicates only a 5 percentage point range in presence or absence of a budget by income quintiles, suggesting income alone does not appear to play a major role in the presence or absence of a household budget. However it is interesting to note that “tenure” shows a clear difference, with those households who own a home with no mortgage much less likely to have a budget (45%) than those households with a mortgage (55%) and those households that rent (54%). This may lend itself toward a suggestion that responsibility for major recurring expenses necessitates greater financial planning.

Figure 3.6
Presence and absence of a household budget by income quintiles



When thinking about how Canadians' approach money management budgeting may be viewed as a fundamental starting point; however, having a budget and appropriately managing a budget are not necessarily synonymous. Therefore it is important to explore the questions surrounding whether Canadians are able to organize and manage their household finances in a fashion that allows them to keep up with their financial commitments; or whether they find themselves falling behind in their financial commitments.

Those Canadians who indicated that they indeed had a budget were then asked how often they stayed within their budget; while 37% of Canadians always stayed within budget and 54% usually stayed within budget, over 8% of Canadians 18 years of age and over (approximately 1.1 million) rarely or never managed to stay within their budget.

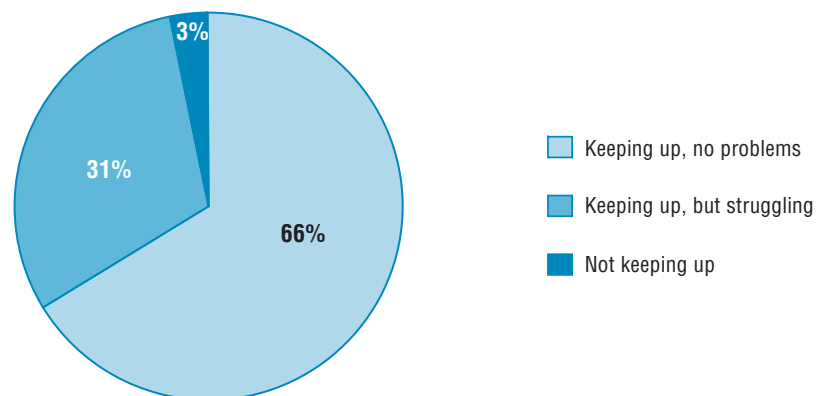
Table 3.2
How often do you stay within budget?

	Percent
Always	37
Usually	54
Rarely	6
Never	2

3.1.2 Keeping up with bills and payments

A critical component of managing household finances comprises the ability to keep up with bills and payments. Given the possible negative consequences of not keeping up with bills and payments in terms of possible service charge fees, discontinued services, or negative credit ratings it is important to try and understand how people fared when it came to keeping up with their bills and payments in the past 12 months. As evidenced in Figure 3.7, the majority of Canadians (66%) were able to keep up with their bills and commitments without any problems, while (3%) were having real financial problems and falling behind. The remaining 31% (almost 8 million people 18 years of age and over) indicated they were able to keep up with their bills and commitments but it was sometimes a struggle. Although 31% of respondents sometimes struggled with their financial commitments, less than 12% of Canadians identified that they had ever been 2 or more consecutive months late in at least one of the following: paying a bill, rent or mortgage or loan payment.

Figure 3.7
Keeping up with financial commitments, Canada

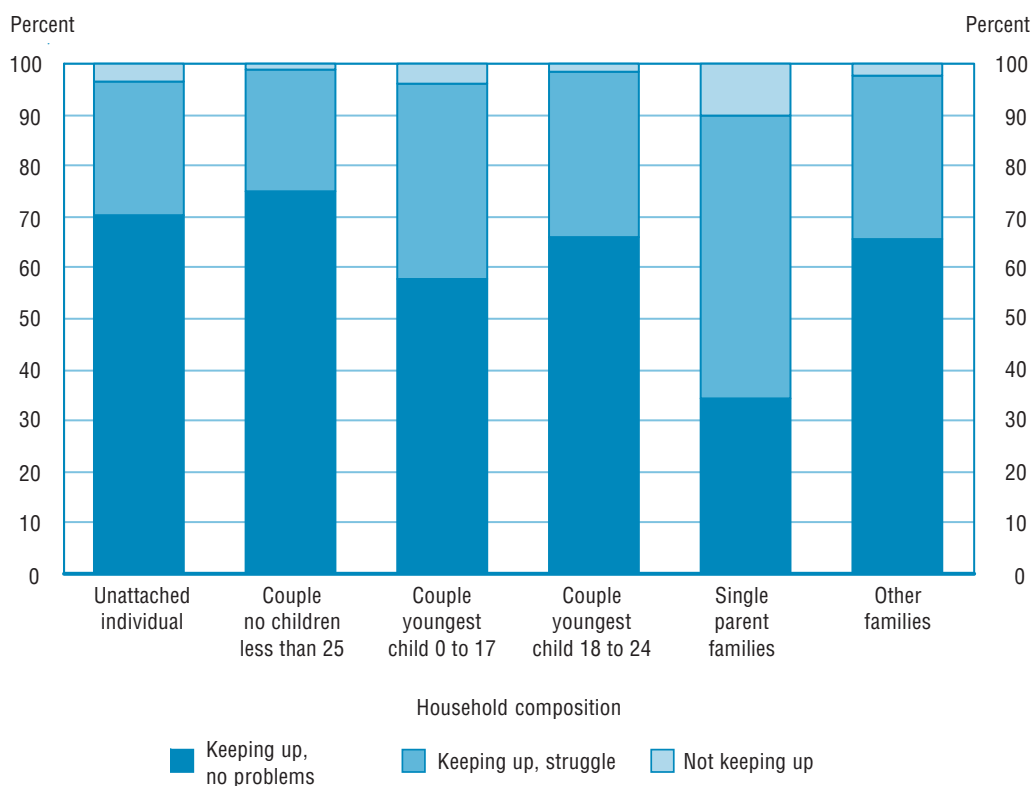


Examining households' abilities to keep up with bills and payments by an array of socio-demographic characteristics indicates that housing tenure, household composition and income are key explanatory variables. A population of particular interest are those Canadians who are currently keeping up with bills and payments but are struggling.²³ Housing tenure provides an immediate indication of the difference with only 17% of those without a mortgage falling into this group; while 37% of homeowners with a mortgage and 39% of renters are finding keeping up with bills and payments to be a struggle.

Profiling those who were struggling to make ends meet, by Labour Force Status, indicates that 33% of those who were employed were struggling to make ends meet; peaking at 46% for those who were not working but looking for work, and dropping to 16% for those who were retired.

Looking at household composition (Figure 3.8) it is clear that single parent families were struggling the most with over 10% having real financial problems and falling behind with bills or credit commitments; while only 34% were able to keep up without problems. At the other end of the scale, 75% of couples without children under the age of 25 were keeping up with bills and commitments.

Figure 3.8
Keeping up with bills and payments by household composition

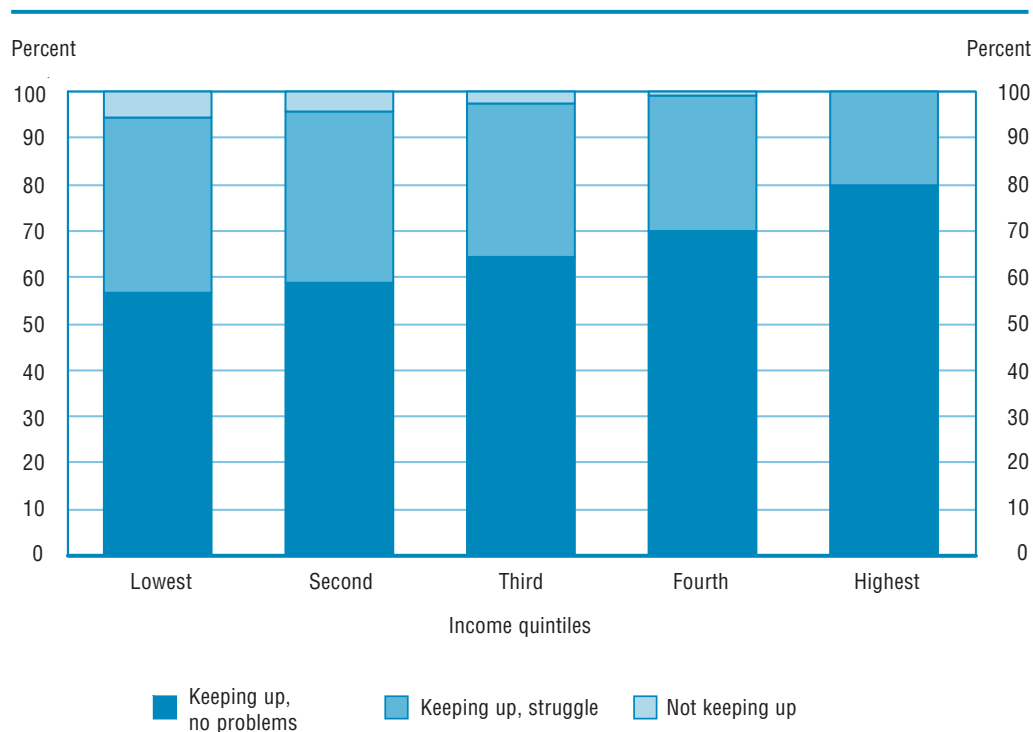


Note: Due to low cell counts single parent families with children 0 to 17 and 18 to 24 were grouped together.

23. While currently this population manages to “keep up” it might be at a greater risk of experiencing financial problems should there be inflationary price increases and interest rate increases; or should the household incur any number of unexpected major expenses due to health or other unforeseen problems.

Not surprisingly a review of income quintiles provides a clear indication of the role income plays in a households' ability to keep up with their financial commitments. As is evident in Figure 3.9, there is an almost linear relationship between "keeping up, no problem" and income²⁴.

Figure 3.9
Keeping up with bills and payments by income quintiles



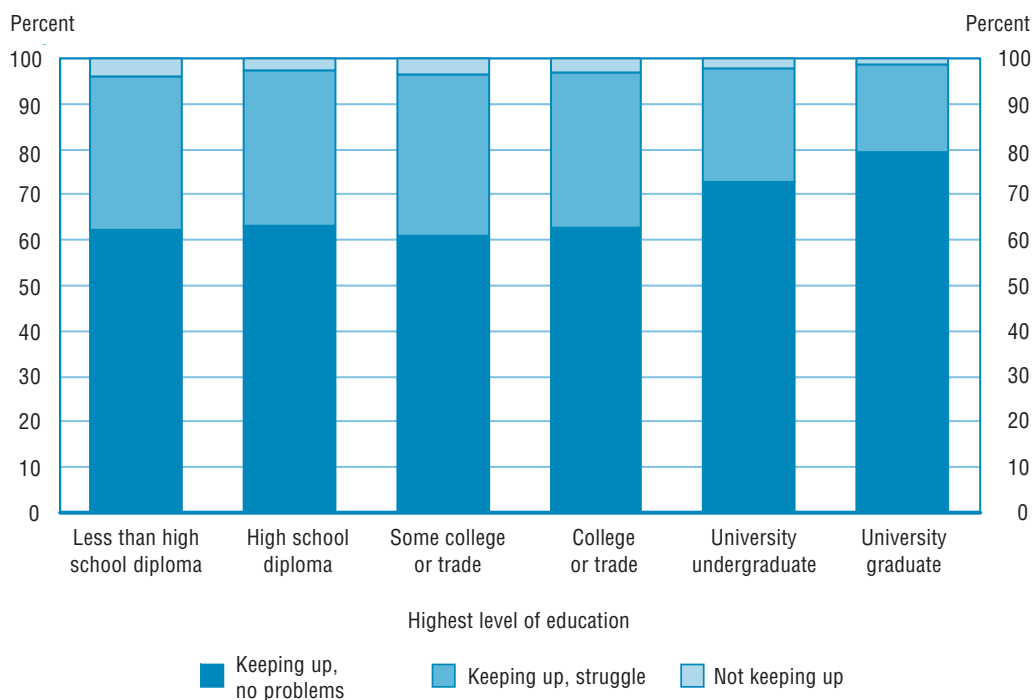
An examination of keeping up with commitments by monthly recurring costs²⁵ indicates that those households with recurring monthly costs between \$2,000 and \$4,000 dollars have the lowest proportion of households (62%) that were keeping up with bills and payments without any problems, while those households spending more than \$4,000 a month on recurring expenses were the least likely to be experiencing problems.

Level of educational attainment (Figure 3.10) provides evidence that those with university degrees, both undergraduate and graduate, were much less likely to be having problems keeping up with their bills and payments than those with less than university-level education. In fact there was a 10% difference between those with university degrees who indicated they were not having problems versus other levels of education with the difference largely attributed across the category "keeping up, but it is a struggle".

24. The American FINRA study found similar tendencies by income (FINRA report p. 15.).

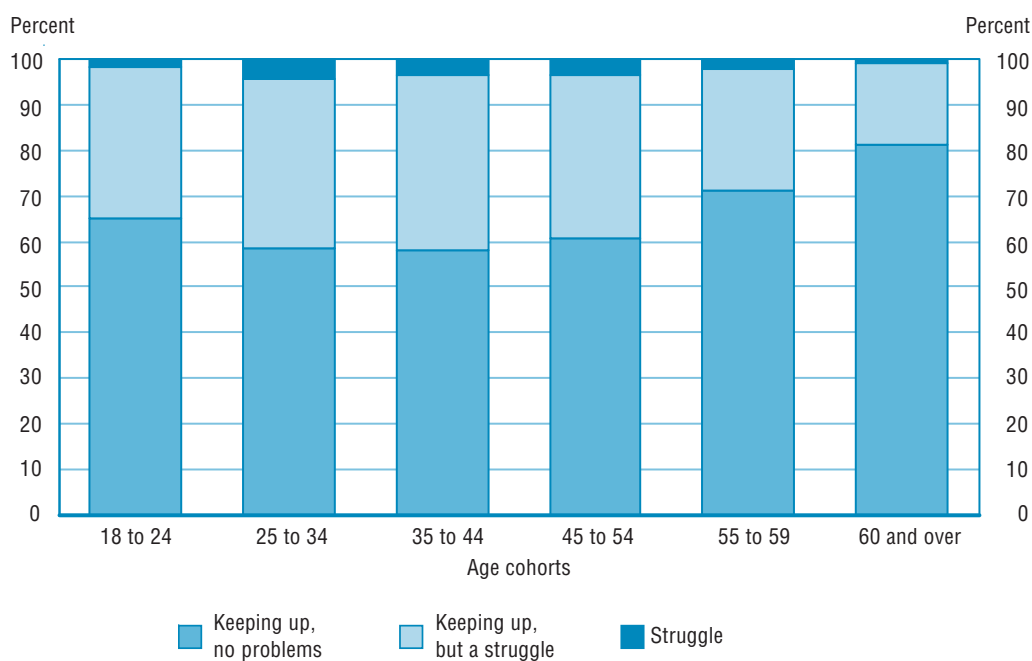
25. Recurring costs refers to those items (food) and bills such as hydro, gas (home and vehicle), cable, satellite etc that are somewhat constant and recur monthly.

Figure 3.10
Keeping up with bills and payments by highest level of education



By age group (Figure 3.11), those who struggled the most were between the ages 25 and 54 with special note of the 35 to 44 age cohorts. Not surprisingly this age cohort finds itself in the middle of their “accumulation years” and likely have more financial responsibilities than those who are younger or older.

Figure 3.11
Keeping up with bills and payments by age group



3.1.3 Late payments

An examination of the ability to keep up with bill payments in the past 12 months revealed that 10 % of Canadians (or just under 3 million people) indicated falling behind 2 or more consecutive months with their bill payments, while only 3% of Canadians fell behind 2 or more consecutive months with loan payments and 2% with their rent or mortgage. Bringing together the various late payment categories permits an examination of frequencies across categories. Approximately 89% of Canadians were never behind 2 or more consecutive months in any of their payments.

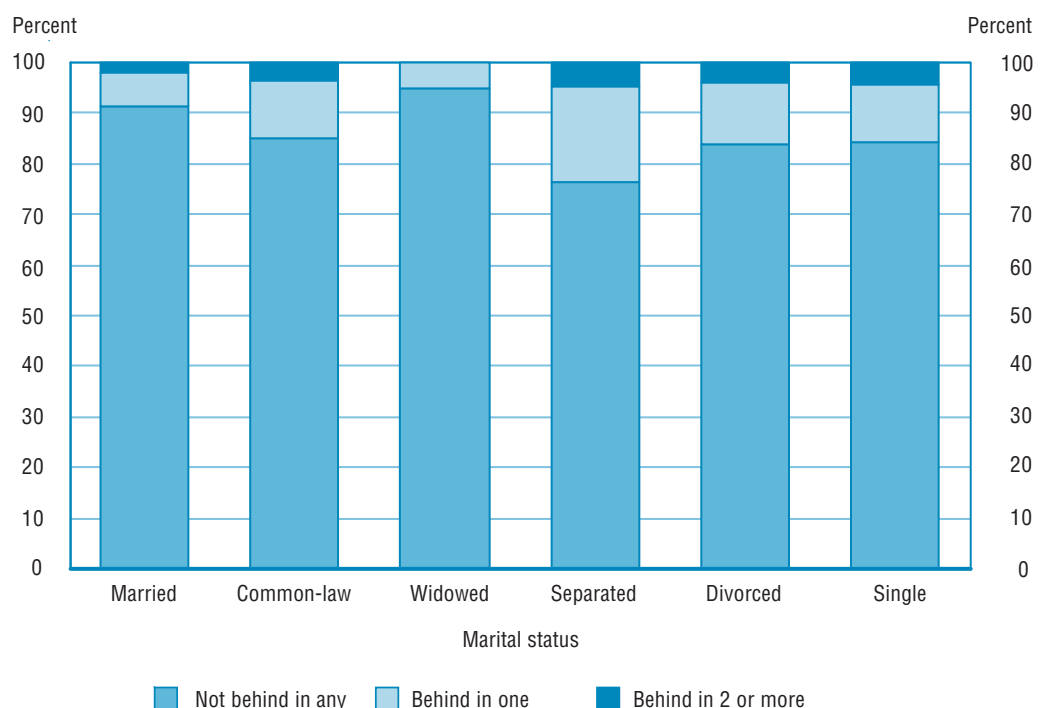
Table 3.3
Behind two or more consecutive months in the past 12 months in paying a bill, rent, mortgage, or a loan payment

	Number and share of people	
	Number	Percent
Behind in none	22,979,296	89
Behind in one	2,286,107	9
Behind in two	565,996	2
Behind in all three	132,194 ^E	1 ^E

^E Numbers marked with this symbol have a coefficient of variation between 16.5 and 25 and are less reliable than unmarked numbers.

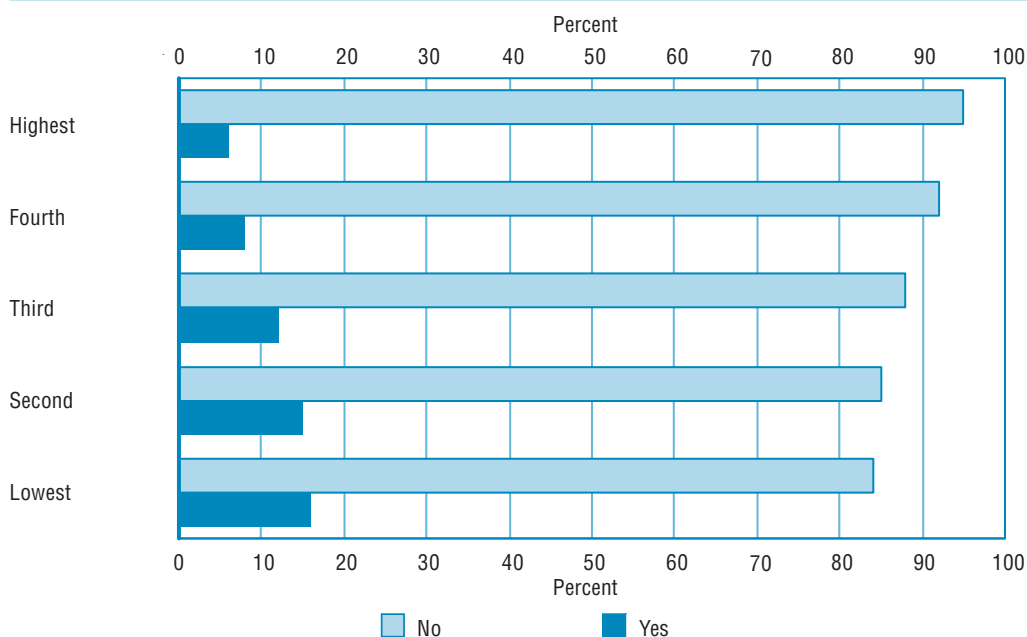
Evidence suggest that those who were separated struggle financially more than other groups with 19% of separated respondents indicating that they were, or had been behind 2 consecutive months in any 1 payment.

Figure 3.12
Behind in payments (bills, housing, loans) by marital status



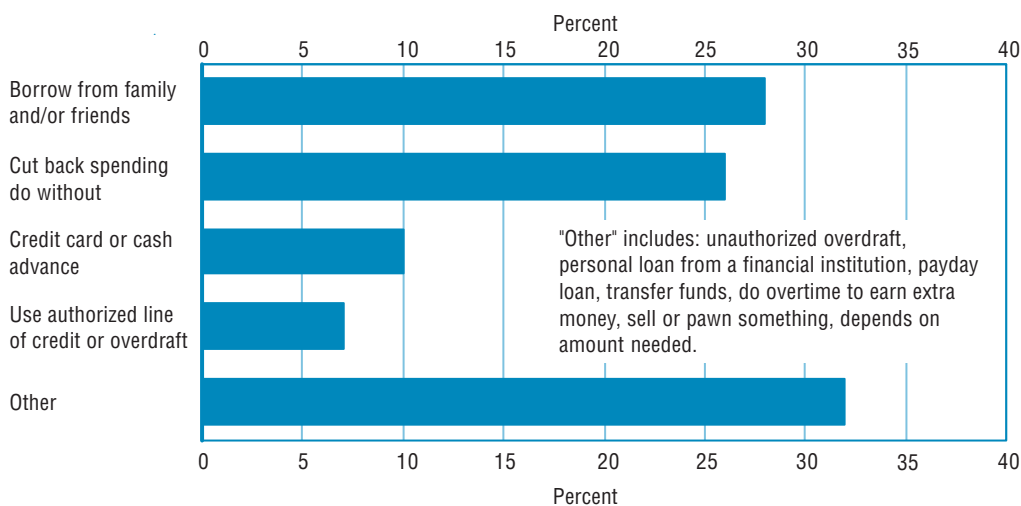
As might be expected income, is a key factor when identifying those who in the past 12 months were behind two or more consecutive months with their bill payments. As can be seen in Figure 3.13 there is almost a linear relationship between the highest and lowest income quintile and being behind 2 or more consecutive months in the past 12 months; with a full 10 percentage point difference between those in the highest income quintile and those in the lowest income quintile.

Figure 3.13
Behind in 1 or more payments (bills, housing, loans) by income quintiles



In instances when Canadians were struggling with bills and funds were running out they turned to family and friends for funds or cut back on spending or did without.

Figure 3.14
Methods of obtaining funds when running out



3.1.4 Self-assessment of making ends meet

In the course of the survey, respondents were asked to provide a self-assessment of their ability to “Make ends meet”. Based upon responses it is evident that the majority of Canadians rate themselves as good or very good at making ends meet. As observed in Table 3.4, 80% of Canadians perceive themselves to be good or very good at making ends meet. Approximately 3% rate themselves as not very good, which is the same proportion of the population who identified themselves (Figure 3.7) as not keeping up with financial commitments.

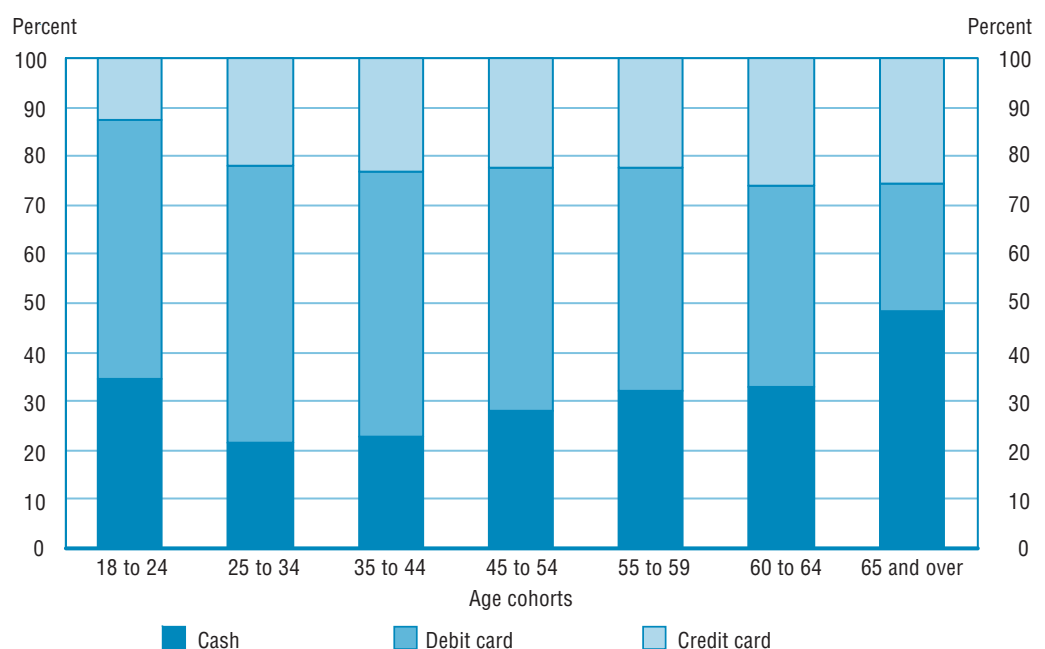
Table 3.4
How would you rate yourself at making ends meet

	Percentage of Canadians
Very good	44
Good	36
Fairly good	17
Not very good	3

3.1.5 Method of payment – Day to day purchases

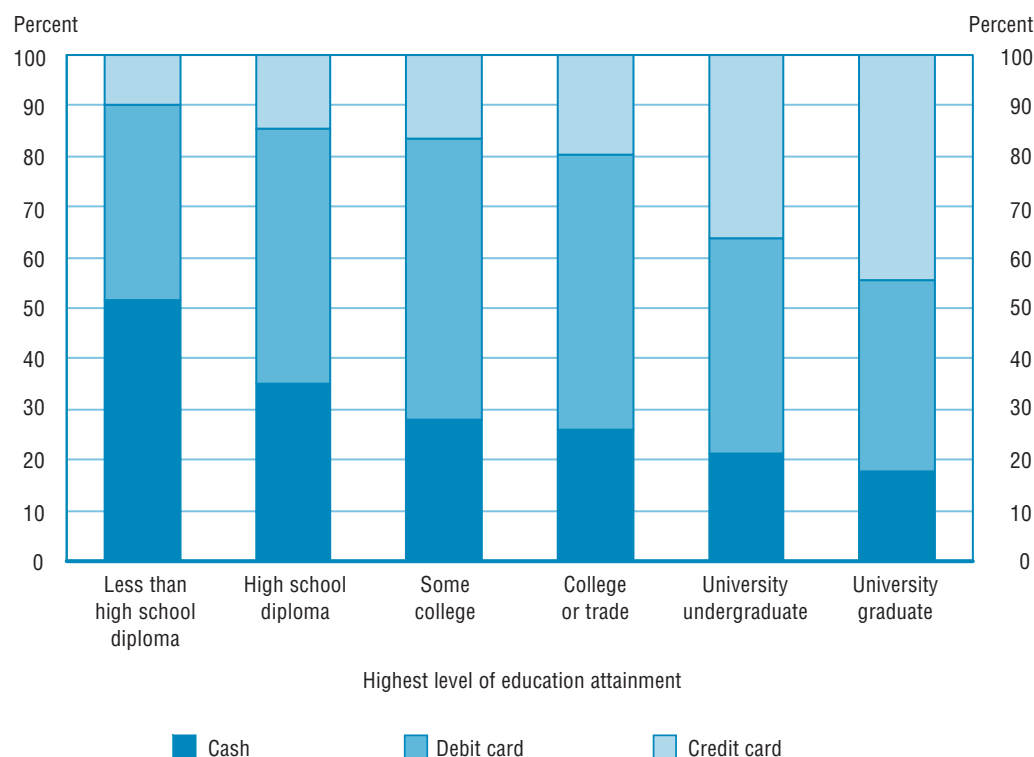
When it comes to day-to-day purchases the majority of Canadians clearly prefer to use a debit card (47%), followed by cash (31%) and then credit cards (22%). While this pattern of payments holds by gender, the distributions vary with women preferring to use a debit card 50% of the time, reducing to 44% for men. However, the more significant findings in terms of method of payment for day-to-day purchases can be observed across the age and educational domains. As displayed in Figure 3.15, older Canadians had a clear preference for cash payments while other age cohorts preferred debit. Younger age cohorts were less likely to use credit cards.

Figure 3.15
Method of payment for day to day purchases by age



The more interesting findings in terms of day-to-day payments reside in the variation by level of education. There appears to be a clear relationship between level of education and preferred method of payment for day-to-day purchases. As evidenced in Figure 3.16, cash (52%) was clearly the preferred method of payment for those with the lowest levels of education while the credit card (45%) was the preferred method for those with the highest levels of education.

Figure 3.16
Method of payment for day to day purchases by level of education



3.1.6 Method of payment – Bills

The majority of Canadians preferred to pay their bills using internet banking (45%) with bank tellers being a distant 2nd choice (15%) and preauthorized transactions (11%) falling third. Interestingly, the volume of use of an ATM (10%) or telephone banking (7%) was quite low relative to the use of the internet.

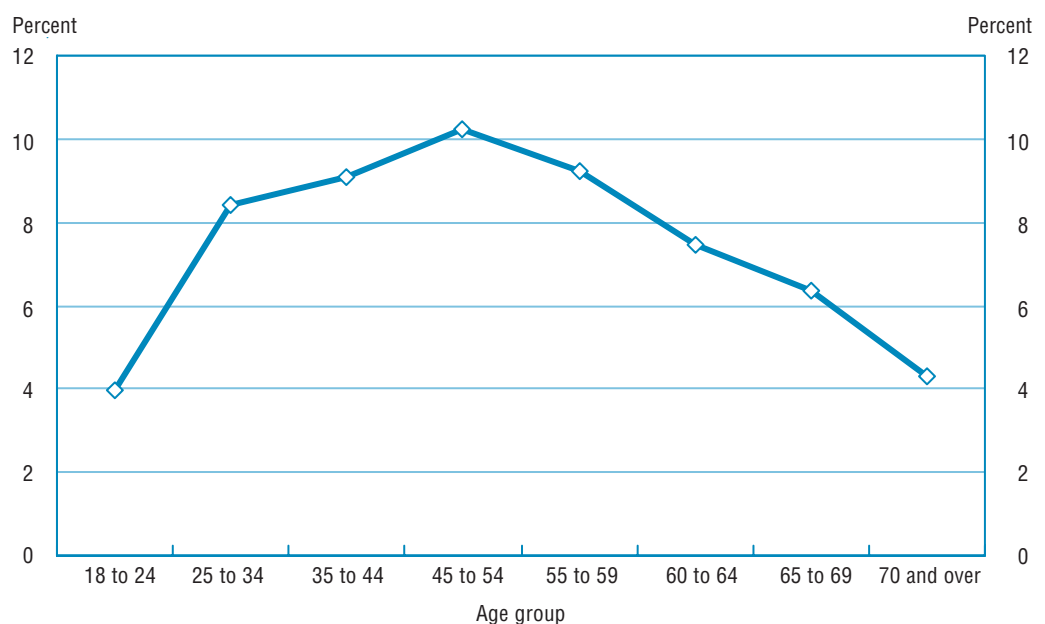
When the data is reviewed controlling for different age cohorts it becomes apparent that the method of payment varies with age; with older Canadians preferring to visit the bank teller or having structured withdrawals built into their account. (See Appendix table A.5.1).

It also becomes apparent in Figure 3.16 that level of educational attainment impacts upon the ways in which bills are paid as those with lower levels of education were most likely to use a bank teller and least likely to use internet banking. It was also clear that in person cash banking declined with increasing levels of education. (See Appendix table A.5.1).

For many Canadians the ultimate failure of not making ends meet could be bankruptcy. Approximately 8% of Canadians indicated that they had either declared bankruptcy or made a formal or informal proposal to their creditors.

Examining Figure 3.17 might suggest a lifecycle effect with those respondents in the three age cohorts between the ages of 35 and 59 the most likely to have experienced bankruptcy or having made a formal or informal proposal to creditors. However, given that the question asked if you have “ever” declared bankruptcy it is conceivable that the peak in the middle age groups speaks to different risk management approaches and/or access to credit that was unavailable to earlier generations.²⁶

Figure 3.17
Incidence of bankruptcy by age groups



3.2 Keeping track

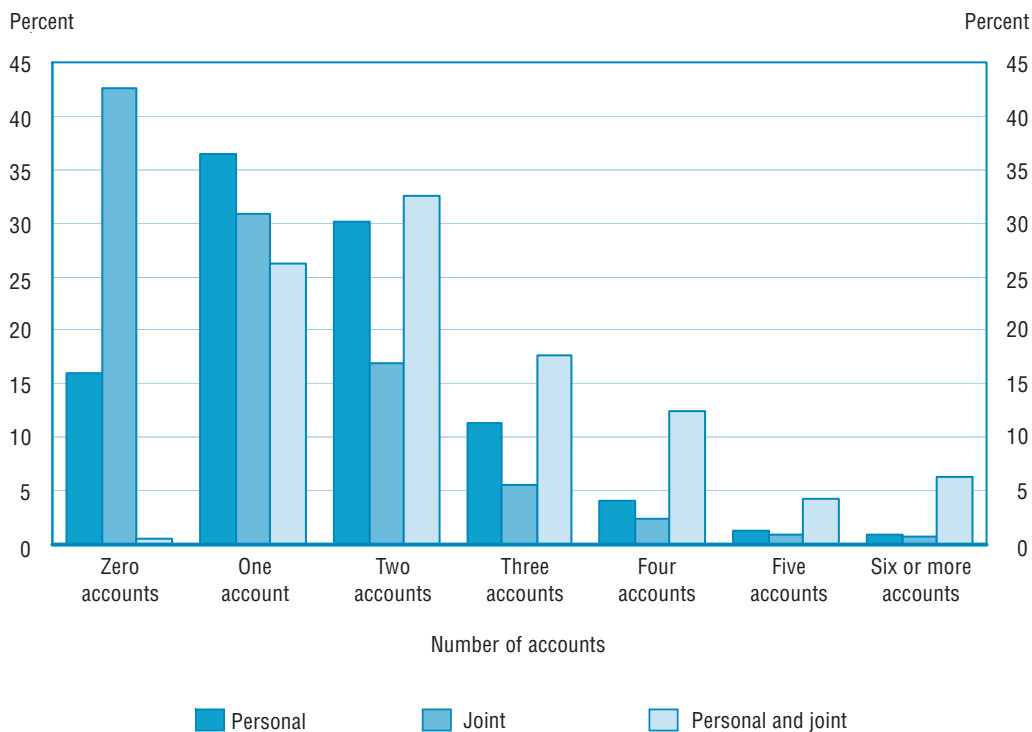
The ability to keep track of ongoing expenses is the second element of money management. Whether it is having a household budget, regular monitoring of your bank account, or staying on top of your monthly bill payments keeping track of your finances is a behaviour that indicates a certain knowledge of personal finances. For the majority of Canadians the fundamental element to “keeping track” is having a bank account. A bank account is considered a basic necessity for functioning in a modern society; providing a relationship with a financial institution and a structured medium for keeping track of individual and household cash flow. Only 0.5% of Canadians responding to the survey indicated that they were “unbanked” meaning that they had no bank account.²⁷

26. It's useful to keep in mind that the “credit card” is a relatively new phenomenon as it applies to the masses. Until the advent of “Chargex” the distribution of credit cards such as AMEX, or Diners Club was strictly controlled. In today's world university and college students are able to acquire credit cards.

27. It should be noted that the survey methodology may in fact have underrepresented the “unbanked” as many of these individuals may not have a fixed address or a phone landline.

In Figure 3.18 the majority of Canadians have either one or two bank accounts with 31% of Canadians indicating they had at least one joint account.

Figure 3.18
Number of bank accounts by account type (personal, joint and both)

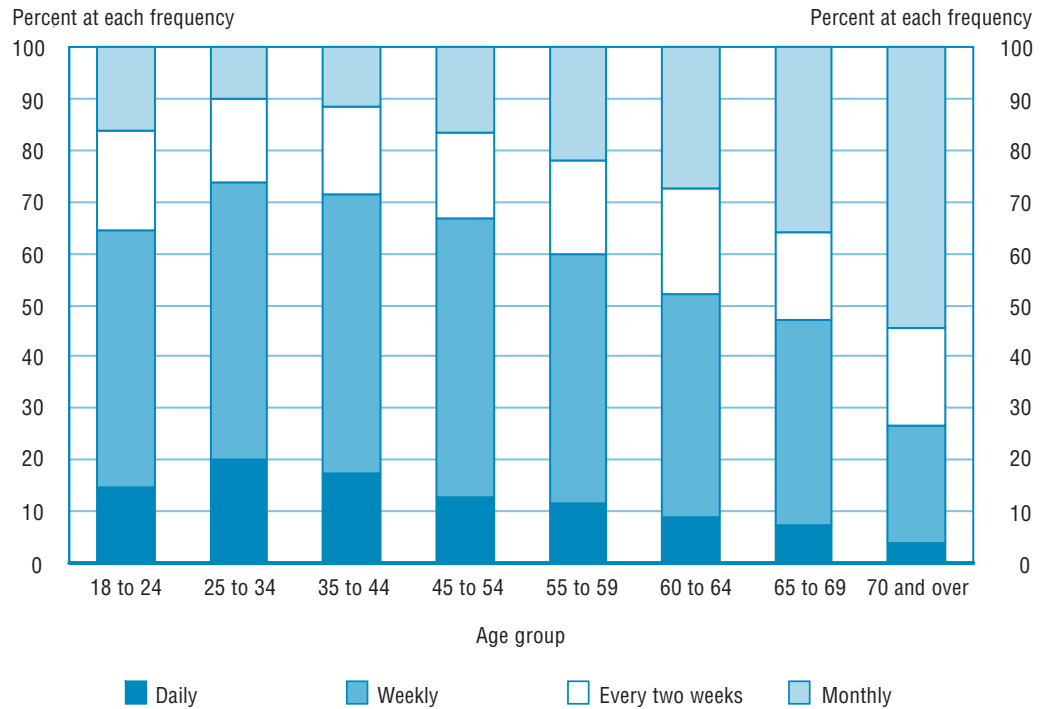


3.2.1 Checking bank account

While having a bank account is important it is also critical to check your account. While the majority of Canadians (48%) check their accounts weekly over 20% of Canadians check their bank account(s) monthly.²⁸ As can be seen in Figure 3.19, there are clear variations in frequency of checking bank account(s) by age groups. Canadians 65 and older tend to check their bank account(s) less frequently than other age cohorts which may speak to fixed income and fixed expenditures; or less use of internet banking and the associated convenience.

28. It is interesting to observe that Canadian findings are similar to those in Northern Ireland where 47% check their accounts weekly.

Figure 3.19
Frequency of checking bank account by age group

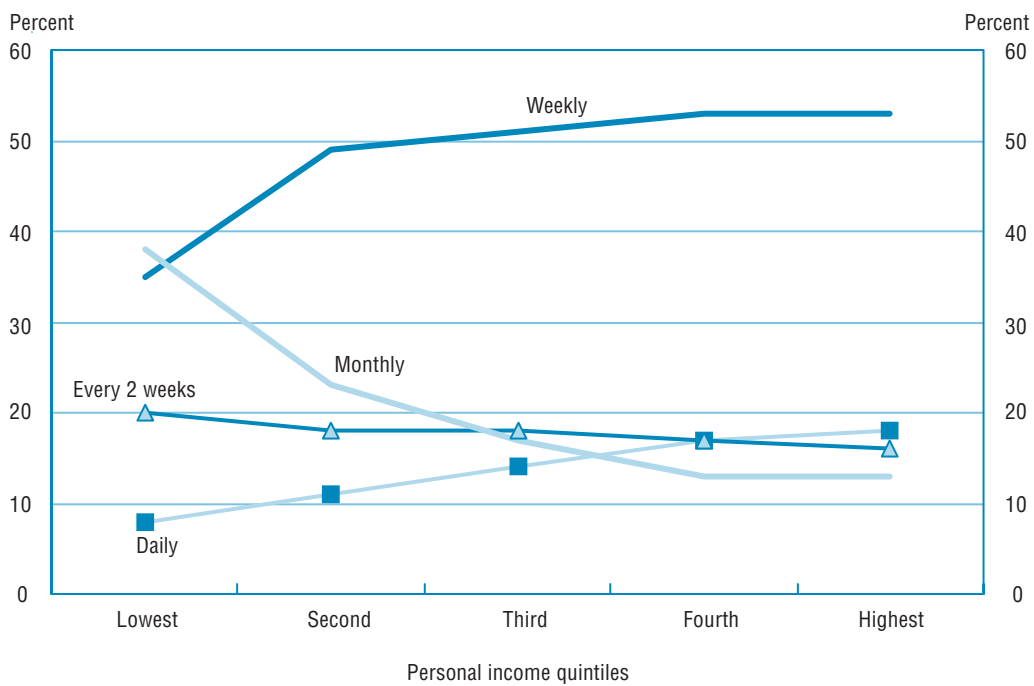


Note: The counts for “yearly” and “never” are very small and have been removed.

A second finding was the relationship of marital status upon the frequency by which Canadians check their accounts. While perhaps not surprising that widowed individuals (likely linked to age) tend to check accounts less frequently, it was surprising to note that individuals in common-law relationships had the highest frequency of checking their accounts on a weekly basis and the lowest on a monthly basis.

As can be seen in Figure 3.20 those with higher incomes like to check their accounts on a more frequent basis than those with less money. Those in the highest income quintile were more inclined to check on a daily basis than any other group. Almost 20% of this group checked on a daily basis, more than double the share of people in the lowest income quintile. In all income groups, except the lowest quintile the most common frequency for checking bank accounts was “weekly”. For the lowest income quintile, the most common frequency was “monthly”.

Figure 3.20
Frequency of checking bank accounts by income quintiles



4 Planning ahead

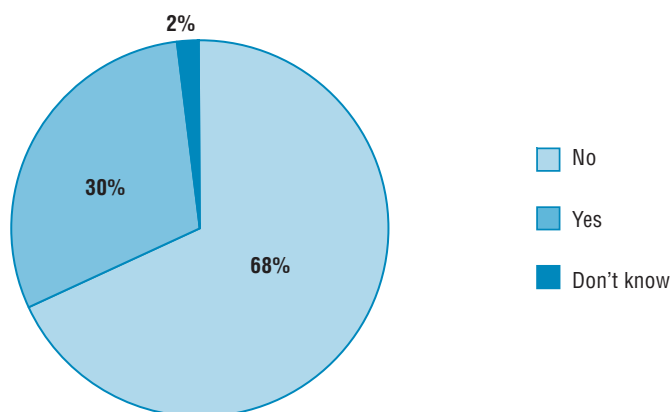
Some aspects of financial planning can be simple while others can be complex. The need to plan for major expenditures such as a new home, car, or major durable goods can be reasonably simple; however the implementation (types of loans, payment schedules, disbursement fees, etc) can be complex. For more distant and less tangible planning activities such as retirement planning or a child's post-secondary education the need can be especially important and complex. While the importance of planning for the future addresses the key component of responsibility and its behavioural link, it also relates to knowledge. Given the importance of this domain, the CFCS addressed the issue of planning across four sections of the questionnaire:²⁹

- Major expenses
- Post-secondary education funding
- Retirement planning
- Seeking advice

4.1 Major expenses

Examining Canadians plans for a major expense (defined as a purchase of \$10,000 or more), 30% indicated they were planning a major expense of this magnitude.

Figure 4.1
Planning a major expense of \$10,000 or more in the next three years



29. It should be noted that, with the exception of retirement planning and planning for children's education, cognitive testing during the development of the survey instruments indicated that 3 years appeared to be the outer bound for event horizons. It should also be noted that our initial estimate was 5 years but this time parameter was reduced to 3 years for most items following the cognitive testing.

When asking those respondents who knew the nature of their planned expenditures, vehicle purchases were far and away the most common (54%), followed by home improvement or repair at 21%. All the other categories paled in comparison, with travel (5%) the third most popular reason for spending more than \$10,000. The means by which Canadians would pay for their purchases indicates clearly that the majority (53%) would save for a down payment or the full price while fully 35% would borrow all the funds.

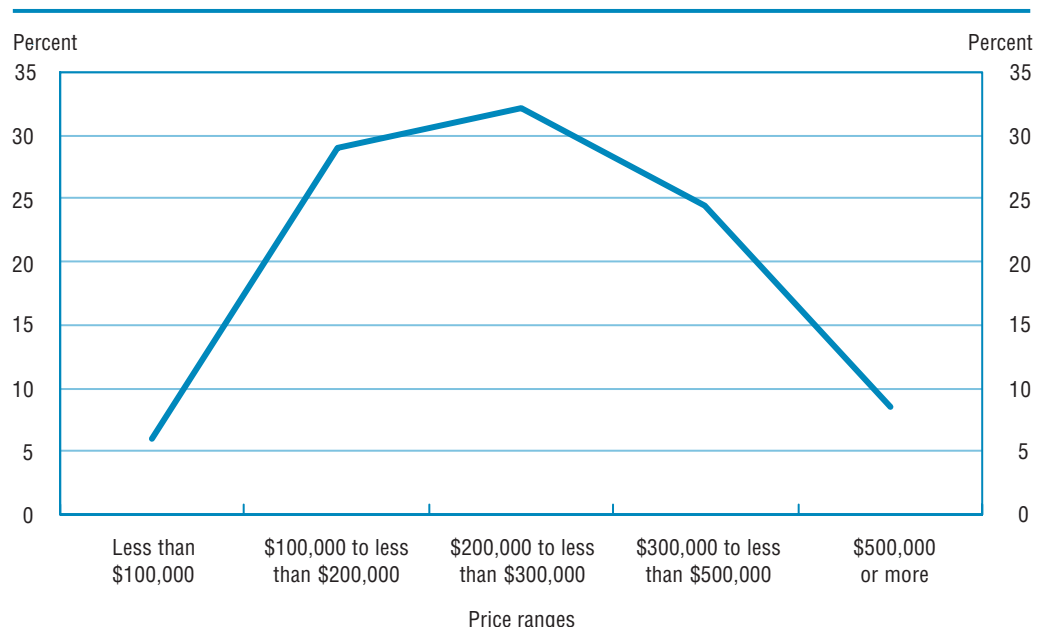
Table 4.1
Payment method for those indicating that they are planning to make

Method of payment	Percentage of purchasers
Savings for down payment or full price	53
Borrow from a financial institution	35
Monthly payments	10
Use a credit card line of credit bank overdraft	13
Get a mortgage, re-mortgage, borrow against	5

Planning to purchase a house

The purchase of a home has many important planning ramifications for household finances. The largest share of Canadians (32%) who are planning to purchase a home are looking in the \$200,000 to \$300,000 dollar price range.³⁰ In preparing for such purchases, almost 50% of potential buyers indicated that they had saved less than 5% of the price of their future home, while 67% of future home buyers had saved less than 10%.

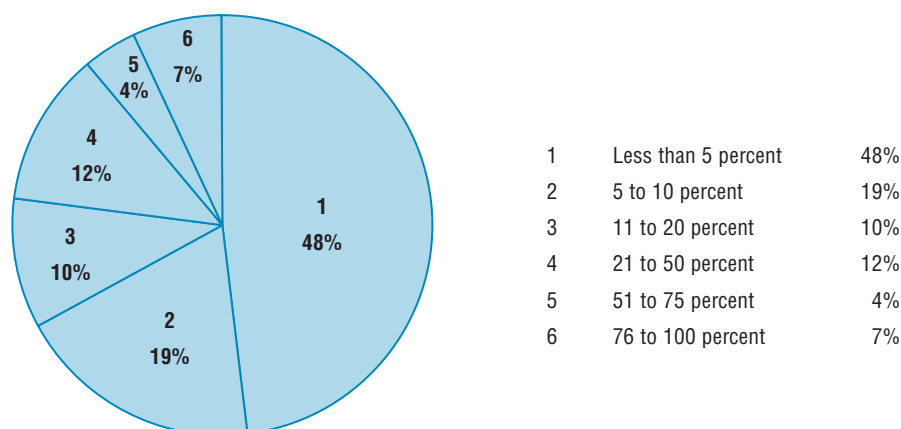
Figure 4.2
Price range of houses to be purchased



30. Housing prices are driven in large part by local market forces and are typically more expensive in larger urban areas. It might therefore be reasonable to suggest that the projected housing costs put forward by respondents reflect the local market forces in the areas they live and the supply and demand that existed at the time of the survey.

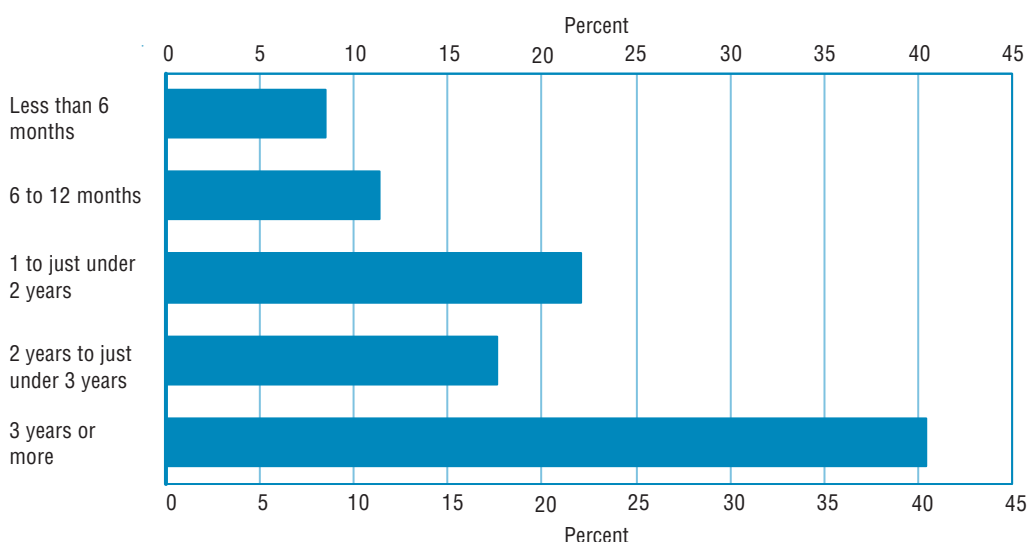
By current housing tenure, 58% of those who currently do not own a home and are planning to purchase a home have saved less than 5% of the purchase price. Of those who own a home with a mortgage 46% had saved less than 5%; while this drops to 34% for those who own with no mortgage.

Figure 4.3
Percentage saved of house price for prospective home buyers



Another point of interest surrounds the time-frame that future home-buyers had in mind for their purchase. The largest share of people (41%) were waiting 3 years or longer to buy a home; while 20% of future home buyers were planning their home purchase in the next 12 months or less. Further analysis of this information in the future may provide additional insight into the relationship between the proportion saved towards a new home and the time-frame for purchase.

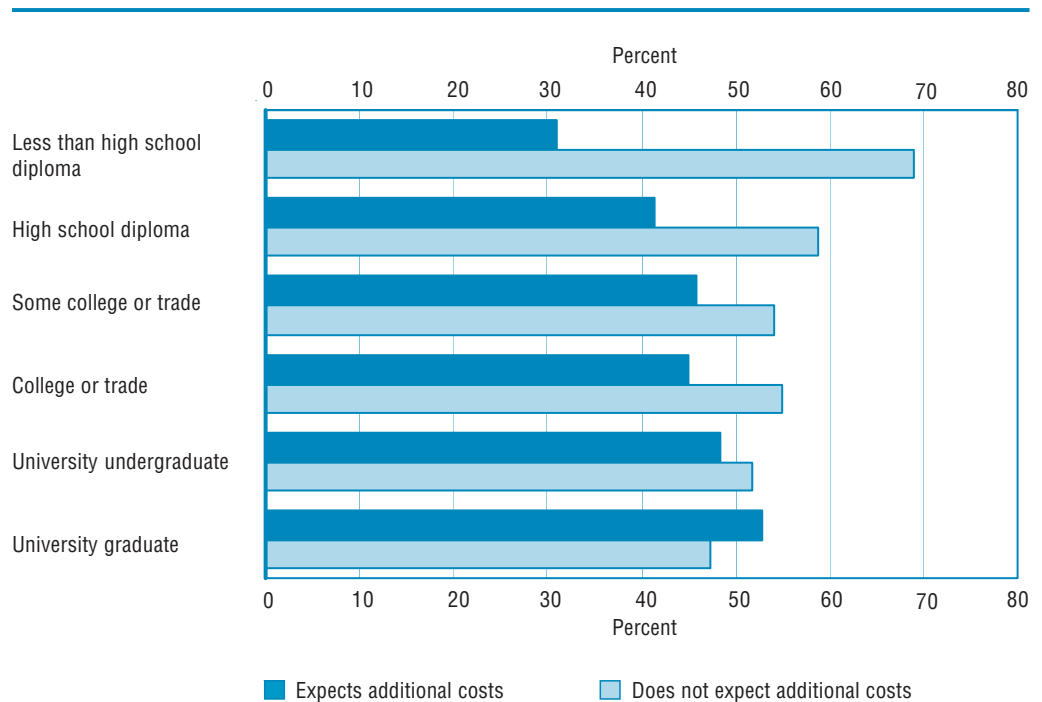
Figure 4.4
Planned time frame for the purchase of a future home



When Canadians were asked about methods of financing their home purchases beyond a bank loan or mortgage, 33% indicated they would withdraw money from their bank account, 28% indicated they had no other method to pay for this home, 22% would use money from the sale of a previous home, 5% indicated they would withdraw money from an RRSP³¹ and 4% indicated they would borrow from family and/or friends.

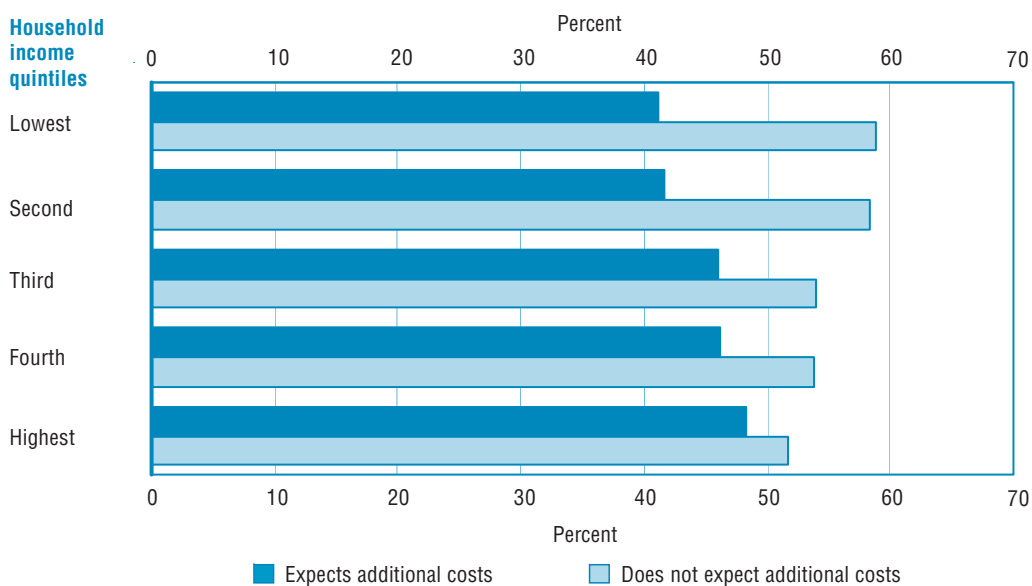
Approximately 55% of those planning to purchase a home were not expecting any other costs besides their down payment for their future home. As evidenced in Figure 4.5, with the exception of those Canadians who had attained graduate level degrees (53%), Canadians were largely unaware that they would be faced with additional costs when purchasing a home. While there was an improvement in awareness with increased income it still remained below 50% for all income quintiles.

Figure 4.5
Expectations of other home purchase costs by highest level of education



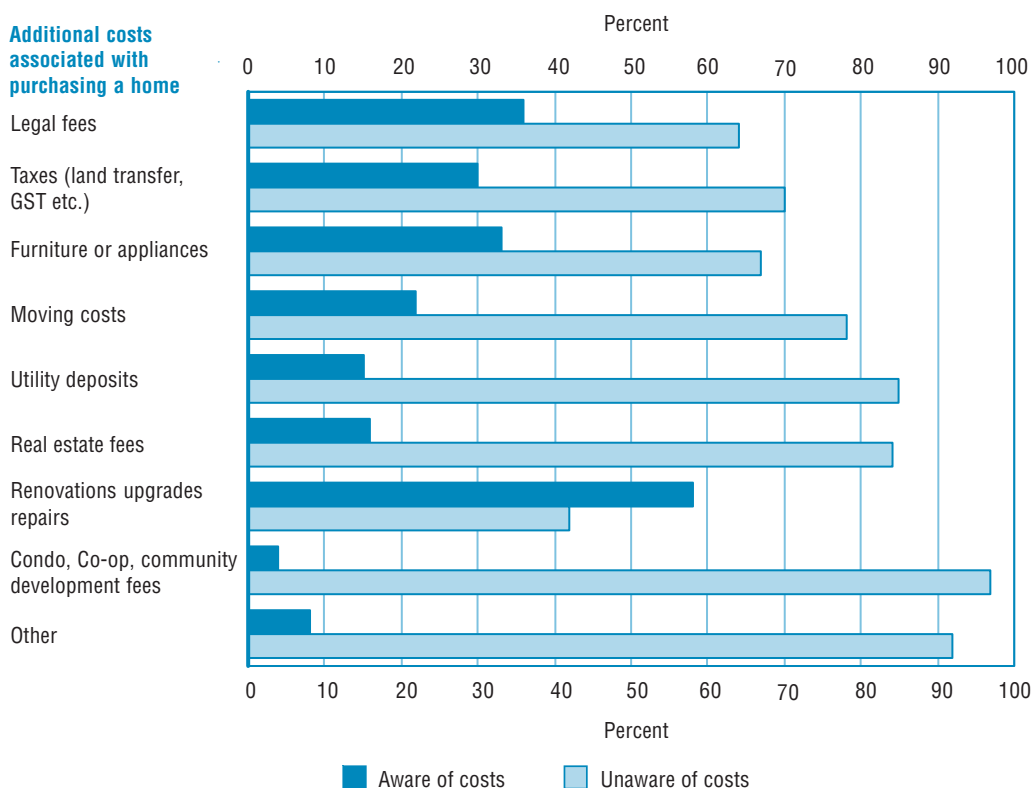
31. In the discussion on retirement planning it is observed that of those respondents who withdrew money from their RRSPs (37%) used them in conjunction with the Home Buyers Plan.

Figure 4.6
Expectations of other home purchase costs by income quintile



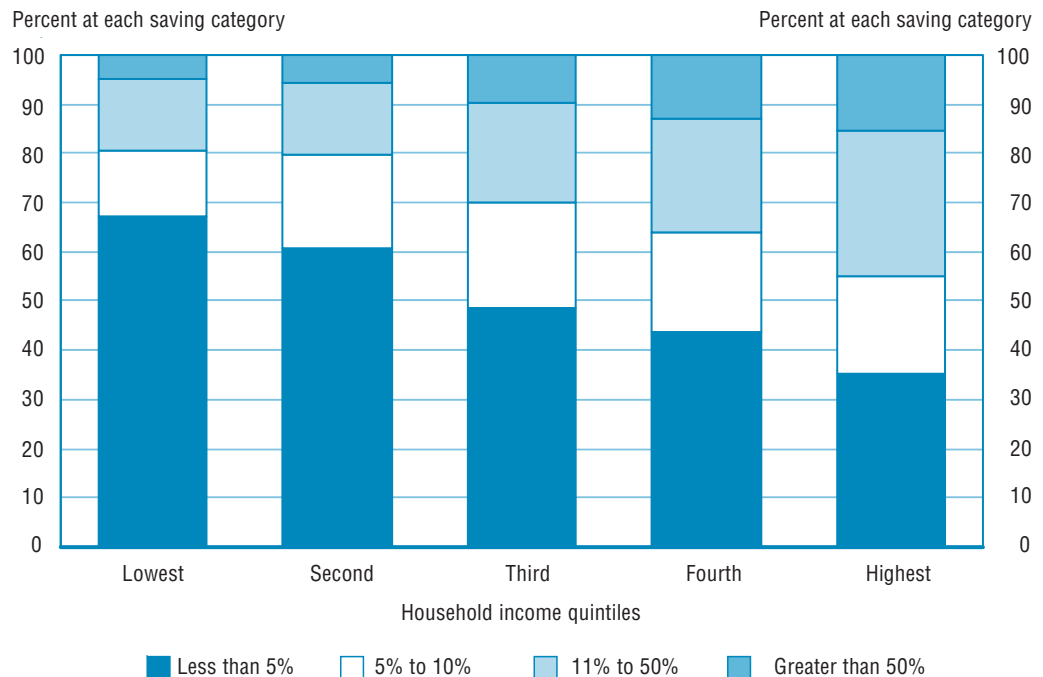
Those Canadians who identified that additional costs existed were asked to identify what those costs were. Of those Canadians who acknowledged that those additional costs existed 30% identified taxes (land transfer, GST) while 35% identified legal fees.

Figure 4.7
Awareness of additional home purchase costs



Given the increasing cost of houses and the additive effect of additional costs, there can be no doubt that the amount of money available for a down payment or other disbursements at time of purchase can seriously impact a household's budget. Yet, as gleaned earlier from Figure 4.3, the majority of Canadians (67%) have saved less than 10% of the cost with 48% having saved less than 5%. Examining the percentage saved for a home by income quintile (Figure 4.8), provides evidence that those in the higher quintile have saved more towards a purchase though many (35%) still have less than 5%.

Figure 4.8
Percentage saved for home purchase by income quintiles



4.2 Planning for Children's Post-secondary Education

Attending post-secondary institutions provides an important economic and intellectual foundation for many Canadians.³³ As tuition costs continue to increase it has become increasingly important to save for children's future education. In 2009, 32% of individuals living in households in Canada indicated they were financially responsible for children under the age of 18 and 70% of these households indicated that they were currently saving or had already saved to support their children's postsecondary education.³⁴ As can be seen in Figure 4.9, the proportion of Canadians saving for their children's post-secondary education increases with income. About 83% of respondents in the highest income quintile are saving for their children's education as compared to only 48% in the lowest quintile.

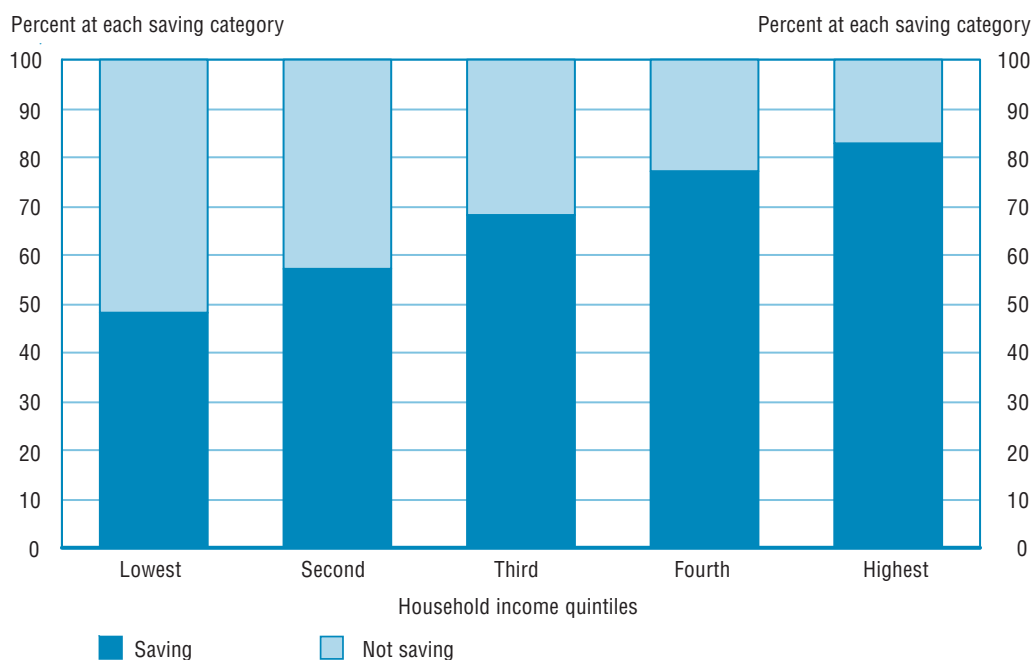
32. It is quite likely that a number of respondents who currently own a home would be using the equity in their current home against the purchase of a new home.

33. The data from this survey alone show that those individuals who have post-secondary education fare better across most of the domains being measured.

34. Figures are based on data collected from the Canadian Financial Capability Survey. The data in this section refers to those people who have children less than age 18.

Figure 4.9

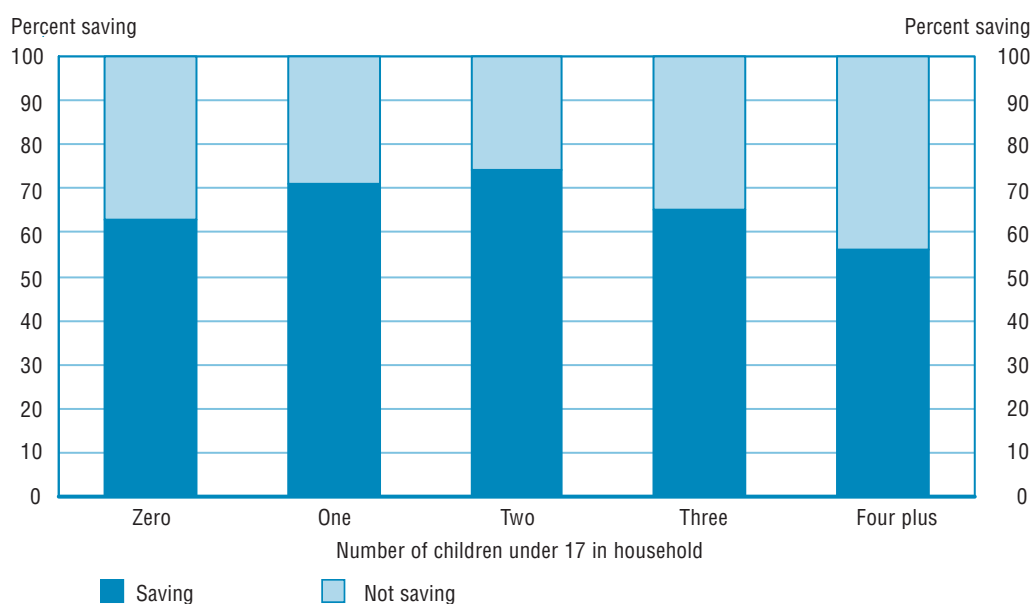
Percentage who are saving for their children's post-secondary education by income quintiles



A second factor that plays into the ability of people to save is their number of children. As can be seen in Figure 4.10 if more than two children are present in the household the rate at which people save for the children's education drops off rapidly.³⁵

Figure 4.10

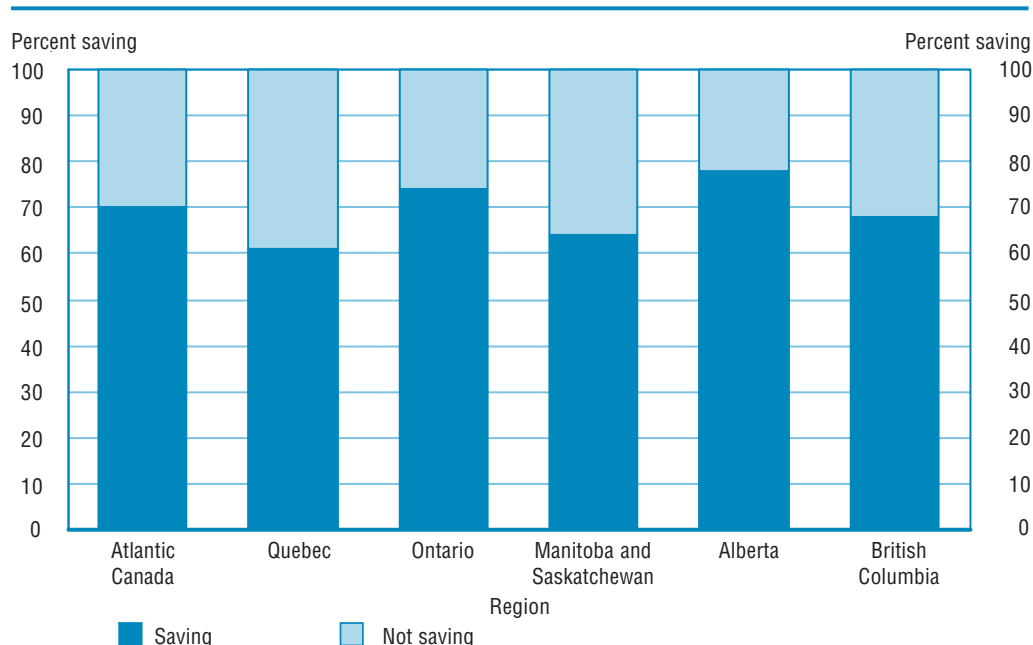
Saving for post-secondary education by number of children



35. In those households where there are zero children it is likely a split family exists where a parent is saving for a child living with the other parent.

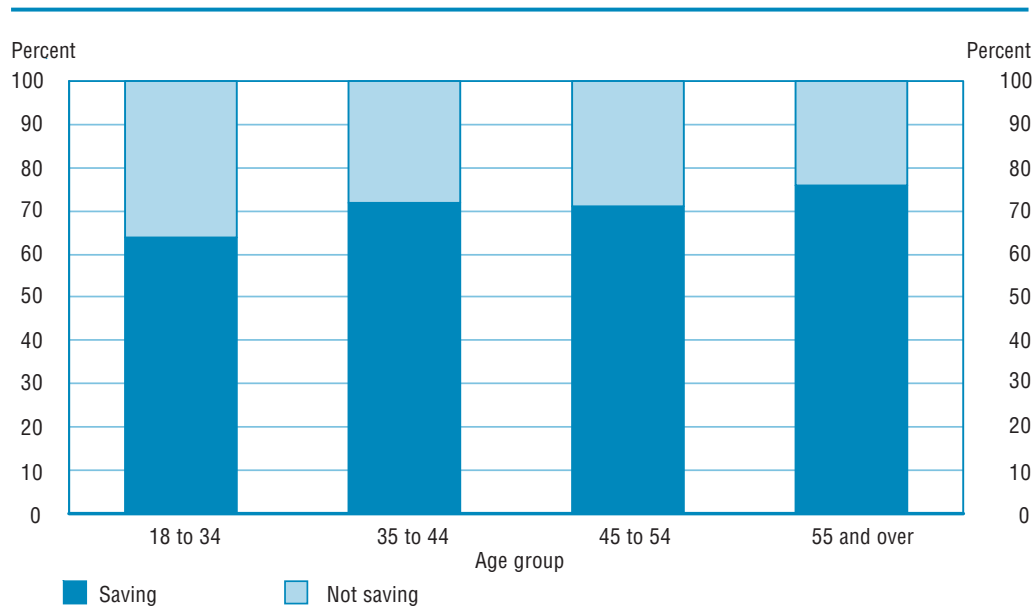
It was also insightful to look at how funding for post-secondary education varied by region. As can be seen in Figure 4.11, Quebecers appear to have a lower proportion of funds being put away for post-secondary education than other regions.

Figure 4.11
Educational savings by region



While savings for children's post-secondary education increases by just over 10 percentage points from lowest to highest age cohort (Figure 4.12), this trend likely speaks to life-cycle issues, where other financial considerations need to be balanced against educational saving.

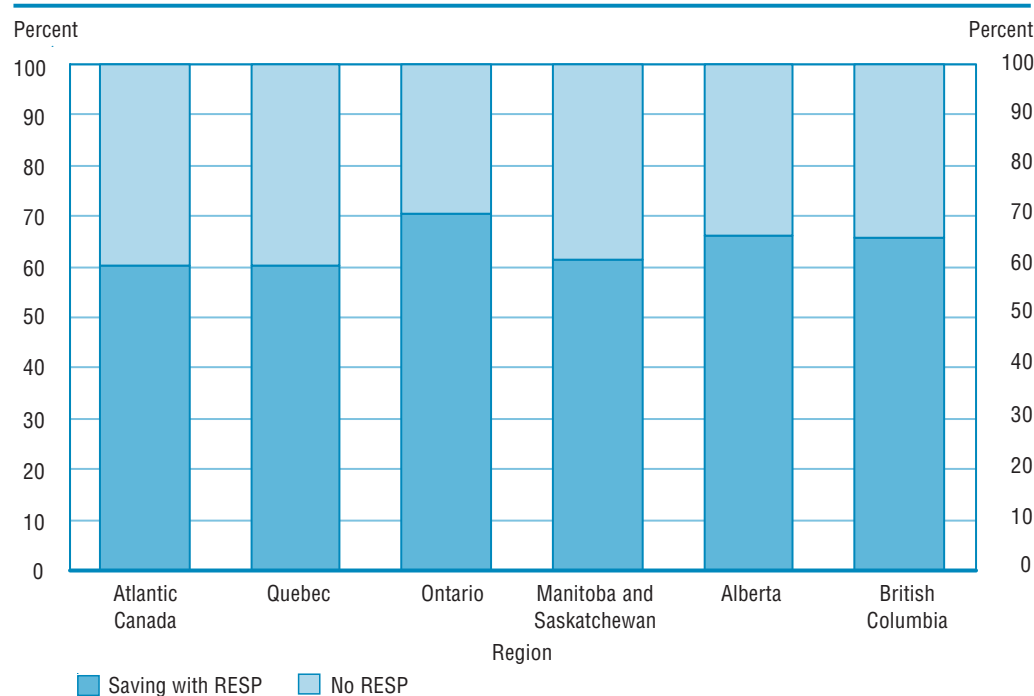
Figure 4.12
Savings for children's post-secondary education by age group



Registered Education Savings Plan (RESPs)³⁶

The favoured method of saving for children's post-secondary education is the Registered Education Savings Plan, with 66% of households³⁷ using this approach to facilitate savings for post-secondary education. The second most common approach is to contribute towards a dedicated saving plan or account (28%) with a small number of respondents indicating they purchased GICs, government or corporate bonds and or purchased mutual funds or stocks. The RESP program facilitates financial access to post-secondary education and was implemented by the Canadian government in conjunction with the "The Canada Education Savings Grant (CESG)"³⁸ that is contributed to your child's Registered Education Savings Plan (RESP). The provision of this grant is contingent on having an RESP account and children under the age 18. With 66% of Canadian households with children under the age of 18 currently using the RESP program to save for their children's post-secondary education it is clearly the favoured savings approach. Given the pivotal role that RESPs play as a savings mechanism for children's post-secondary education, it is insightful to explore how various intervening variables may affect program take-up. When looking at Figure 4.13 it is evident that RESP take-up is highest in Ontario and lowest in Quebec and Atlantic Canada.

Figure 4.13
RESP savings by region



36. The RESP program is an excellent example of an asset-based program designed to facilitate individual savings for a specific outcome.

37. The households referred to in this context are those that are financially responsible for a child or children under the age of 18.

38. It should be noted that the Access and Support to Education and Training Survey showed that older children were less likely to have parents who were aware of the CESG. Awareness of the program also varied with parental age, with younger parents being less aware than older parents (Knighton et al, p. 38).

The survey data also indicated that households with two or three children under the age of 18 were more likely to contribute to a RESP than households with one child, or 4 or more children.

Table 4.2
Supporting children's
postsecondary education by contributing to an RESP

Number of children under 18	Percentage of households contributing to an RESP
One	64
Two	69
Three	66
Four or more	55

While those households with more children may have financial reasons for displaying lower take-up of the program, the reason for single child households being low is not immediately apparent.

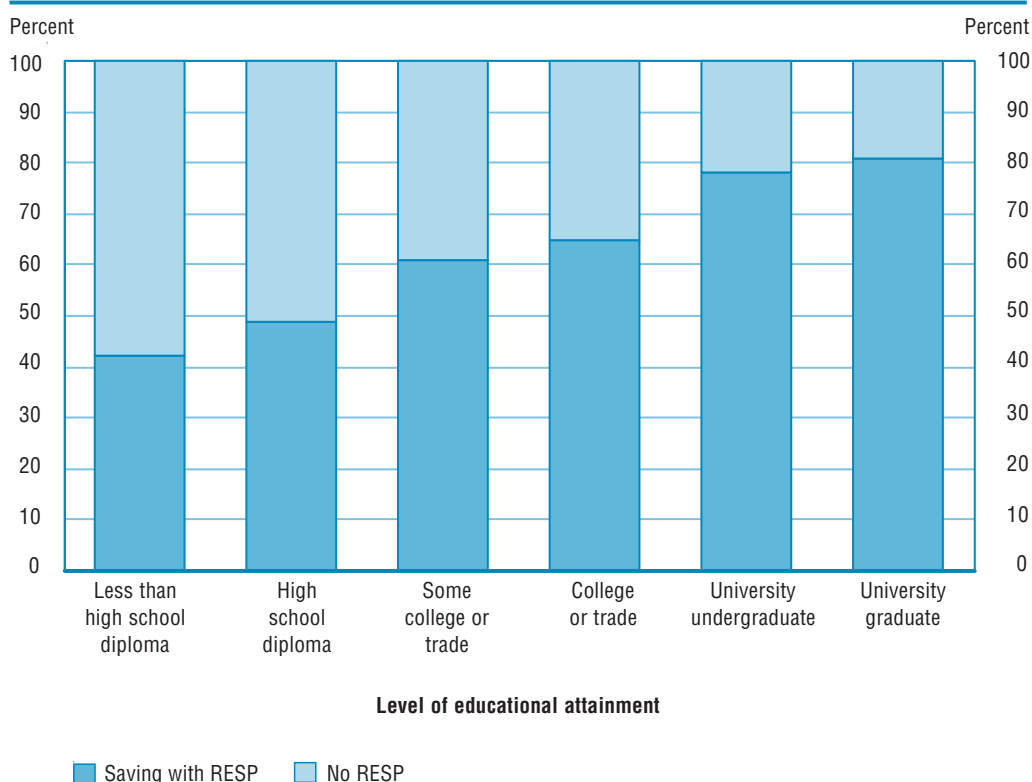
As might be expected, those households in the upper income quintile are more likely to be saving for their children's post-secondary education through the use of an RESP than those in the lower income quintiles. In fact there is an almost 20 percentage point difference in program take-up.

Figure 4.14
Savings for children's post-secondary education by household income quintiles



The use of this vehicle for post-secondary education saving also seems to increase with the respondents' educational attainment with two distinct jumps, one between high school and some post secondary college and the other around the college to university boundary.

Figure 4.15
RESP savings by level of educational attainment



4.3 Retirement planning

With a large and rapidly growing number of Canadians either preparing to enter their retirement years or already in the retirement years, the issue of retirement planning has become an increasingly important and topical issue for individuals, families and governments at all levels. In Canada 70% of people indicated they were financially preparing for retirement. The likelihood of retirement preparation increased with age. While 66% of people between the ages of 25 to 29 were preparing for retirement, that share jumped to 80% for people between the ages of 50 to 54. Gender breakouts indicate that males (73%) were more likely to be making financial preparations for retirement than females (67%).

There is also a clear relationship between the completion of post-secondary education and financial preparations for retirement,³⁹ with higher levels of education increasing the likelihood for retirement planning.

39. Given the relationships between income and education, and age and education it is possible that these relationships will need to be explored further.

Figure 4.16
Financially preparing for retirement by age group

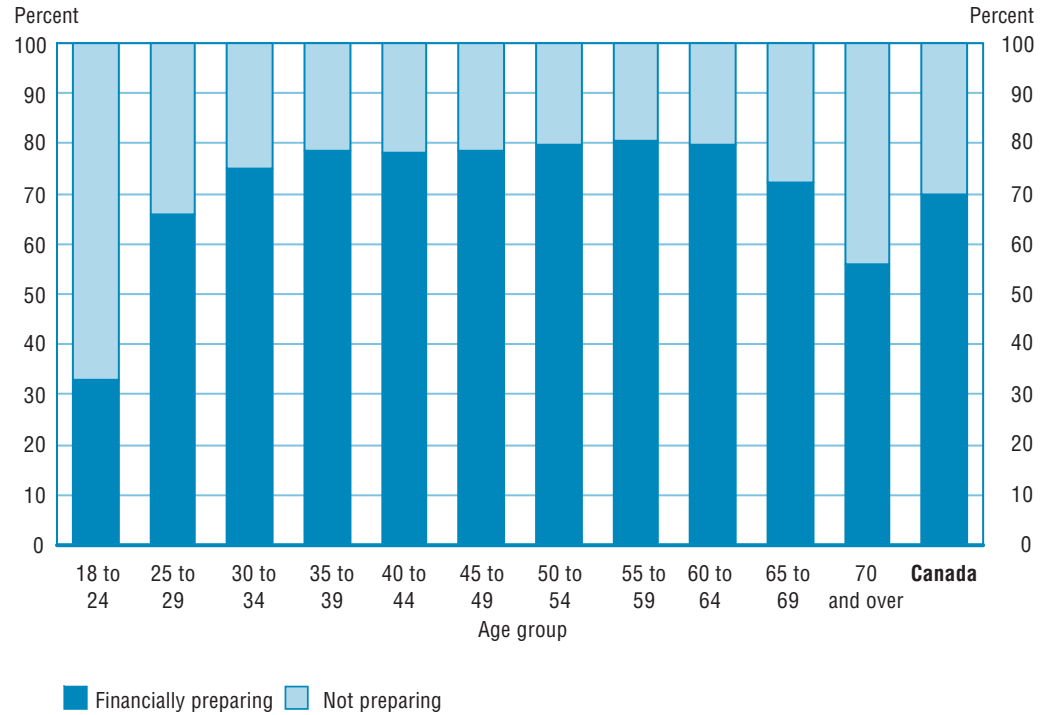


Figure 4.17
Preparation for retirement by highest level of educational attainment

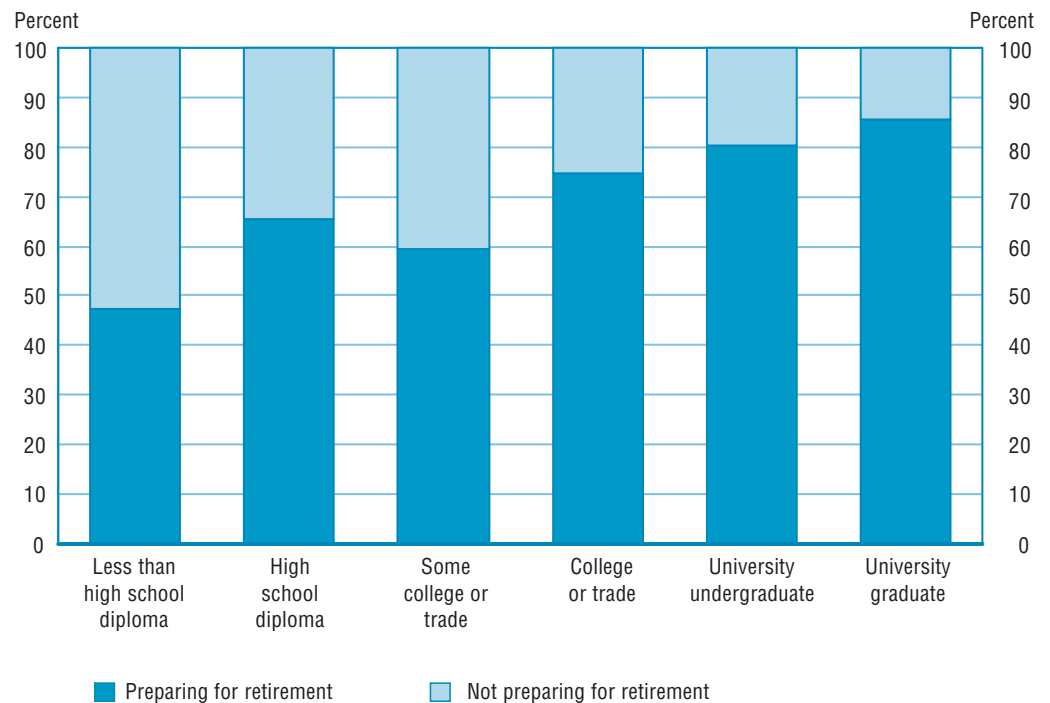
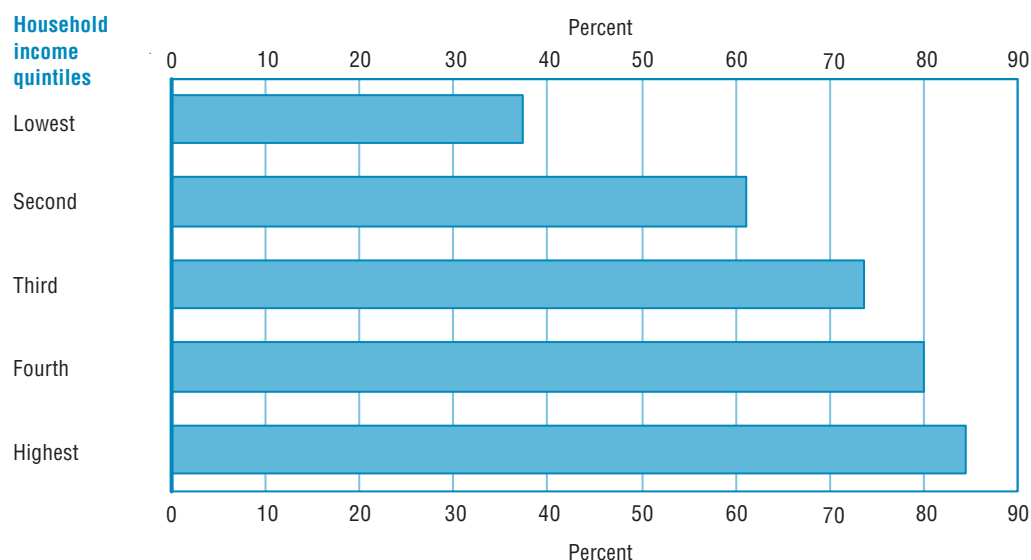


Figure 4.18

Proportion of the Canadian population who are preparing for retirement by income quintiles



As can be seen in Table 4.3, the majority of respondents who were currently not retired and who were preparing financially for their retirement, indicated government sources (81%) (CPP / QPP / OAS / GIS) or their own personal retirement savings plan (82%)⁴⁰ as a source of income when they retire. Approximately 58% of eligible Canadians⁴¹ indicated that they anticipated receiving income from a workplace pension; while 43% indicated they would earn income from working during their retirement.

Table 4.3
Sources of income in retirement

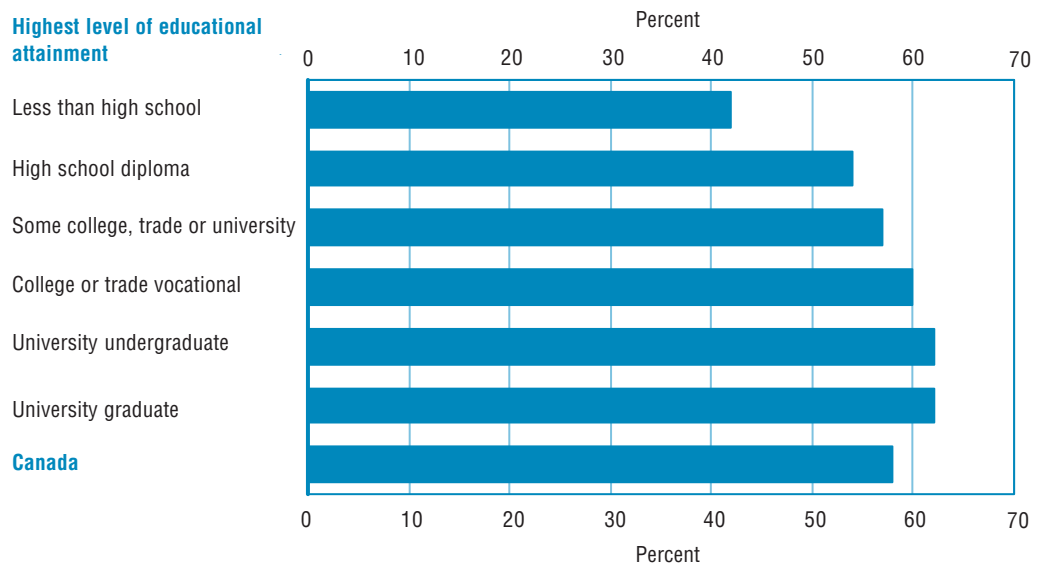
Sources	Yes	No
CPP / QPP / OAS / GIS	81	19
Occupational or workplace pension	58	42
Personal retirement savings plan benefits	82	18
Reverse mortgage	3	97
Sell financial assets (excludes RRSP/RIF)	25	75
Sell non-financial assets	16	84
Inheritance	17	83
Extended family for financial support — includes spouse	14	86
Draw an income from a business (yours or spouse/partner)	19	81
Earnings from employment in retirement	43	57
Other	2	98

40. The figures in Table 4.3 refer to those respondents who indicated they were financially preparing for retirement. While 82% of these respondents indicated that they had personal retirement savings plan benefits (that may include more than RRSPs) we do note that only 70% of all respondents indicated they had RRSPs.

41. The respondents who answered this question were those who indicated they were financially preparing for retirement. When compared against the general working population this proportion would be lower. It should also be noted that respondents could provide multiple responses to reflect multiple sources of income (n=8,173).

Of those who indicated that they would receive an occupational or workplace pension there was a 20 percentage point variation by level of educational attainment with only 42% of those Canadians with less than high school indicating they would receive a workplace pension; while 62% of university undergraduates indicated they would be receiving a workplace pension.

Figure 4.19
Presence of workplace pension by highest level of educational attainment

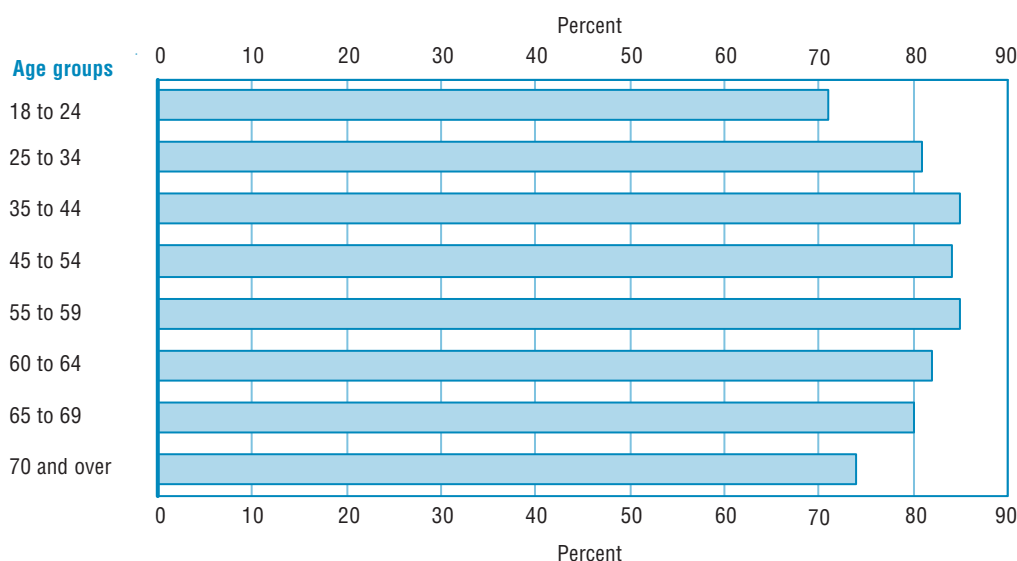


Note: The above graphic only represents those respondents who indicated that they were preparing financially for retirement.

Registered Retirement Savings Plans (RRSP)

Registered Retirement Savings Plans (RRSPs) are one of the preferred vehicles for personal retirement savings. Participation in the use of this plan is influenced by both education and income with both higher levels of education and greater income resulting in a greater presence of RRSPs. While only 63% of Canadians with less than high school education have RRSPs, over 90% of people with advanced university degrees have RRSPs. Determining the presence of RRSPs by age group indicates a range of 71% to 86% for those who were financially preparing for retirement (Figure 4.20).

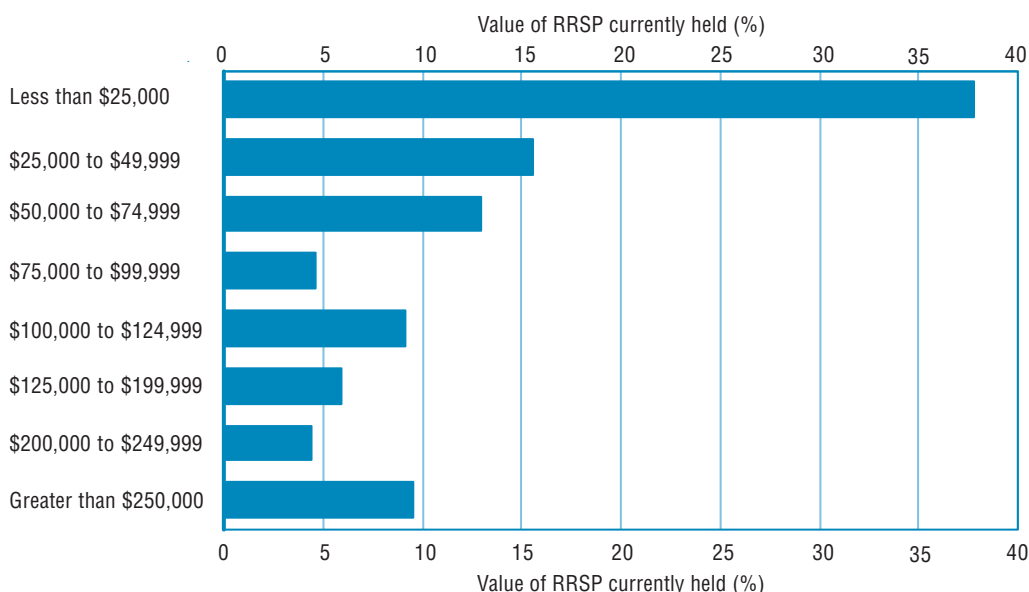
Figure 4.20
Contributions to RRSPs, by age groups



While the presence of RRSPs is a useful indicator of responsible planning for the future, it is the amount of funds that individuals/households are able to set aside and “grow” that will be critical in retirement.

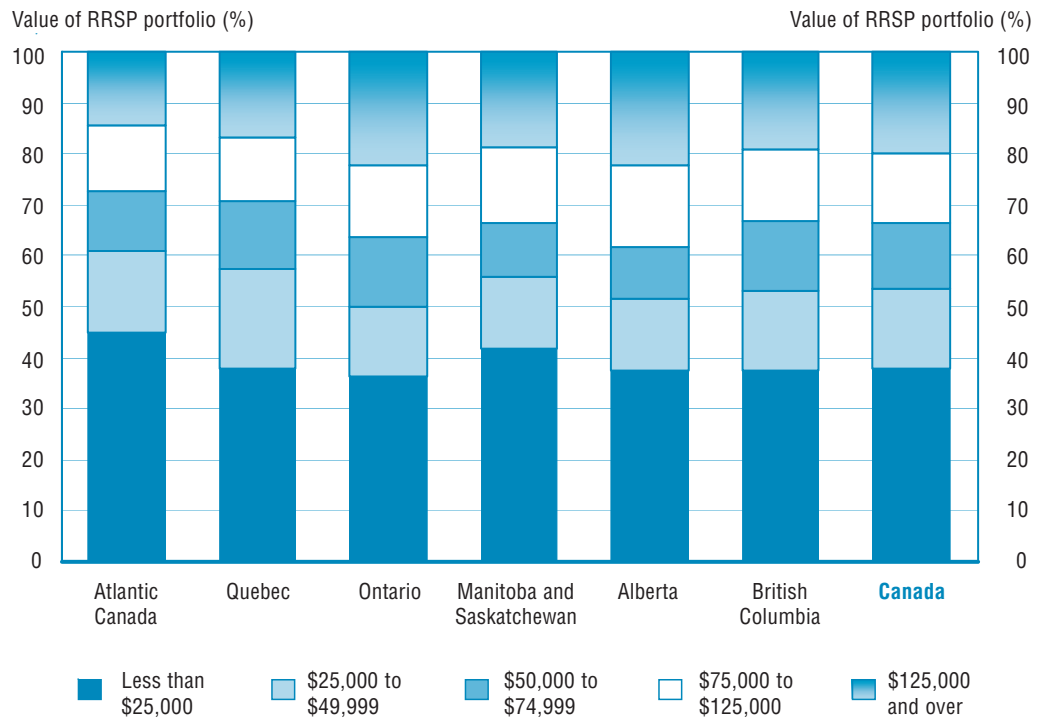
An examination of Figure 4.21 reveals that of those Canadians who have RRSPs and know the value of their RRSPs, the largest share (38%) have less than \$25,000 currently on account, while less than 10% of those Canadians with RRSPs have over \$250,000. When the data is grouped it becomes evident that for the majority of Canadians (52%) who know the value of their RRSPs, the value of their RRSPs is less than \$50,000.

Figure 4.21
Distribution of RRSPs currently held by Canadians grouped by dollar value



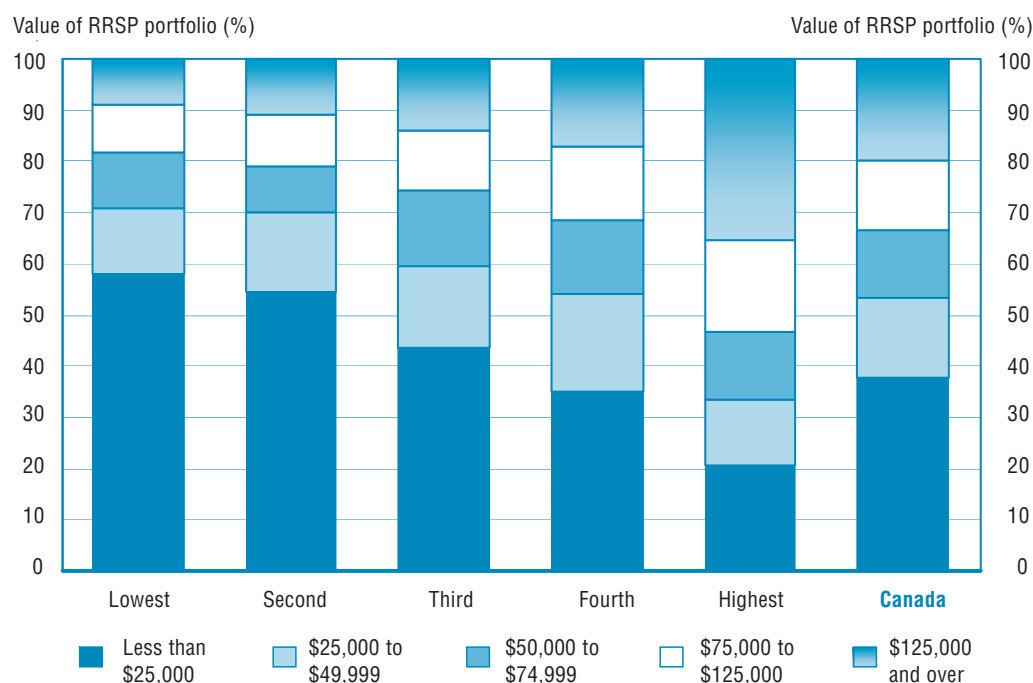
Examining the findings by region, Figure 4.22, indicates that residents of Ontario and Alberta fare a little better in terms of the value of their accounts, while residents of Atlantic Canada appear to have the least amount of value in their accounts, with 45% having less than \$25,000.

Figure 4.22
Distribution of RRSPs in grouped dollar values controlling for region



As might be expected when examining the dollar value of RRSPs by income quintiles, there is a clear relationship between income and the value of an individual's/households RRSPs. As can be seen in Figure 4.23, those in the highest income quintile have a much greater proportion of RRSPs with \$125,000 and over, while all the other quintiles display much lower proportions with RRSPs of \$125,000 and over.

Figure 4.23
Proportion of RRSP contributions in grouped dollar value by household income quintiles



Note: Data was grouped due to small cell counts.

Cashing in RRSPs

While intended to facilitate retirement savings, under certain conditions money contributed to RRSPs can be withdrawn. For example, programs have been developed to help Canadians finance home purchases (Home Buyers' Plan) and further their education (Life Long Learning Plan),⁴² permitting the removal of a certain amount of money from RRSPs without a tax penalty. Funds withdrawn from RRSP for other purposes would of course be taxed at the appropriate rate as the money would be deemed part of an individuals' income for the year.

When asked whether they had withdrawn funds from their RRSPs, 22% of respondents indicated that they had. There was some provincial variation ranging from a low of 17% in New Brunswick and Newfoundland and Labrador, to a high of 24%. As can be seen in Figure 4.25, the majority of RRSP withdrawals (64%) were for personal reasons while 37% were withdrawn under the home purchase plan and 3% for lifelong learning plan.⁴³

42. It should also be noted that the money had to be paid back into the RRSP over a certain time frame.

43. Multiple responses were possible therefore the totals will not add to 100%.

Figure 4.24
RRSP withdrawal for non-retirement purposes by province

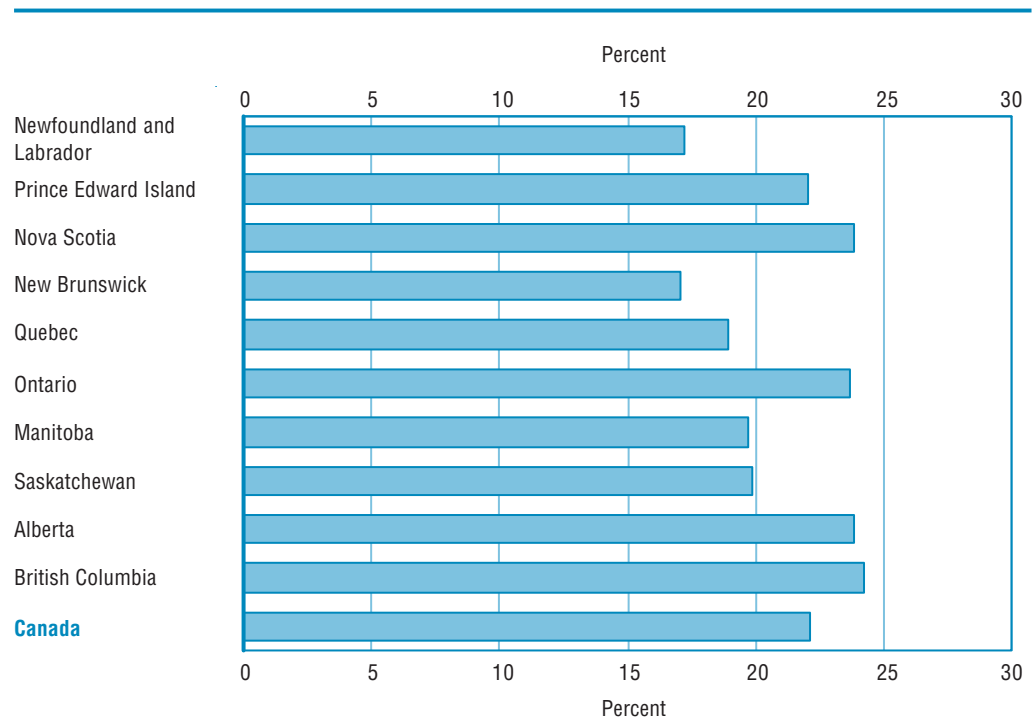
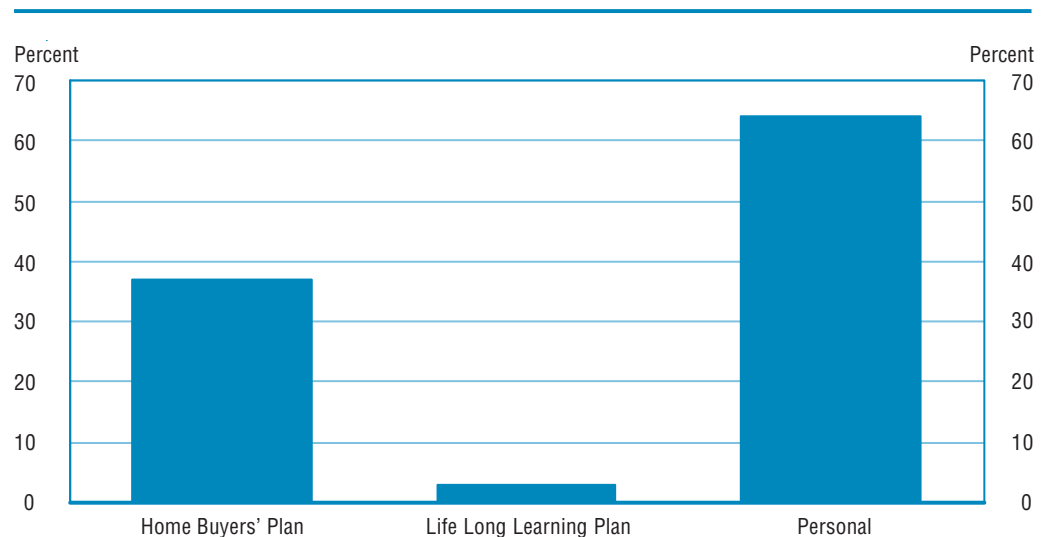
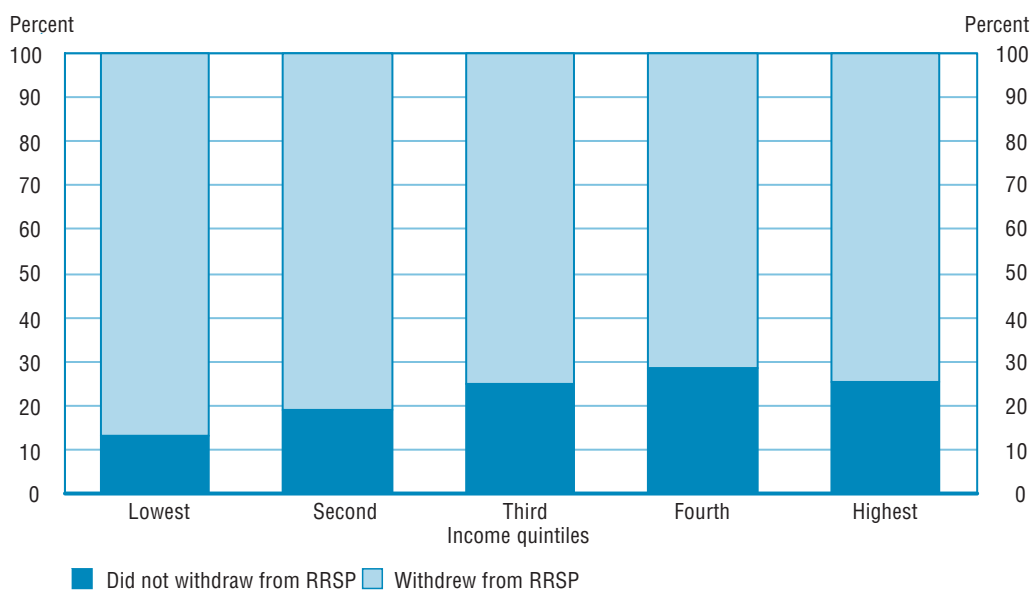


Figure 4.25
RRSP withdrawals for non-retirement reasons



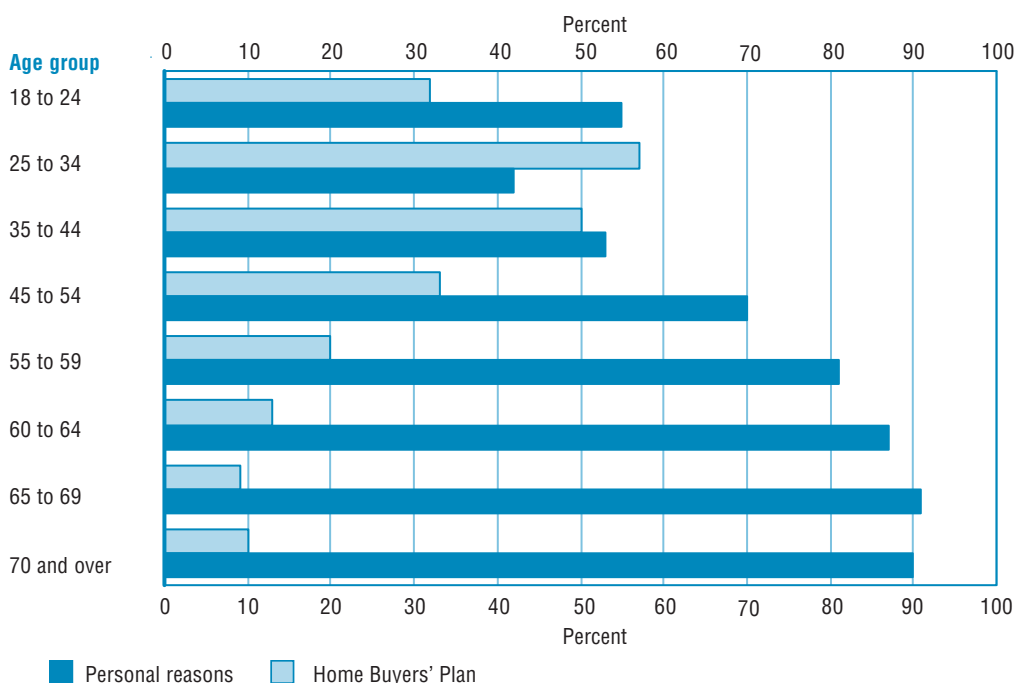
While those in the lower income quintiles may have the lowest dollar value invested in RRSPs they were also the least likely to withdraw money from their RRSPs. As evidenced in Figure 4.26, those in quintiles 3, 4 and 5 were the most likely to withdraw funds from their RRSPs. Gender differences were minimal, with men (23%) slightly more likely than women (21%) to withdraw money from their RRSPs for non-retirement reasons.

Figure 4.26
RRSP withdrawals for non-retirement purposes by income quintiles



Examining the withdrawal of RRSP funds by age group it becomes clear that the greatest proportion of RRSP withdrawals for non-retirement purposes took place across the 35 to 44 age cohort and the 45 to 54 age cohort. Given the typical types of lifecycle activities that occur during these periods (35 to 44) (45 to 54), it should not be surprising that individuals in these age cohorts are purchasing homes, or pursuing further education.

Figure 4.27
RRSP withdrawals for non-retirement reasons by age and reason



Note: Due to small cell sizes the data for the Life Long Learning Plan was not included.

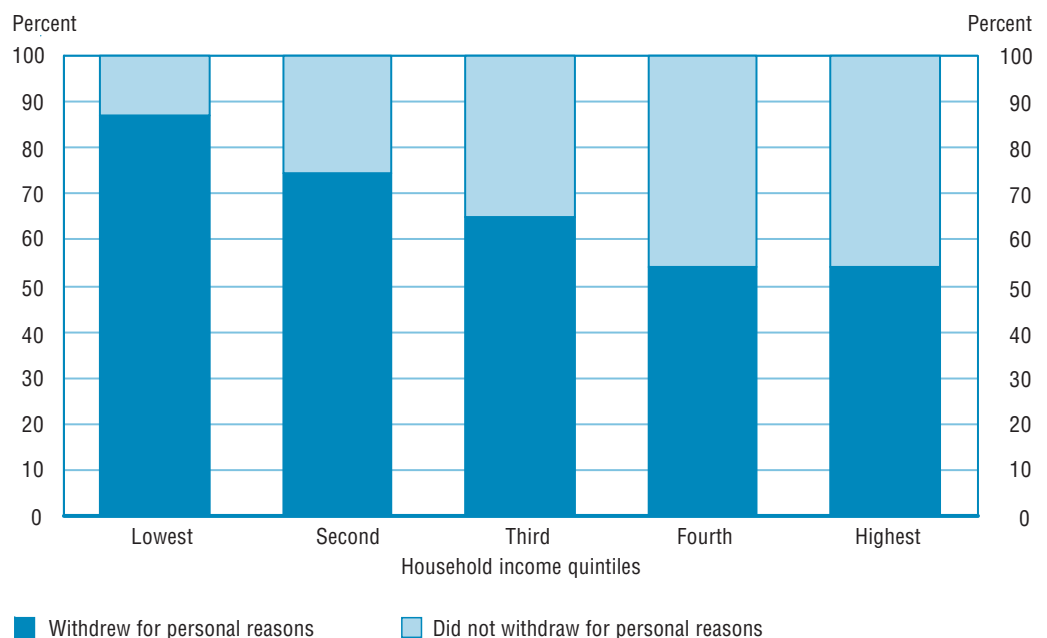
A further aspect of interest is an examination of the use of RRSP funds for home purchases looked at by income quintiles. As is clearly evidenced below, those in the higher income quintiles were more likely to use their RRSP withdrawals for home purchasing.

Figure 4.28
RRSP withdrawals for Home Buyers' Plan by household income quintiles



Examining RRSP withdrawals for personal reasons the opposite pattern was evidenced (Figure 4.29) where 87% of RRSP withdrawals by the lowest income quintile were for personal reasons.

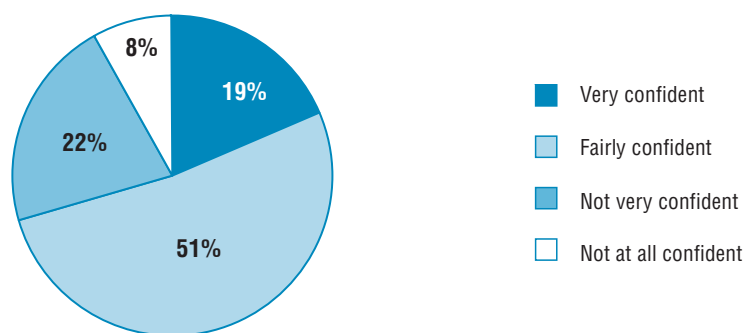
Figure 4.29
RRSP withdrawals for personal reasons by household income quintiles



Confidence in retirement income

When Canadians were asked how confident they were that their retirement income would provide the standard of living they hoped for, the majority of Canadians (70%) were fairly or very confident that it would; though 30% of Canadians were not very or not at all confident. While a large number of Canadians seem confident that their retirement income will be sufficient to provide a standard of living they hope for, it is worth noting that only 40% of Canadians have a good idea of how much money they will need to save to maintain their desired standard of living in retirement.⁴⁴

Figure 4.30
Confidence that retirement income will be sufficient to provide standard of living



As can be seen in Figure 4.31, only 56% of those respondents who were “very confident” about their standard of living in retirement actually indicated that they knew how much they needed to save, while those who were less confident dropped well below 50%.

Figure 4.31
Confidence in standard of living for retirement by knowledge of how much they need to save for retirement



44. It should be noted that the question presented at this point did not ask the respondent whether they were in real terms “able” to save the money; but rather did they have a good idea how much money they would need to save.

Of concern for future research will be to determine if the problem lies in unreasonable future expectations; difficulty knowing future financial requirements; or difficulty untangling the web of possibilities and how they might chart against future realities.

Among Canadians who are currently retired, 17% indicated that their standard of living was better or much better than expected before retirement; 22% indicated it was not as good as or much worse than expected; while 61% indicated it was as expected. It has also been noted that there are some regional variations as can be seen in Table 4.4.

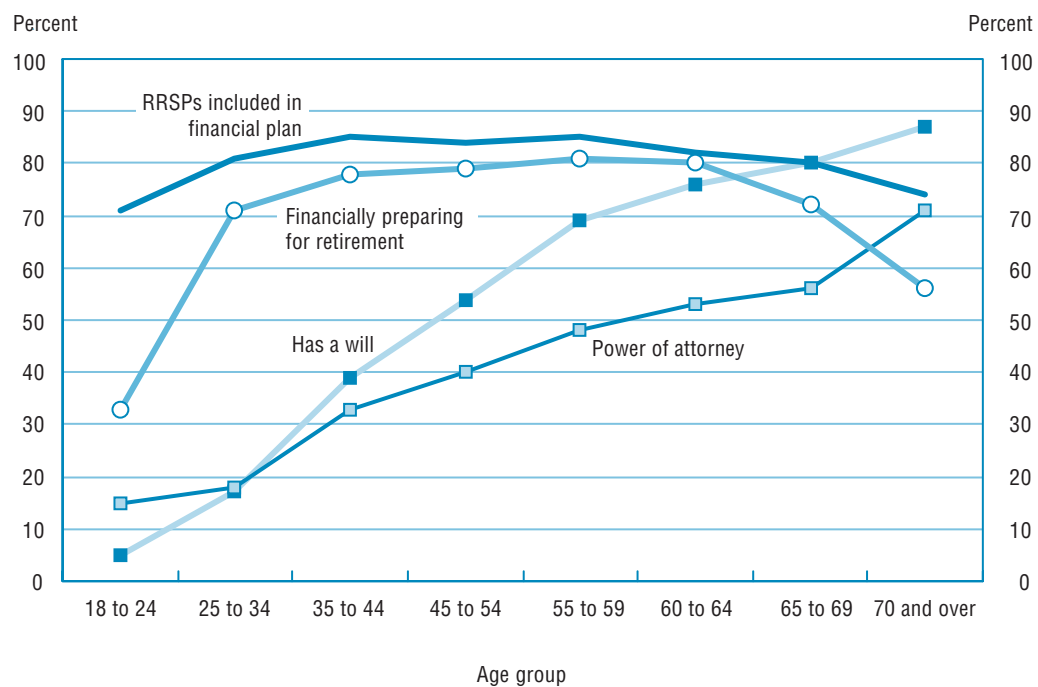
Table 4.4
Standard of living in retirement compared to expectation by region

Region	Much better than expected	As expected	Not as good and much worse
	Percent		
Atlantic (Newfoundland and Labrador, Prince Edward Island, Nova Scotia, New Brunswick)	21	54	26
Quebec	16	65	19
Ontario	16	61	23
Manitoba and Saskatchewan	18	60	22
Alberta	19	56	25
British Columbia	20	56	24

How Canadians plan for the future may encompass a broad range of activities. Four key components that might be included comprise: having a will; having a power of attorney; financially preparing for retirement; and the inclusion of RRSPs in a financial plan. As can be seen in Figure 4.32 it is clear that preparing a will and having power of attorney drawn up are activities that occur later in life. For over ⁴⁵70% of Canadians, financial preparations occur between the ages of 25 to 34.

45. The high incidence of financial preparations for retirement at a young age is a positive indication of the awareness of the importance of preparing financially for retirement; however, it does not provide a sense of the actual amounts of funds that are being put aside for retirement and as discussed earlier possibly used at a later date, for non retirement purposes.

Figure 4.32
Planning for the future variables by age group



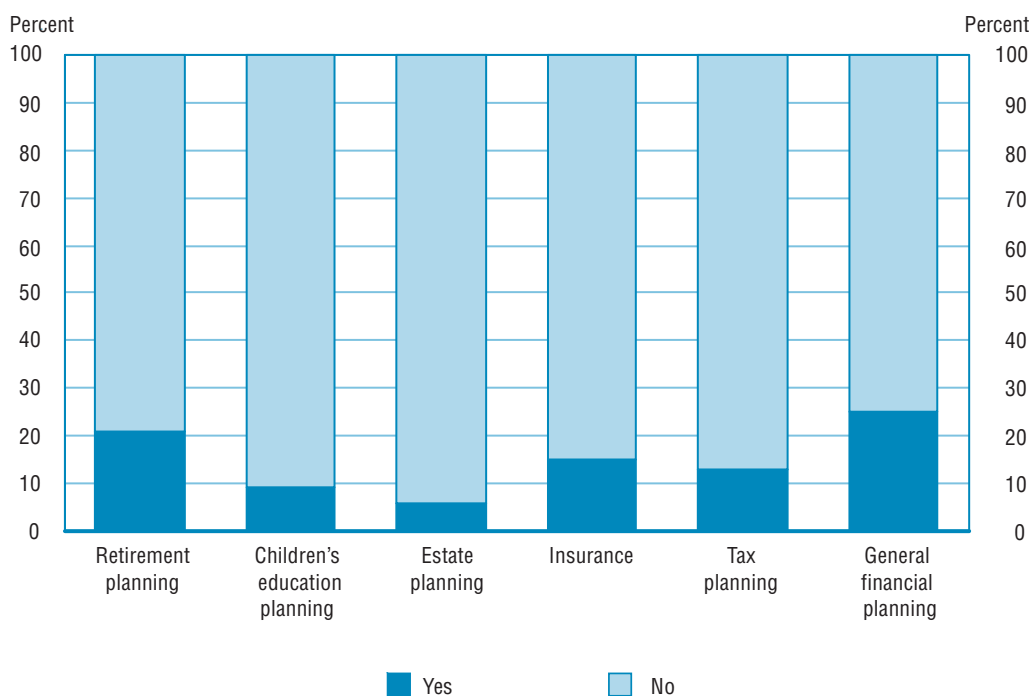
5 Choosing financial products

To try and understand how Canadians approach the choosing of financial products the CFCS asked Canadians a series of questions concerning financial choices and the nature of the approaches taken toward the purchase of financial products.

Making use of advice

As can be seen in Figure 5.1, 25% of Canadians indicated they made use of general financial planning, while 21% sought advice when planning for retirement.

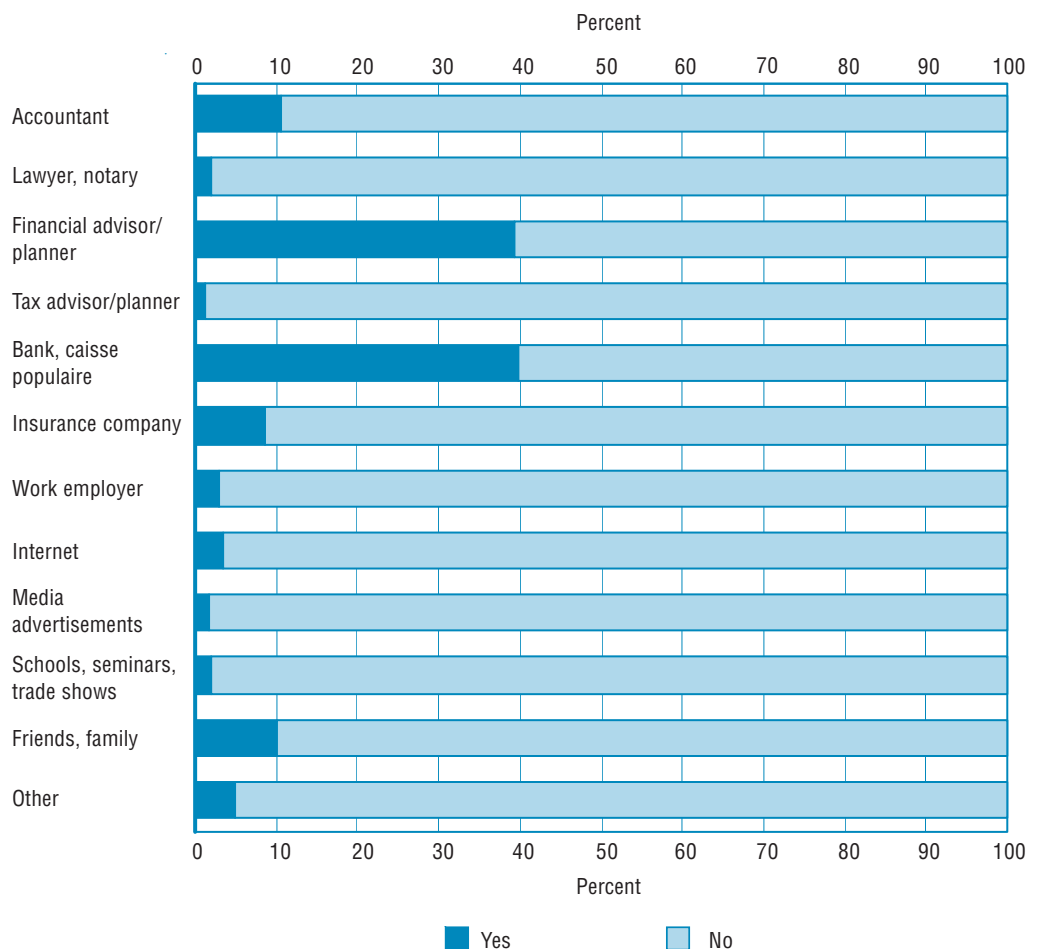
Figure 5.1
Making use of advice by type of advice



Of those Canadians who make use of advice, there are variations by income quintiles. Generally, a trend exists across all domains with an increase in “using advice” from the lowest income quintile to the highest income quintile. This is evidenced in retirement planning (7%) and tax planning (5%) from the lowest quintile making use of advice; while at the highest income quintile we observe 35% making use of advice for retirement planning and 21% making use of advice for tax planning.

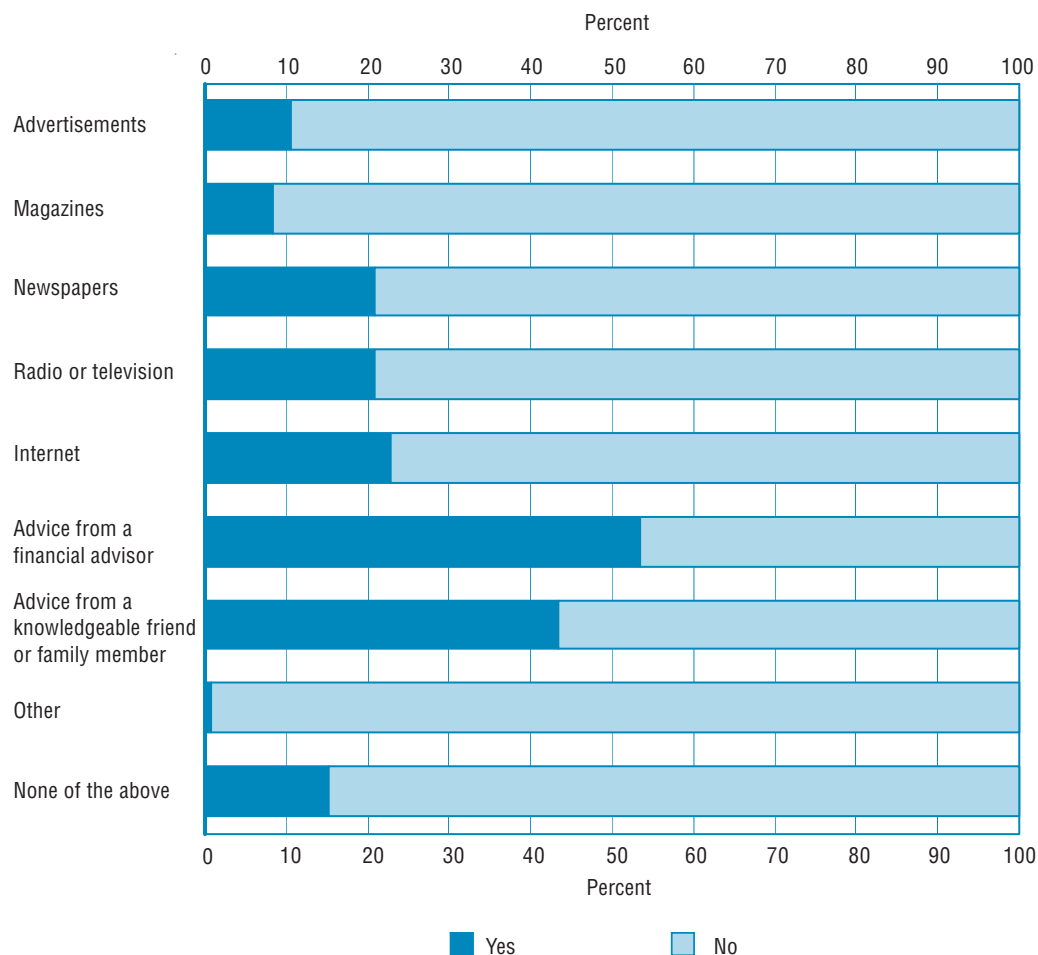
The majority of Canadians who do make use of advice obtained their advice from either a bank/caisse populaire (40%); or a financial advisor/planner (39%). Other mediums for obtaining advice were used with much less frequency, as can be seen in Figure 5.2. It would appear that Canadians were reticent to pay for advice, with only 19% of those Canadians who made use of financial advice actually paying for it. This finding varies by income quintile with only 14% of those in the lowest quintile willing to pay, while 26% of those in the highest quintile were willing to pay.

Figure 5.2
Where Canadians obtain financial advice



While Canadians obtain financial advice from a number of sources, there were some sources that were deemed more important when it came to financial investments. The survey asked Canadians what information sources they felt most influenced their decisions about the financial investments they make. Advice from a financial advisor (54%) was the most common source followed by friends or family (43%). As evidenced in Figure 5.3, Canadians also used a number of other sources and, in many instances, used multiple sources to inform their decision-making.

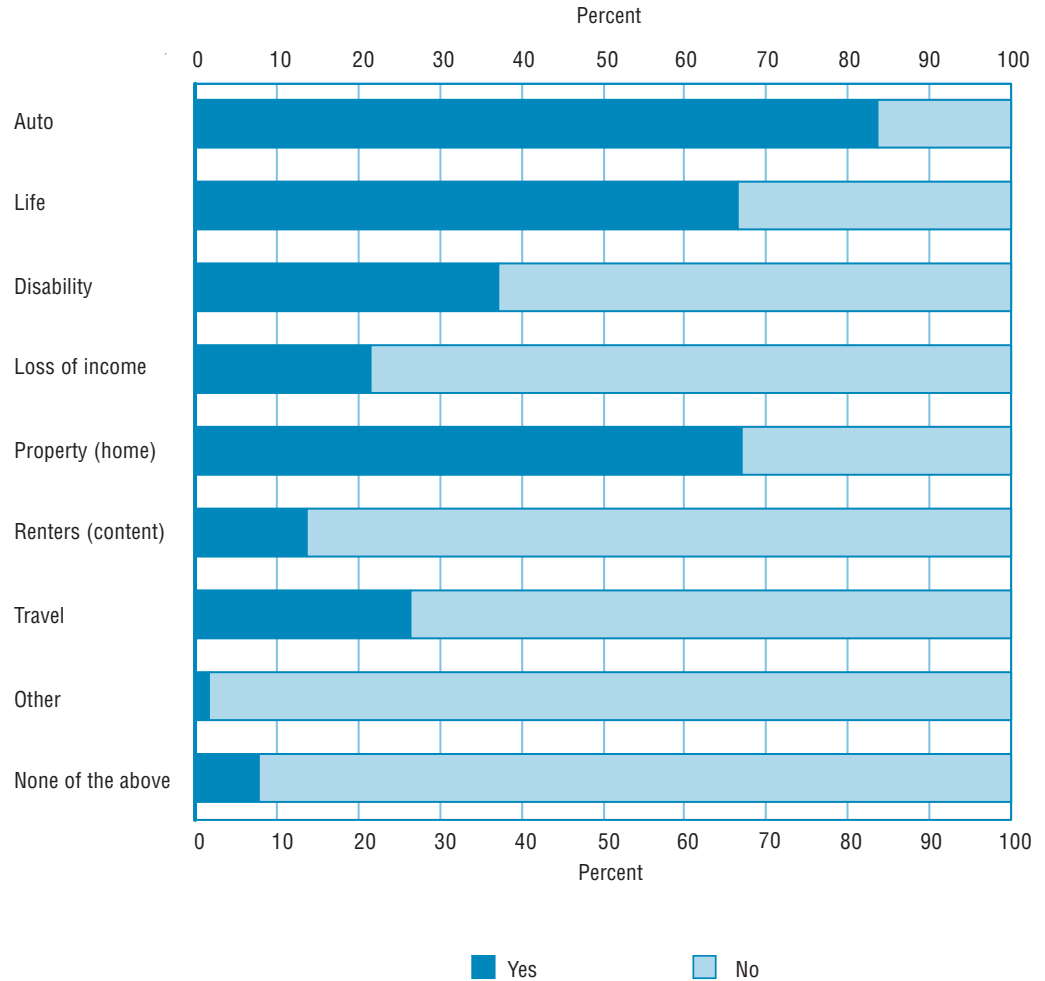
Figure 5.3
Sources of advice that most influence your decisions about financial investments



Insurance coverage

The most common type of insurance held by Canadians is auto insurance. Second to auto insurance was life insurance and home insurance each with a rate of coverage of 67% in Canada.

Figure 5.4
Presence of insurance coverage by type of insurance coverage



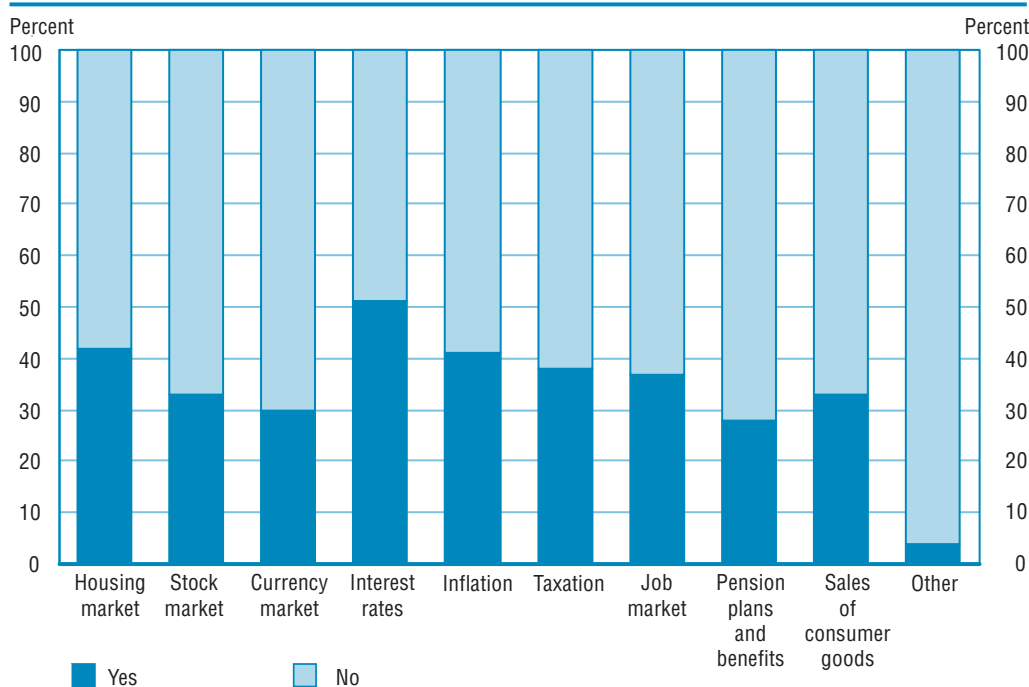
An examination of the presence of insurance by income quintiles indicates that those respondents in the higher income quintiles had greater proportions with insurance than those in the lower income quintiles. Over 70% of respondents in any of the top three income quintiles had life insurance while only 45% in the lowest income quintile had life insurance. For disability insurance, the rate of coverage increased from 15% of those in the lowest income quintile to 30% in the second quintile and 53% in the highest⁴⁶ quintile. Approximately 18% in the lowest quintile had no insurance coverage.

46. Given age income relationships further research is required here.

6 Staying informed

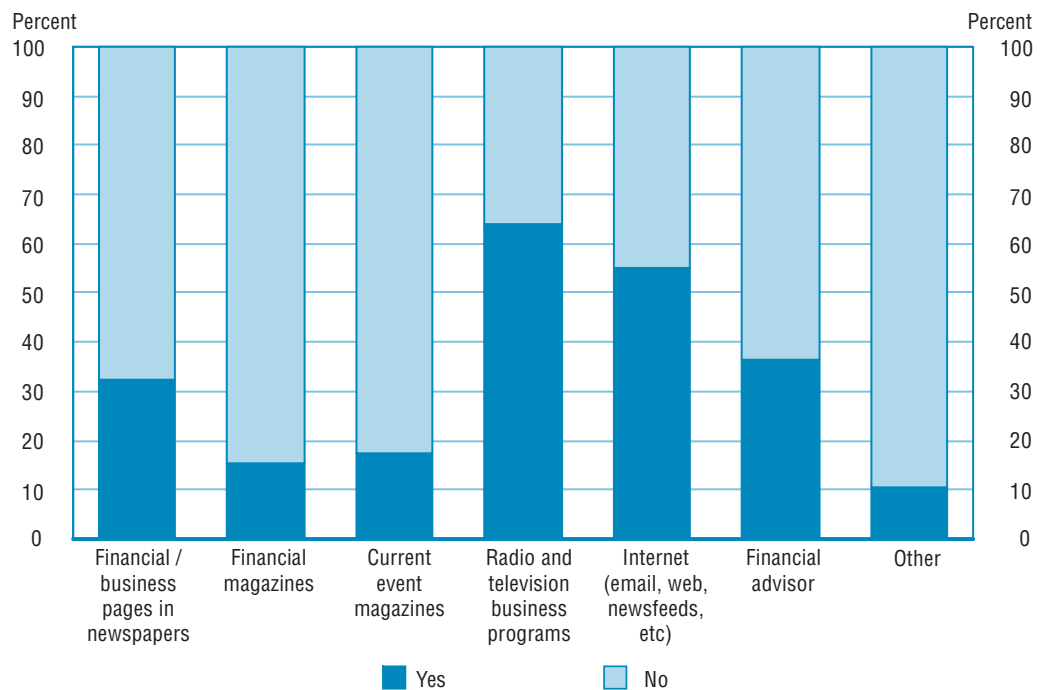
The ability to stay informed of one's financial matters is important if one is to be able to make appropriate financial decisions for their circumstances. With this in mind, the survey examined if Canadians “keep an eye” on various economic / financial indicators, thereby informing ourselves about the current economic environment. The survey explored this dimension by reviewing the methods used to “keep-an-eye” on financial activities. The majority of Canadians (51%) keep an eye on interest rates while 42% keep an eye on the housing market. Inflation (41%) and taxation (38%) were also monitored by a large number of Canadians. The most popular method for staying informed was to watch or listen to business shows on television or radio (64%) while the internet (55%) was the second most popular approach. Specialist publications such as financial magazines were used by 16% of respondents.

Figure 6.1
Distribution of Canadians who keep an eye on various topics



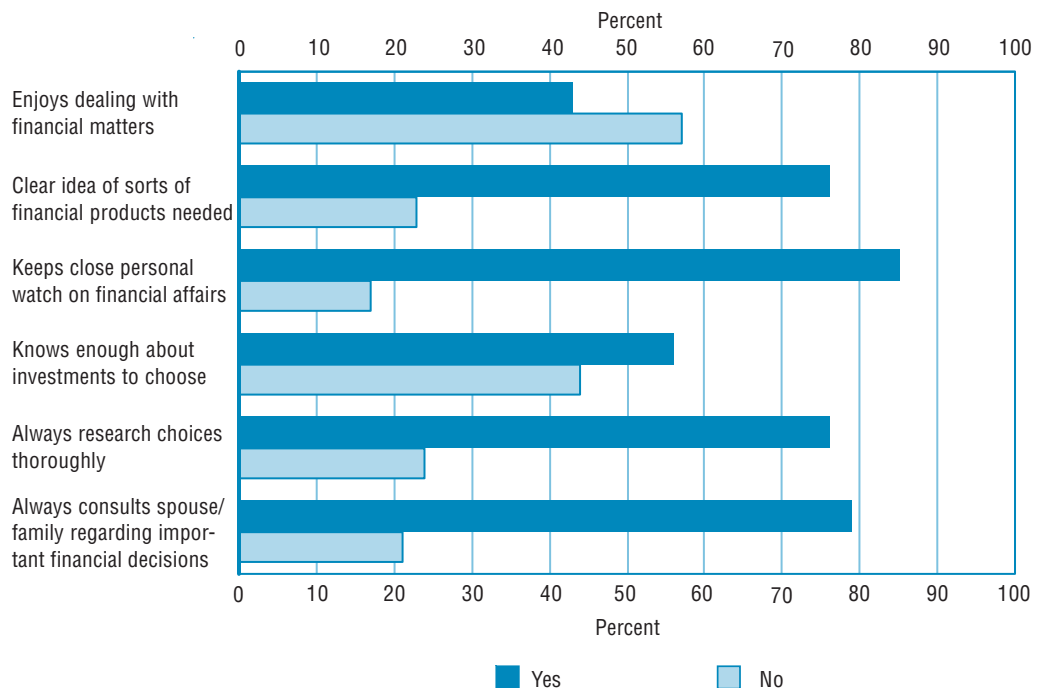
Another aspect of staying informed about personal financial matters revolves around credit reports. Respondents were asked if they had personally requested a credit report. The majority (69%) indicated they had never requested a report while 12% had within the past 12 months and 13% within the past 5 years. The remaining 6% had requested a report more than 5 years ago. Of those respondents who had requested a report to verify their credit history, 21% found an error in the information.

Figure 6.2
Distribution of Canadians using various media to monitor financial activities and news



The majority (57%) of Canadians indicated that they do not like dealing with financial matters though a large share of people in Canada (76%) indicated they had clear idea of their financial needs, research choices thoroughly (76%), and keep a close watch on their financial affairs (85%).

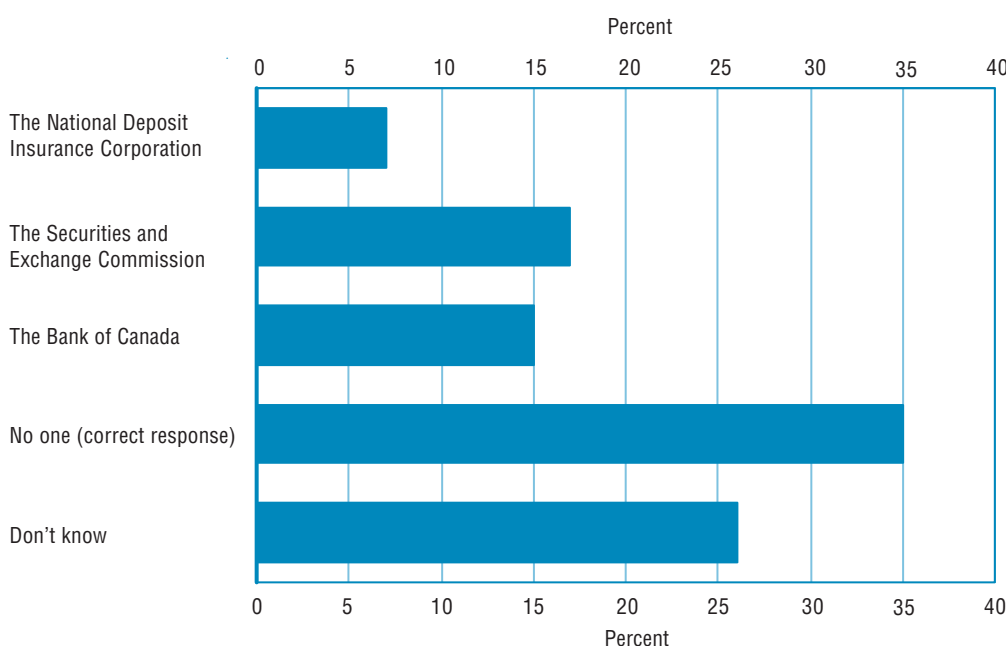
Figure 6.3
Knowledge and comfort with financial matters



7 Objective quiz

Respondents to the survey were asked 14 objective questions⁴⁷ concerning topics ranging from unit pricing in stores, inflation and the stock market. While over 50% of respondents were able to answer 10 questions correctly — the remaining four questions were either answered incorrectly or by “don’t know”— only 6 questions were answered correctly by 70% of respondents.

Figure 7.1
Objective quiz – Who insures your stocks in the stock market?



These findings are insightful when juxtaposed against the subjective assessment. An interesting example concerns investment knowledge, where over 50% of Canadians indicated that they know enough about investments to choose (Figure 6.3); and yet only 35% correctly answered that no one insures the stock market (Figure 7.1). Though the subjective assessment and the specific objective answer reflect different questions, the example suggests that our impression of our knowledge and our actual knowledge may not be aligned.

47. All questions asked were structured as multiple response questions with the answer categories read to the respondent.

Specific problem areas concerned knowledge of a credit report, stock market insurance, investment types that best protect purchasing power of a family savings in the event of a sudden increase in inflation and when it is financially beneficial to borrow money to buy something now and repay in the future.

Findings from the objective assessment suggest that the concept of inflation and how it effects us is not well understood by Canadians. When asked which group of Canadians would have the most difficulty during a period of high inflation that lasts several years, only 54% of respondents selected the correct response. A second question on inflation asked respondents to identify which type of investment would best protect the purchasing power of a family's savings in the event of a sudden increase in inflation, and in this instance, only 38% of Canadians provided the correct response. While Canadians (89%) understand that making late payments on loans and debts can hurt your credit rating, only 26% of Canadians correctly identified the response indicating when it would be financially beneficial to borrow money to buy something now and repay it with future income.

The majority of Canadians (73% correct) understood that by using unit pricing at the grocery store you can easily compare the cost of any brand and any package size. The majority of Canadians (78%) were also clear as to which persons would need the greatest amount of life insurance. When discussing house purchases, 87% of Canadians recognized that making a larger⁴⁸ down payment at the time of purchase would help lower the cost to the house.

48. While the majority of Canadians recognize the importance of the down payment at the time of purchase towards reducing costs the earlier discussion showed that the majority of Canadians find themselves having 10% or less saved towards the purchase price.

Conclusion

The 2009 Survey of Financial Capability was the first large scale Canadian survey aimed at understanding the financial capability of Canadians. The purpose of the survey was to collect information pertaining to how Canadians approached their personal / household finances in both the short term and longer term. Financial capability, as understood in the survey, was more than a simple one-dimensional skill. To this end the survey collected information about Canadians' financial knowledge and understanding; financial skills and competence; and their level of financial responsibility. The findings were organized around the four major domains of financial capability:

- Managing money (making ends meet and keeping track);
- Planning ahead (major purchases, children's post-secondary education and retirement);
- Choosing products (sources of advice, using advice, insurance products);
- Staying informed (types of financial issues and methods used);

Many of the findings detailed in the paper provided corroborating evidence that weaknesses with financial capability tend to be associated with lower income, lower educational attainment, and single parent households. Nonetheless there were a number of findings that might be considered surprising. For instance it was noted that 31% of Canadians struggled to meet their financial commitments in the past 12 months.

Findings surrounding home purchasing indicated that 50% of potential home buyers had saved less than 5% of the anticipated cost, and even among the highest income quintile, 35% had saved less than 5% of the anticipated cost. Also worth noting were that many Canadians planning to purchase homes were unaware of the many ancillary costs associated with home purchasing. Examining retirement planning indicated that the majority of Canadians were confident that their retirement income would be sufficient; however, only 40% of Canadians had a good idea of how much money they would need to save for a comfortable retirement.

The findings outlined in this working paper have provided a broad sweep of the brush as to how Canadians approach their financial activities, from day-to-day transactions through longer term planning for retirement or children's post-secondary education. While an important first step in highlighting the findings surrounding this very important subject there is clearly enormous scope for more focused and detailed analytical work.

References

- ANZ Survey of Financial Literacy in Australia Final Report P.2; taken from Schagen, S. "The Evaluation of NatWest Face 2 Face With Finance": NFER, 1997. (This definition was adopted from UK research with a view to international consistency).
- Applied Research and Consulting LLC. "Financial Capability in the United States: Initial Report of Research Findings from the 2009 National Survey – A component of the National Financial Capability Study. Prepared for the FINRA Investor Education Foundation; December 1st, 2009.
- Ariely, Dan "Predictably Irrational" Harper Collins Publishers, New York 2008.
- Arrowsmith, Stephen; Pignal, Jean and Kleim, Gildas "Planning Report for a Canadian Survey of Financial Capability" November 2006 Statistics Canada.
- Arrowsmith, Stephen and Pignal, Jean "Thematic Model for the Development of the Canadian Financial Capability Survey" discussion paper – unpublished September 2006.
- Atkinson, Adele. "Managing Money – How Does Northern Ireland add up? A Research Report from the Consumer Council" Personal Finance Research Centre
- Banting, Keith, G. "Do We Know Where We Are Going? The New Social Policy in Canada pp.421-429 in Canadian Public Policy. Volume XXXI No. 4 2005.
- Braunstein, Sandra and Welch Carolyn "Financial Literacy: An Overview of Practice, Research and Policy" pp. 445-457 in "Federal Reserve Bulletin" November 2002.
- Certified General Accountants Association of Canada "Where Does the Money Go: The Increasing Reliance on Household Debt in Canada" 2007.
- Cooper, Sherry "The New Retirement: How it Will Change Our Future" Viking Canada 2008.
- Dawes, John. "Do data characteristics change according to the number of scale points used? An experiment using 5-point, 7-point and 10-point scales" pp. 61-77 in "International journal of Market Research" Vol. 50 Issue 1. 2008.
- Elaine Kempson and Adele Atkinson "Overview and assessment of existing measurements of financial literacy/capability across the world" Personal Finance Research Centre. University of Bristol October 2009.
- Eisenberg, Lee. "The Number: A Completely Different Way to Think About the Rest of Your Life." Free Press. Toronto 2006.
- Ferguson, Niall. "The Ascent of Money" The Penguin Press. New York 2008.
- Financial Consumer Agency of Canada "Moving Forward with Financial Literacy Synthesis Report on Reaching higher: Canadian Conference on Financial Literacy" Montreal Sept. 9th and 10th 2008.
- Financial Services Authority "Levels of Financial Capability in the UK: Results of a baseline survey. Adele Atkinson, Stephen McKay, Elaine Kempson, and Sharon Collard Consumer Research Paper No. 47 March 2006.
- Foot, David, K. with Stoffman Daniel "Boom, Bust and Echo: How to Profit from the Coming Demographic Shift" Macfarlane Walter & Ross Toronto 1996.

- Human Resources and Social Development Canada Proposal – Data Development “Measuring Financial Capability in Canada” presented to the Policy Review Data Group Fall 2005.
- Kamp van der Max and Scheeren “New Trajectories of Learning Across the Lifespan” pp 131-154 in “new Patterns of Learning: A Six Country Comparative Study” edited by Belanger, Paul and Tuijnman, Albert Pergamon and UNESCO Institute for Education 1997.
- Kiyosaki, Robert T. with Lechter, Sharon L. “Rich Dad, Poor Dad: What the Rich Teach Their Kids about Money – That the Poor and Middle Class do Not!” Business Plus New York 2000
- Maclean’s Magazine Volume 119, Number 7 February 13th 2006.
- Mason, Carolynne, L.J. and Wilson, Richard, M.S. “Conceptualising Financial Literacy” Business School Research Series Paper 2000:7 Loughborough University.
- Meza de, David, Irlendbusch, Bernd, and Reyniers Diane “Financial Capability: A Behavioural Economics Perspective.” London School of Economics July 2008.
- Organization for Economic Co-operation and Development “Improving Financial Literacy: Analysis of Issues and Policies” Paris 2005 p.11.
- Osberg, Lars “Pulling Apart –The Growing Gulfs in Canadian Society” pp. 51-54 in “Policy Options” April-May 2006.
- Pettigrew, Thomas, F. “The Advantage of Multilevel Approaches” in the “Journal of Social Issues” Vol. 62 No.3 2006.
- Pignal, Jean and Arrowsmith, Stephen “Cognitive Testing Report of the Draft Questionnaire for the Canadian Survey of Financial Capabilities” Special Surveys Division, Statistics Canada March 2007.
- Pignal, Jean and Guay, Sarah, “Validation of the Canadian Financial Capability Assessment”, Special Surveys Division, Statistics Canada, February, 2009.
- Pound, Glenn “Literacy Policy: Getting Canada Ready for the Knowledge Economy” pp. 58-62 in “Policy Options” February 2006.
- PRI synthesis report: Exploring the Promise of Asset-based Social Policies: Reviewing Evidence from Research and Practice. 2003.
- Pyper, Wendy. “Payday Loans” in “Perspectives” April 2007. Statistics Canada Cat. No. 75-001-XIE.
- Roy Morgan Research “ANZ Survey of Adult Financial Literacy in Australia: Final Report” May 2003.
- Social and Enterprise Development Innovations (SEDI) Social and Enterprise Development Innovations (SEDI) “Why Financial Capability Matters.” P. 6 2005.
- Shipley Lisa, Ouellette Sylvie, and Cartwright Fernando “Planning and preparation: First Results from the Survey of Approaches to Educational Planning (SAEP) 2002. Statistics Canada November 2003 Catalogue No. 81-595-MIE2003010.
- Statistics Canada and Human Resources and Development Canada, “Reading the Future: A Portrait of Literacy in Canada” Ottawa 1996.
- Stone, Leroy O. (editor in chief) “New Frontiers of Research on Retirement” Statistics Canada February 2006 Ottawa.
- Thaler, Richard H. and Sunstein Cass R. “Nudge: Improving Decisions About Health, Wealth, and Happiness Penguin Press New York 2008.
- Theodorson, George, A. and Theodorson, Achilles G A Modern Dictionary of Sociology; Thomas Y. Crowell Company New York 1969.
- Trahair, David. “Enough Bull: How to Retire Well Without the Stock Market, Mutual Funds, or Even an Investment Advisor”. John Wiley & Sons Canada Ltd 2009.

Appendix A

Table A.1

Presence of budget, by selected characteristics, 2009 Canadian Financial Capability Survey

	Estimate					
	Total		Presence of a budget		Absence of a budget	
	Number	Percent	Number	Percent	Number	Percent
Sex						
Total	25,870,123	100	13,233,741	51	12,636,383	49
Male	12,722,165	100	6,178,565	49	6,543,601	51
Female	13,147,958	100	7,055,176	54	6,092,782	46
Province						
Canada	25,870,123	100	13,233,741	51	12,636,383	49
Newfoundland and Labrador	408,784	100	168,132	41	240,652	59
Prince Edward Island	108,692	100	52,475	48	56,217	52
Nova Scotia	740,845	100	375,738	51	365,107	49
New Brunswick	600,979	100	342,576	57	258,403	43
Quebec	6,139,701	100	3,707,368	60	2,432,333	40
Ontario	9,961,632	100	5,039,741	51	4,921,891	49
Manitoba	891,199	100	405,193	45	486,006	55
Saskatchewan	764,560	100	319,052	42	445,508	58
Alberta	2,719,514	100	1,230,905	45	1,488,610	55
British Columbia	3,534,216	100	1,592,561	45	1,941,656	55
First language						
Total	25,870,123	100	13,233,741	51	12,636,383	49
English	15,025,693	100	7,207,313	48	7,818,379	52
French	5,780,722	100	3,448,398	60	2,332,324	40
Other	4,747,283	100	2,397,875	51	2,349,409	49
Combination	308,239	100	173,790	56	134,449	44
Age group						
Total	25,870,123	100	13,233,741	51	12,636,383	49
18 to 24	3,014,295	100	1,056,763	35	1,957,532	65
25 to 34	4,531,720	100	2,562,649	57	1,969,071	43
35 to 44	4,781,241	100	2,758,035	58	2,023,206	42
45 to 54	5,237,962	100	2,794,210	53	2,443,752	47
55 to 59	2,158,444	100	1,138,235	53	1,020,209	47
60 to 64	1,826,802	100	1,000,623	55	826,178	45
65 to 69	1,346,946	100	697,506	52	649,440	48
70 and over	2,972,714	100	1,225,719	41	1,746,995	59
Highest level of educational attainment						
Total	25,870,123	100	13,233,741	51	12,636,383	49
Less than a high school diploma	4,098,976	100	1,730,783	42	2,368,194	58
High school diploma or equivalent	5,550,414	100	2,538,454	46	3,011,960	54
Some college, trade or vocational or technical school, CEGEP or university without a certificate or diploma	2,950,282	100	1,518,574	51	1,431,708	49
College, trade or vocational or technical school, CEGEP certificate or diploma	6,105,274	100	3,264,715	53	2,840,559	47
University undergraduate degree	4,670,409	100	2,663,184	57	2,007,225	43
University graduate degree	2,450,490	100	1,503,873	61	946,617	39
Marital status						
Total	25,870,123	100	13,233,741	51	12,636,383	49
Married	13,902,736	100	7,427,853	53	6,474,884	47
Living common-law	2,842,845	100	1,687,498	59	1,155,347	41
Widow or widower	1,363,874	100	608,854	45	755,021	55
Separated	638,692	100	366,862	57	271,830	43
Divorced	1,267,480	100	705,840	56	561,640	44
Single, never married	5,808,967	100	2,404,645	41	3,404,322	59

Table A.1 concluded

Presence of budget, by selected characteristics, 2009 Canadian Financial Capability Survey

	Estimate					
	Total		Presence of a budget		Absence of a budget	
	Number	Percent	Number	Percent	Number	Percent
Labour force status						
Total	25,870,123	100	13,233,741	51	12,636,383	49
Employed	13,160,490	100	7,175,410	55	5,985,081	45
Self-employed	2,416,714	100	1,084,139	45	1,332,575	55
Not working and looking for work	1,572,705	100	795,787	51	776,918	49
Not working and not looking for work	1,140,783	100	585,820	51	554,963	49
Retired	5,258,020	100	2,499,218	48	2,758,801	52
A student (including work programs)	1,540,915	100	661,996	43	878,919	57
Doing unpaid household work	743,198	100	407,440	55	335,758	45
Other	25,841	100	F	57 ^E	F	F
Household income quintiles						
Total	25,870,123	100	13,233,741	51	12,636,383	49
Less than \$32,001 (0% to 20%)	5,164,391	100	2,509,913	49	2,654,478	51
Total \$32,001 to \$54,999 (21% to 40%)	5,152,144	100	2,660,759	52	2,491,385	48
\$55,000 to \$79,999 (41% to 60%)	5,201,747	100	2,785,221	54	2,416,526	46
\$80,000 to \$119,999 (61% to 80%)	5,176,935	100	2,718,088	53	2,458,847	47
\$120,000 and over (81% to 100%)	5,174,907	100	2,559,760	49	2,615,147	51
Household tenure						
Total	25,870,123	100	13,233,741	51	12,636,383	49
Owned without a mortgage	7,978,343	100	3,587,128	45	4,391,215	55
Owned with a mortgage	11,059,801	100	6,080,271	55	4,979,530	45
Not owned	6,131,077	100	3,307,792	54	2,823,285	46
Not stated	700,902	100	258,549	37	442,353	63

^E use with caution

F too unreliable to be published

Table A.2

Keeping up with bills and payments, by selected characteristics, 2009 Canadian Financial Capability Survey

	Estimate							
	Total		Keeping up without problems		Sometimes a struggle		Having real financial problems	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Family composition								
Total	25,587,157	100	16,883,009	66	7,998,925	31	705,224	3
Unattached individual	3,427,962	100	2,408,316	70	904,579	26	115,067 ^E	3 ^E
Couple family with no children under 25	8,379,989	100	6,296,596	75	1,989,700	24	93,693 ^E	1 ^E
Couple family with youngest child is 0 to 17	6,635,495	100	3,835,958	58	2,547,746	38	251,791	4
Couple family with youngest child is 18 to 24	1,141,939	100	753,889	66	370,197	32	F	F
Single parent families	1,129,954	100	386,593	34	626,966	55	116,394	10
Other families	4,871,820	100	3,201,656	66	1,559,736	32	110,427 ^E	2 ^E
Labour force status								
Total	25,587,157	100	16,883,009	66	7,998,925	31	705,224	3
Employed	13,131,793	100	8,447,676	64	4,395,961	33	288,155	2
Self-employed	2,410,133	100	1,521,107	63	821,598	34	67,428 ^E	3 ^E
Not working and looking for work	1,580,550	100	673,972	43	736,063	47	170,516	11
Not working and not looking for work	1,108,428	100	578,448	52	440,065	40	89,914	8
Retired	5,055,576	100	4,198,791	83	826,542	16	30,243 ^E	1 ^E
A student (including work programs)	1,538,101	100	1,023,891	67	481,936	31	F	F
Doing unpaid household work	725,278	100	421,059	58	277,526	38	26,693 ^E	4
Other	25,841	100	F	F	F	55 ^E	F	F

Table A.2 concluded

Keeping up with bills and payments, by selected characteristics, 2009 Canadian Financial Capability Survey

	Estimate							
	Total		Keeping up without problems		Sometimes a struggle		Having real financial problems	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Household tenure								
Total	25,587,157	100	16,883,009	66	7,998,925	31	705,224	3
Owned without a mortgage	7,803,776	100	6,422,803	82	1,325,982	17	54,991 ^E	1 ^E
Owned with a mortgage	11,058,901	100	6,675,692	60	4,120,836	37	262,373	2
Not owned	6,053,521	100	3,303,714	55	2,385,645	39	364,162	6
Household income quintiles								
Total	25,587,157	100	16,883,009	66	7,998,925	31	705,224	3
Less than \$32,001 (0% to 20%)	5,015,556	100	2,851,982	57	1,873,801	37	289,773	6
Total \$32,001 to \$54,999 (21% to 40%)	5,099,400	100	3,006,567	59	1,884,218	37	208,615	4
\$55,000 to \$79,999 (41% to 60%)	5,138,934	100	3,313,785	64	1,696,864	33	128,285	2
\$80,000 to \$119,999 (61% to 80%)	5,171,277	100	3,616,168	70	1,509,132	29	45,977 ^E	1 ^E
\$120,000 and over (81% to 100%)	5,161,989	100	4,094,507	79	1,034,909	20	F	F
Approximate amount of recurring expenses								
Total	25,587,157	100	16,883,009	66	7,998,925	31	705,224	3
Under \$2,000	10,224,572	100	6,834,116	67	3,132,406	31	258,049	3
\$2,000 to less than \$4,000	10,708,453	100	6,638,905	62	3,713,335	35	356,213	3
\$4,000 to less than \$6,000	1,897,854	100	1,304,994	69	535,698 ^E	28	57,162 ^E	3 ^E
\$6,000 to less than \$8,000	221,827	100	143,010	64	72,857 ^E	33 ^E	F	F
\$8,000 or over	200,891	100	133,988 ^E	67	60,755 ^E	30 ^E	F	F
Highest level of educational attainment								
Total	25,587,157	100	16,883,009	66	7,998,925	31	705,224	3
Less than a high school diploma	3,973,038	100	2,468,882	62	1,344,169	34	159,987	4
High school diploma or equivalent	5,503,394	100	3,468,509	63	1,896,465	34	138,420	3
Some college, trade or vocational or technical school, CEGEP or university without a certificate or diploma	2,934,827	100	1,793,004	61	1,041,165	35	100,658	3
College, trade or vocational or technical school, CEGEP certificate or diploma	6,043,778	100	3,791,400	63	2,074,628	34	177,750	3
University undergraduate degree	4,655,814	100	3,397,424	73	1,163,318	25	95,072	2
University graduate degree	2,437,761	100	1,937,748	79	466,676	19	33,337 ^E	1 ^E
Age group								
Total	25,587,157	100	16,883,009	66	7,998,925	31	705,224	3
18 to 24	3,035,249	100	1,968,522	65	1,016,595	33	50,131 ^E	2 ^E
25 to 34	4,528,881	100	2,656,186	59	1,671,796	37	200,899	4
35 to 44	4,734,064	100	2,740,918	58	1,818,716	38	174,431	4
45 to 54	5,225,788	100	3,177,104	61	1,867,244	36	181,440	3
55 to 59	2,130,478	100	1,518,806	71	563,143	26	48,529 ^E	2 ^E
60 to 64	1,793,396	100	1,387,448	77	386,632	22	19,316 ^E	1 ^E
65 to 69	1,301,707	100	1,010,957	78	282,165	22	F	F
70 and over	2,837,595	100	2,423,068	85	392,632	14	21,894 ^E	1 ^E

^E use with caution

F too unreliable to be published

Table A.3

Late payments, by selected characteristics, 2009 Canadian Financial Capability Survey

	Estimate							
	Total		Late in none		Late in one		Late in 2 or more	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Marital status								
Total	25,963,594	100	22,979,296	89	2,286,107	9	698,191	3
Married	13,907,467	100	12,721,677	91	935,005	7	250,784	2
Living common-law	2,829,628	100	2,401,147	85	329,013	12	99,469 ^E	4 ^E
Widow or widower	1,362,833	100	1,279,803	94	68,498	5	F ^E	F ^E
Separated	632,897	100	483,241	76	119,008	19	30,647 ^E	5 ^E
Divorced	1,267,235	100	1,063,372	84	155,497	12	48,365 ^E	4 ^E
Single, never married	5,909,865	100	4,989,715	84	667,242	11	252,908	4
Household income quintiles								
Total	25,963,594	100	22,979,296	89	2,984,298	11		
Less than \$32,001 (0% to 20%)	5,176,224	100	4,332,381	84	843,843	16		
Total \$32,001 to \$54,999 (21% to 40%)	5,203,547	100	4,399,219	85	804,328	15		
\$55,000 to \$79,999 (41% to 60%)	5,186,764	100	4,568,223	88	618,540	12		
\$80,000 to \$119,999 (61% to 80%)	5,185,738	100	4,755,140	92	430,598	8		
\$120,000 and over (81% to 100%)	5,211,321	100	4,924,333	94	286,989	6		

^E use with caution^F too unreliable to be published

Table A.4

Method of payment for day-to-day purchases, by selected characteristics, 2009 Canadian Financial Capability Survey

	Estimate							
	Total		Cash		Debit		Credit	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Age group								
Total	25,721,663	100	7,870,145	31	12,184,843	47	5,666,676	22
18 to 24	3,154,584	100	1,088,088	34	1,663,422	53	403,075	13
25 to 34	4,528,721	100	969,368	21	2,562,454	57	996,899	22
35 to 44	4,750,696	100	1,078,940	23	2,578,379	54	1,093,378	23
45 to 54	5,200,466	100	1,450,857	28	2,588,200	50	1,161,409	22
55 to 59	2,126,440	100	678,620	32	970,790	46	477,030	22
60 to 64	1,781,129	100	587,412	33	733,447	41	460,270	26
65 to 69	1,293,762	100	478,005	37	456,799	35	358,959	28
70 and over	2,885,865	100	1,538,856	53	631,352	22	715,657	25
Sex								
Total	25,721,663	100	7,870,145	31	12,184,843	47	5,666,676	22
Male	12,645,614	100	4,098,701	32	5,592,688	44	2,954,226	23
Female	13,076,049	100	3,771,444	29	6,592,155	50	2,712,450	21
Highest level of educational attainment								
Total	25,721,663	100	7,870,145	31	12,184,843	47	5,666,676	22
Less than a high school diploma	4,009,189	100	2,067,084	52	1,545,584	39	396,521	10
High school diploma or equivalent	5,571,491	100	1,959,086	35	2,793,055	50	819,350	15
Some college, trade or vocational or technical school, CEGEP or university without a certificate or diploma	2,974,111	100	826,980	28	1,652,981	56	494,150	17
College, trade or vocational or technical school, CEGEP certificate or diploma	6,047,123	100	1,576,196	26	3,289,635	54	1,181,292	20
University undergraduate degree	4,641,375	100	982,225	21	1,973,901	43	1,685,249	36
University graduate degree	2,434,096	100	427,076	18	921,377	38	1,085,643	45

Table A.5.1

Usual method for paying bills, by selected characteristics, 2009 Canadian Financial Capability Survey

	Estimate							
	Total		In person with cash		Preauthorized withdrawals from an account		By cheque through the mail	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Highest level of educational attainment								
Total	25,032,016	100	1,010,581	4	2,854,420	11	1,809,907	7
Less than a high school diploma	3,938,084	100	371,483	9	523,646	13	448,897	11
High school diploma or equivalent	5,361,162	100	285,080	5	575,848	11	439,685	8
Some college, trade or vocational or technical school, CEGEP or university without a certificate or diploma	2,845,304	100	107,778	4	254,911	9	184,931	7
College, trade or vocational or technical school, CEGEP certificate or diploma	5,981,565	100	165,982	3	689,681	12	370,557	6
University undergraduate degree	4,517,311	100	56,329 ^E	1 ^E	495,315	11	207,905	5
University graduate degree	2,347,322	100	21,822 ^E	1 ^E	309,901	13	151,990	6
Age group								
Total	25,032,016	100	1,010,581	4	2,854,420	11	1,809,907	7
18 to 24	2,883,890	100	286,866	10	204,908	7	141,358	5
25 to 34	4,436,438	100	147,605	3	277,468	6	93,397 ^E	2 ^E
35 to 44	4,670,011	100	100,860	2	381,669	8	202,348	4
45 to 54	5,094,011	100	159,640	3	520,133	10	325,382	6
55 to 59	2,114,639	100	53,931 ^E	3 ^E	324,630	15	204,929	10
60 to 64	1,749,363	100	58,946	3	257,770	15	222,240	13
65 to 69	1,291,182	100	42,359 ^E	3 ^E	227,091	18	180,539	14
70 and over	2,792,482	100	160,374	6	660,750	24	439,714	16
Estimate								
	Internet banking		Telephone banking		At a bank teller		At an automatic teller machine	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Highest level of educational attainment								
Total	11,307,305	45	1,904,349	8	3,702,092	15	2,443,364	10
Less than a high school diploma	641,199	16	317,988	8	1,146,578	29	488,294	12
High school diploma or equivalent	1,988,795	37	480,076	9	1,015,383	19	576,295	11
Some college, trade or vocational or technical school, CEGEP or university without a certificate or diploma	1,452,528	51	212,173	7	345,083	12	287,902	10
College, trade or vocational or technical school, CEGEP certificate or diploma	3,038,965	51	450,545	8	653,199	11	612,637	10
University undergraduate degree	2,768,320	61	297,983	7	358,066	8	333,393	7
University graduate degree	1,405,558	60	142,212	6	172,082	7	143,757	6
Age group								
Total	11,307,305	45	1,904,349^E	8^E	3,702,092	15	2,443,364	10
18 to 24	1,450,252	50	104,330 ^E	4 ^E	444,944	15	251,232	9
25 to 34	2,881,365	65	290,818	7	388,065	9	357,721	8
35 to 44	2,732,694	59	370,102	8	450,651	10	431,687	9
45 to 54	2,301,398	45	537,043	11	651,594	13	598,823	12
55 to 59	801,681	38	172,854	8	313,237	15	243,378	12
60 to 64	536,562	31	138,749	8	316,952	18	218,143	12
65 to 69	297,964	23	131,344	10	277,044	21	134,841	10
70 and over	305,390	11	159,109	6	859,606	31	207,539	7

^E use with caution

Table A.5.2

Incidence of bankruptcy, by age group, 2009 Canadian Financial Capability Survey

	Estimate					
	Total		Yes		No	
	Number	Percent	Number	Percent	Number	Percent
Total	25,876,647	100	2,020,687	8	23,855,960	92
18 to 24	3,058,525	100	120,794	4	2,937,731	96
25 to 34	4,539,734	100	381,984	8	4,157,750	92
35 to 44	4,769,760	100	434,128	9	4,335,632	91
45 to 54	5,241,103	100	537,216	10	4,703,887	90
55 to 59	2,148,716	100	198,344	9	1,950,372	91
60 to 64	1,830,677	100	136,543	7	1,694,134	93
65 to 69	1,347,529	100	85,452	6	1,262,077	94
70 and over	2,940,602	100	126,225	4	2,814,377	96

Table A.6

Frequency of checking bank accounts, by selected characteristics, 2009 Canadian Financial Capability Survey

	Estimate									
	Total		Daily		Weekly		Every two weeks		Monthly	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Age group										
Total	24,041,728	99	3,287,272	14	11,587,607	48	4,242,281	17	4,924,567	20
18 to 24	2,996,518	99	434,010	14	1,496,840	50	584,553	19	481,114	16
25 to 34	4,310,256	99	870,568	20	2,312,152	53	692,468	16	435,068	10
35 to 44	4,517,618	99	792,397	17	2,432,213	53	765,960	17	527,049	12
45 to 54	4,902,897	99	625,746	13	2,647,234	54	823,587	17	806,330	16
55 to 59	1,962,179	98	230,935	12	944,582	47	354,578	18	432,083	22
60 to 64	1,654,464	98	146,678	9	718,642	43	334,860	20	454,284	27
65 to 69	1,194,722	99	85,739	7	474,824	40	205,030	17	429,129	36
70 and over	2,503,074	98	101,200	4	561,120	22	481,246	19	1,359,509	53
Marital status										
Total	24,041,728	99	3,287,272	14	11,587,607	48	4,242,281	17	4,924,567	20
Married	12,674,667	98	1,907,796	15	6,213,430	48	2,003,231	16	2,550,210	20
Living common-law	2,731,470	99	360,473	13	1,546,025	56	468,156	17	356,815	13
Widow or widower	1,158,566	99	39,559 ^E	3 ^E	276,888	24	242,336	21	599,783	51
Separated	607,070	99	89,194	15	296,652	49	111,032	18	110,193	18
Divorced	1,203,550	100	143,082	12	544,902	45	235,480	20	280,086	23
Single, never married	5,619,590	99	738,482	13	2,686,112	47	1,171,244	21	1,023,751	18
Household income quintiles										
Total	24,041,728	99	3,287,272	14	11,587,607	48	4,242,281	17	4,924,567	20
Less than \$32,001 (0% to 20%)	4,613,614	99	362,950	8	1,598,966	34	907,561	19	1,744,137	37
Total \$32,001 to \$54,999 (21% to 40%)	4,740,279	99	509,590	11	2,312,345	48	846,638	18	1,071,706	22
\$55,000 to \$79,999 (41% to 60%)	4,868,022	99	691,676	14	2,470,394	50	889,301	18	816,651	17
\$80,000 to \$119,999 (61% to 80%)	4,904,816	99	827,943	17	2,614,345	53	820,527	17	642,002	13
\$120,000 and over (81% to 100%)	4,914,996	99	895,113	18	2,591,558	52	778,254	16	650,071	13

^E use with caution**Note:** The counts for *Yearly* and *Never* are very small and have been removed from the table so the percentages will not add to 100%.

Table A.7.1

Percent of total house price saved, by selected characteristics, 2009 Canadian Financial Capability Survey

	Estimate													
	Total		Less than 5%		5% to 10%		11% to 20%		21% to 50%		51% to 75%		75% to 100%	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
Total	4,741,055	100	2,314,120	49	918,040	19	452,699	10	558,635	12	182,787	4	314,773	7
	Estimate													
	Total		Less than 5%		5% to 10%		11% to 50%		51% to 100%					
	Number	%	Number	%	Number	%	Number	%	Number	%				
Household income quintile														
Total	4,741,055	100	2,314,120	49	918,040	19	1,011,334	21	497,560	10				
Less than \$32,001 (0% to 20%)	592,422	100	397,075	67	79,230 ^E	13 ^E	86,638 ^E	15	29,480 ^E	5 ^E				
Total \$32,001 to \$54,999 (21% to 40%)	930,348	100	564,481	61	178,311	19	134,066	14	53,489 ^E	6 ^E				
\$55,000 to \$79,999 (41% to 60%)	999,196	100	484,850	49	214,678	21	200,922	20	98,746	10				
\$80,000 to \$119,999 (61% to 80%)	1,028,571	100	450,741	44	206,758	20	239,845	23	131,226	13				
\$120,000 and over (81% to 100%)	1,190,518	100	416,973	35	239,063	20	349,864	29	184,619	16				
Tenure														
Total	4,741,055	100	2,314,120	49	918,040	19	1,011,334	21	497,560	10				
Owned without a mortgage	944,110	100	317,493	34	169,779 ^E	18	209,933	22	246,905	26				
Owned with a mortgage	1,852,414	100	858,361	46	339,740	18	462,112	25	192,202	10				
Not owned	1,838,746	100	1,059,309	58	389,999	21	331,218	18	58,221 ^E	3 ^E				

^E use with caution

Table A.7.2

Price range of future home by household income quintiles, 2009 Canadian Financial Capability Survey

	Estimate					
	Total		Less than \$100,000		\$100,000 to \$200,000	
	Number	Percent	Number	Percent	Number	Percent
Household income quintiles						
Total	4,921,526	100	306,947	6	1,436,692	29
Less than \$32,001 (0% to 20%)	610,029	100	102,965	17	249,068	41
Total \$32,001 to \$54,999 (21% to 40%)	962,516	100	91,417	10	412,414	43
\$55,000 to \$79,999 (41% to 60%)	1,018,713	100	36,636 ^E	4 ^E	338,369	33
\$80,000 to \$119,999 (61% to 80%)	1,080,555	100	50,415 ^E	5 ^E	224,798	21
\$120,000 and over (81% to 100%)	1,249,713	100	25,514 ^E	2 ^E	212,043	17

	Estimate					
	\$200,000 to \$300,000		\$300,000 to \$500,000		More than \$500,000	
	Number	Percent	Number	Percent	Number	Percent
Household income quintiles						
Total	1,582,165	32	1,184,211	24	411,512	8
Less than \$32,001 (0% to 20%)	169,269	28	74,659 ^E	12	F	F
Total \$32,001 to \$54,999 (21% to 40%)	277,208	29	148,362	15	33,155 ^E	3 ^E
\$55,000 to \$79,999 (41% to 60%)	344,611	34	255,025	25	44,073 ^E	4 ^E
\$80,000 to \$119,999 (61% to 80%)	395,146	37	293,831	27	116,365,073 ^E	11
\$120,000 and over (81% to 100%)	395,931	32	412,335	33	203,891	16

^E use with caution^F too unreliable to be published

Table A.7.3

Expecting additional costs for future home by selected characteristics, 2009 Canadian Financial Capability Survey

	Estimate					
	Total		Expecting extra costs		Not expecting extra costs	
	Number	Percent	Number	Percent	Number	Percent
Household income quintile						
Total	4,907,792	100	2,217,879	45	2,689,913	55
Less than \$32,001 (0% to 20%)	595,546	100	245,534	41	350,012	59
Total \$32,001 to \$54,999 (21% to 40%)	964,164	100	401,730	42	562,434	58
\$55,000 to \$79,999 (41% to 60%)	1,021,692	100	470,366	46	551,326	54
\$80,000 to \$119,999 (61% to 80%)	1,085,769	100	501,751	46	584,017	54
\$120,000 and over (81% to 100%)	1,240,622	100	598,498	48	642,123	52
Highest level of educational attainment						
Total	4,907,792	100	2,217,879	45	2,689,913	55
Less than a high school diploma	318,813	100	98,606 ^E	31	220,207	69
High school diploma or equivalent	912,400	100	376,827	41	535,574	59
Some college, trade or vocational or technical school, CEGEP or university without a certificate or diploma	658,265	100	301,398	46	356,867	54
College, trade or vocational or technical school, CEGEP certificate or diploma	1,277,888	100	575,700	45	702,188	55
University undergraduate degree	1,135,229	100	548,488	48	586,741	52
University graduate degree	600,658	100	316,860	53	283,798	47

^E use with caution

Table A.7.4

Respondents who are saving for their children's postsecondary education, by selected characteristics,
2009 Canadian Financial Capability Survey

	Estimate					
	Total		Savers for postsecondary education		Non-savers for postsecondary education	
	Number	Percent	Number	Percent	Number	Percent
Region						
Total	8,342,647	100	5,819,015	70	2,523,632	30
Atlantic Canada	547,626	100	383,039	70	164,588	30
Quebec	1,864,470	100	1,129,229	61	735,240	39
Ontario	3,325,598	100	2,456,126	74	869,472	26
Manitoba and Saskatchewan	533,704	100	343,379	64	190,324	36
Alberta	1,008,299	100	784,550	78	223,748	22
British Columbia	1,062,950	100	722,691	68	340,260	32
Age group						
Total	8,342,647	100	5,819,015	70	2,523,632	30
18 to 34	2,422,029	100	1,560,950	64	861,079	36
35 to 44	3,498,796	100	2,530,817	72	967,979	28
45 to 54	2,149,226	100	1,520,834	71	628,392	29
55 and over	272,596	100	206,414	76	66,182 ^E	24 ^E
Household income quintiles						
Total	8,342,647	100	5,819,015	70	2,523,632	30
Less than \$32,001 (0% to 20%)	996,485	100	475,400	48	521,086	52
Total \$32,001 to \$54,999 (21% to 40%)	1,377,483	100	787,110	57	590,373	43
\$55,000 to \$79,999 (41% to 60%)	1,780,212	100	1,215,082	68	565,130	32
\$80,000 to \$119,999 (61% to 80%)	2,074,618	100	1,591,725	77	482,893	23
\$120,000 and over (81% to 100%)	2,113,848	100	1,749,698	83	364,150	17
Number of respondent children						
Total	8,342,647	100	5,819,015	70	2,523,632	30
0	867,870	100	550,770	63	317,101	37
1	2,395,719	100	1,691,348	71	704,371	29
2	3,488,537	100	2,576,880	74	911,656	26
3	1,225,261	100	796,170	65	429,091	35
4 or more	364,298	100	202,885	56	161,413	44

^E use with caution

Table A.7.5
Contributors to a RESP account, by selected characteristics, 2009 Canadian Financial Capability Survey

	Estimate					
	Total		Contributes to a RESP account		Does not contribute to a RESP account	
	Number	Percent	Number	Percent	Number	Percent
Region						
Total	5,746,109	100	3,797,377	66	1,948,732	34
Atlantic Canada	378,103	100	227,903	60	150,200	40
Quebec	1,123,191	100	675,071	60	448,121	40
Ontario	2,409,764	100	1,698,265	70	711,498	30
Manitoba and Saskatchewan	339,508	100	209,061	62	130,448	38
Alberta	778,592	100	515,838	66	262,753	34
British Columbia	716,951	100	471,239	66	245,712	34
Household income quintile						
Total	5,746,109	100	3,797,377	66	1,948,732	34
Less than \$32,001 (0% to 20%)	468,575	100	250,316	53	218,259	47
Total \$32,001 to \$54,999 (21% to 40%)	772,134	100	445,966	58	326,167	42
\$55,000 to \$79,999 (41% to 60%)	1,210,196	100	720,326	60	489,871	40
\$80,000 to \$119,999 (61% to 80%)	1,560,160	100	1,091,093	70	469,068	30
\$120,000 and over (81% to 100%)	1,735,044	100	1,289,677	74	445,367	26
Highest level of educational attainment						
Total	5,746,109	100	3,797,377	66	1,948,732	34
Less than a high school diploma	309,736	100	131,611	42	178,125	58
High school diploma or equivalent	937,316	100	458,531	49	478,784	51
Some college, trade or vocational or technical school, CEGEP or university without a certificate or diploma	555,543	100	337,396	61	218,147	39
College, trade or vocational or technical school, CEGEP certificate or diploma	1,735,243	100	1,126,954	65	608,289	35
University undergraduate degree	1,392,328	100	1,088,648	78	303,679	22
University graduate degree	807,312	100	654,237	81	153,075	19
Number of respondents children living in the household						
Total	5,746,109	100	3,797,377	66	1,948,732	34
0	546,123	100	328,865	60	217,258	40
1	1,663,496	100	1,065,640	64	597,856	36
2	2,538,162	100	1,763,680	69	774,481	31
3	794,482	100	528,201	66	266,281	34
4 or more	202,885	100	110,991	55	91,894 ^E	45

^E use with caution

Table A.7.6

Financially planning for retirement, by selected characteristics, 2009 Canadian Financial Capability Survey

	Estimate					
	Total		Financially planning for retirement		Not financially planning for retirement	
	Number	Percent	Number	Percent	Number	Percent
Age group						
Total	20,481,725	100	14,319,156	70	6,162,569	30
18 to 24	3,084,594	100	1,018,934	33	2,065,661	67
25 to 29	2,273,433	100	1,499,938	66	773,496	34
30 to 34	2,215,339	100	1,665,045	75	550,294	25
35 to 39	2,267,465	100	1,784,372	79	483,093	21
40 to 44	2,401,591	100	1,877,625	78	523,965	22
45 to 49	2,681,972	100	2,103,998	78	577,974	22
50 to 54	2,386,198	100	1,903,663	80	482,535	20
55 to 59	1,706,852	100	1,376,743	81	330,109	19
60 to 64	957,429	100	761,809	80	195,621	20
65 to 69	269,816	100	194,564	72	75,252 ^E	28
70 and over	237,036	100	132,465	56	104,570	44
Sex						
Total	20,481,725	100	14,319,156	70	6,162,569	30
Male	10,332,014	100	7,499,525	73	2,832,489	27
Female	10,149,711	100	6,819,631	67	3,330,080	33
Highest level of educational attainment						
Total	20,481,725	100	14,319,156	70	6,162,569	30
Less than a high school diploma	2,327,885	100	1,105,393	47	1,222,493	53
High school diploma or equivalent	4,353,398	100	2,857,369	66	1,496,029	34
Some college, trade or vocational or technical school, CEGEP or university without a certificate or diploma	2,539,362	100	1,509,504	59	1,029,858	41
College, trade or vocational or technical school, CEGEP certificate or diploma	5,276,012	100	3,950,691	75	1,325,321	25
University undergraduate degree	3,972,921	100	3,191,073	80	781,848	20
University graduate degree	1,991,618	100	1,700,212	85	291,406	15
Household income quintile						
Total	20,481,725	100	14,319,156	70	6,162,569	30
Less than \$32,001 (0% to 20%)	3,077,519	100	1,146,948	37	1,930,571	63
Total \$32,001 to \$54,999 (21% to 40%)	3,692,953	100	2,256,438	61	1,436,515	39
\$55,000 to \$79,999 (41% to 60%)	4,210,219	100	3,098,203	74	1,112,016	26
\$80,000 to \$119,999 (61% to 80%)	4,679,703	100	3,748,967	80	930,737	20
\$120,000 and over (81% to 100%)	4,821,330	100	4,068,600	84	752,730	16

^E use with caution

Table A.7.7

Presence of workplace pension, by highest level of educational attainment, 2009 Canadian Financial Capability Survey

	Estimate					
	Total		Workplace pension included in financial plan		Workplace pension not included in financial plan	
	Number	Percent	Number	Percent	Number	Percent
Highest level of educational attainment						
Total	14,177,314	100	8,184,854	58	5,992,460	42
Less than a high school diploma	1,083,463	100	458,316	42	625,147	58
High school diploma or equivalent	2,810,105	100	1,512,571	54	1,297,534	46
Some college, trade or vocational or technical school, CEGEP or university without a certificate or diploma	1,502,166	100	860,004	57	642,162	43
College, trade or vocational or technical school, CEGEP certificate or diploma	3,926,107	100	2,343,241	60	1,582,866	40
University undergraduate degree	3,160,659	100	1,967,234	62	1,193,425	38
University graduate degree	1,689,901	100	1,039,781	62	650,121	38

Table A.7.8

Contributors to a RRSP account, by selected characteristics, 2009 Canadian Financial Capability Survey

	Estimate					
	Total		Contributes to a RRSP account		Does not contribute to a RRSP account	
	Number	Percent	Number	Percent	Number	Percent
Age group						
Total	14,177,314	100	11,659,715	82	2,517,599	18
18 to 24	999,631	100	705,861	71	293,770	29
25 to 34	3,122,868	100	2,519,681	81	603,187	19
35 to 44	3,634,495	100	3,072,775	85	561,721	15
45 to 54	3,976,145	100	3,328,712	84	647,433	16
55 to 59	1,368,272	100	1,168,080	85	200,193	15
60 to 64	755,681	100	616,216	82	139,465 ^E	18 ^E
65 to 69	193,836	100	154,605	80	39,231 ^E	20 ^E
70 and over	126,386	100	93,786	74	32,600 ^E	26 ^E
Highest level of educational attainment						
Total	14,177,314	100	11,659,715	82	2,517,599	18
Less than a high school diploma	1,083,463	100	683,334	63	400,129	37
High school diploma or equivalent	2,810,105	100	2,191,129	78	618,976	22
Some college, trade or vocational or technical school, CEGEP or university without a certificate or diploma	1,502,166	100	1,205,569	80	296,597	20
College, trade or vocational or technical school, CEGEP certificate or diploma	3,926,107	100	3,293,674	84	632,433	16
University undergraduate degree	3,160,659	100	2,743,817	87	416,842	13
University graduate degree	1,689,901	100	1,537,977	91	151,924	9

^E use with caution

Table A.7.9

Amount of RRSPs currently held by Canadians, by selected characteristics, 2009 Canadian Financial Capability Survey

	Estimate					
	Total		Less than \$25,000		\$25,000 to less than \$50,000	
	Number	Percent	Number	Percent	Number	Percent
Region						
Total	10,370,253	100	3,917,216	38	1,617,570	16
Atlantic Canada	552,116	100	247,084	45	90,005	16
Quebec	2,586,338	100	976,600	38	503,717	19
Ontario	3,977,188	100	1,444,637	36	548,623	14
Manitoba and Saskatchewan	622,281	100	259,432	42	87,573	14
Alberta	1,185,347	100	445,235	38	164,314	14
British Columbia	1,446,983	100	544,228	38	223,339	15
Household income quintile						
Total	10,370,253	100	3,917,216	38	1,617,570	16
Less than \$32,001 (0% to 20%)	795,942	100	460,206	58	103,202	13
Total \$32,001 to \$54,999 (21% to 40%)	1,719,017	100	937,423	55	265,163	15
\$55,000 to \$79,999 (41% to 60%)	2,226,679	100	972,545	44	356,287	16
\$80,000 to \$119,999 (61% to 80%)	2,726,520	100	949,904	35	522,047	19
\$120,000 and over (81% to 100%)	2,902,095	100	597,137	21	370,872	13
	Estimate					
	\$50,000 to less than \$75,000		\$75,000 to less than \$125,000		More than \$125,000	
	Number	Percent	Number	Percent	Number	Percent
Region						
Total	1,349,357	13	1,421,119	14	2,064,991	20
Atlantic Canada	65,098	12	70,242	13	79,686	14
Quebec	351,568	14	315,806	12	438,647	17
Ontario	546,623	14	547,447	14	889,858	22
Manitoba and Saskatchewan	66,254	11	93,554	15	115,468	19
Alberta	122,763	10	188,505	16	264,530	22
British Columbia	197,050	14	205,563	14	276,802	19
Household income quintile						
Total	1,349,357	13	1,421,119	14	2,064,991	20
Less than \$32,001 (0% to 20%)	88,366	11	73,621	9	70,547	9
Total \$32,001 to \$54,999 (21% to 40%)	152,465	9	179,815	10	184,152	11
\$55,000 to \$79,999 (41% to 60%)	325,432	15	262,370	12	310,045	14
\$80,000 to \$119,999 (61% to 80%)	392,482	14	391,944	14	470,142	17
\$120,000 and over (81% to 100%)	390,612	13	513,369	18	1,030,105	36

Table A.7.10

RRSP withdrawals for non-retirement purposes, by selected characteristics, 2009 Canadian Financial Capability Survey

	Estimate					
	Total		Has withdrawn		Has not withdrawn	
	Number	Percent	Number	Percent	Number	Percent
Province						
Canada	25,948,643	100	5,749,875	22	20,198,768	78
Newfoundland and Labrador	408,148	100	70,189	17	337,959	83
Prince Edward Island	108,063	100	23,847	22	84,216	78
Nova Scotia	741,402	100	176,914	24	564,488	76
New Brunswick	597,396	100	102,095	17	495,301	83
Quebec	6,137,994	100	1,162,922	19	4,975,072	81
Ontario	10,003,781	100	2,372,424	24	7,631,356	76
Manitoba	902,738	100	177,709	20	725,029	80
Saskatchewan	767,399	100	152,737	20	614,662	80
Alberta	2,724,124	100	649,983	24	2,074,141	76
British Columbia	3,557,598	100	861,055	24	2,696,544	76
Household income quintiles						
Total	25,948,643	100	5,749,875	22	20,198,768	78
Less than \$32,001 (0% to 20%)	5,164,885	100	672,792	13	4,492,092	87
Total \$32,001 to \$54,999 (21% to 40%)	5,184,378	100	992,866	19	4,191,512	81
\$55,000 to \$79,999 (41% to 60%)	5,201,380	100	1,287,110	25	3,914,270	75
\$80,000 to \$119,999 (61% to 80%)	5,195,094	100	1,488,238	29	3,706,856	71
\$120,000 and over (81% to 100%)	5,202,907	100	1,308,868	25	3,894,039	75

Table A.7.11

RRSP withdrawals for the Home Buyers' Plan, by selected characteristics, 2009 Canadian Financial Capability Survey

	Estimate					
	Total		Has withdrawn for Home Buyers' Plan		Has not withdrawn for Home Buyers' Plan	
	Number	Percent	Number	Percent	Number	Percent
Age group						
Total	5,704,681	100	2,125,310	37	3,579,371	63
18 to 24	147,418	100	46,752 ^E	32 ^E	100,666 ^E	68
25 to 34	1,021,816	100	584,169	57	437,647	43
35 to 44	1,580,796	100	789,084	50	791,712	50
45 to 54	1,498,500	100	496,945	33	1,001,556	67
55 to 59	522,736	100	104,052	20	418,684	80
60 to 64	413,628	100	54,595 ^E	13	359,033	87
65 to 69	255,595	100	24,067 ^E	9 ^E	231,528	91
70 and over	264,191	100	25,645 ^E	10 ^E	238,546	90
Household income quintile						
Total	5,704,681	100	2,125,310	37	3,579,371	63
Less than \$32,001 (0% to 20%)	670,464	100	88,419	13	582,045	87
Total \$32,001 to \$54,999 (21% to 40%)	984,792	100	243,808	25	740,984	75
\$55,000 to \$79,999 (41% to 60%)	1,276,893	100	478,978	38	797,915	62
\$80,000 to \$119,999 (61% to 80%)	1,466,028	100	684,509	47	781,519	53
\$120,000 and over (81% to 100%)	1,306,504	100	629,596	48	676,908	52

RRSP withdrawals for personal reasons, by selected characteristics, 2009 Canadian Financial Capability Survey

	Estimate					
	Total		Has withdrawn for personal reasons		Has not withdrawn for personal reasons	
	Number	Percent	Number	Percent	Number	Percent
Age group						
Total	5,704,681	100	3,642,278	64	2,062,402	36
18 to 24	147,418	100	80,934	55	66,484	45 ^E
25 to 34	1,021,816	100	425,866	42	595,950	58
35 to 44	1,580,796	100	838,893	53	741,903	47
45 to 54	1,498,500	100	1,041,859	70	456,641	30
55 to 59	522,736	100	423,201	81	99,535	19
60 to 64	413,628	100	361,395	87	52,233 ^E	13 ^E
65 to 69	255,595	100	231,586	91	24,010 ^E	9 ^E
70 and over	264,191	100	238,546	90	25,645 ^E	10 ^E
Household income quintile						
Total	5,704,681	100	3,642,278	64	2,062,402	36
Less than \$32,001 (0% to 20%)	670,464	100	582,183	87	88,281	13
Total \$32,001 to \$54,999 (21% to 40%)	984,792	100	734,805	75	249,987	25
\$55,000 to \$79,999 (41% to 60%)	1,276,893	100	827,703	65	449,190	35
\$80,000 to \$119,999 (61% to 80%)	1,466,028	100	790,476	54	675,551	46
\$120,000 and over (81% to 100%)	1,306,504	100	707,112	54	599,392	46

^E use with caution

Table A.7.12

Level of confidence in achieving expectations of retirement income, by knowledge of the amount of income required to maintain standard of living in retirement, 2009 Canadian Financial Capability Survey

	Estimate					
	Total		Yes, I know the amount of income required		No, I do not know the amount of income required	
	Number	Percent	Number	Percent	Number	Percent
Total	20,482,204	100	8,159,252	40	12,322,952	60
Very confident	3,675,757	100	2,062,639	56	1,613,118	44
Fairly confident	10,147,109	100	4,234,384	42	5,912,725	58
Not very confident	4,260,614	100	1,255,600	29	3,005,014	71
Not at all confident	1,593,065	100	487,642	31	1,105,423	69

Table A.7.13

Standard of living compared to expectations, by selected characteristics, 2009 Canadian Financial Capability Survey

	Estimate							
	Total		Much better or better than expected		As expected		Not as good or much worse than expected	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Age group								
Total	5,031,824	100	870,395	17	3,035,684	60	1,125,745	22
45 to 54	118,311	100	22,418 ^E	19 ^E	63,180 ^E	53	32,713 ^E	28 ^E
55 to 59	423,177	100	74,009	17	245,639	58	103,529	24
60 to 64	840,722	100	140,429	17	502,365	60	197,928	24
65 to 69	1,056,311	100	165,222	16	609,144	58	281,945	27
70 and over	2,564,427	100	466,732	18	1,598,663	62	499,032	19
Region								
Total	5,031,824	100	870,395	17	3,035,684	60	1,125,745	22
Atlantic Canada	415,577	100	86,727	21	223,401	54	105,450	25
Quebec	1,324,942	100	205,659	16	862,589	65	256,694	19
Ontario	1,840,276	100	300,512	16	1,125,042	61	414,722	23
Manitoba and Saskatchewan	309,984	100	55,508	18	186,434	60	68,042	22
Alberta	397,937	100	73,963	19	222,688	56	101,287	25
British Columbia	743,108	100	148,026	20	415,531	56	179,551	24

^E use with caution

Table A.7.14

Various variables indicating planning for future by age group, 2009 Canadian Financial Capability Survey

	Coefficient of variation							
	Has a will		Has power of attorney		Is financially preparing for retirement		RRSPs included in financial plan	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Total	11,610,765	47	9,223,420	38	14,319,156	70	11,659,715	82
18 to 24	148,902	5	402,396	15	1,018,934	33	705,861	71
25 to 34	757,404	17	785,249	18	3,164,982	71	2,519,681	81
35 to 44	1,782,398	39	1,473,303	33	3,661,997	78	3,072,775	85
45 to 54	2,713,409	54	2,007,769	40	4,007,661	79	3,328,712	84
55 to 59	1,436,646	69	1,003,173	48	1,376,743	81	1,168,080	85
60 to 64	1,333,431	76	914,077	53	761,809	80	616,216	82
65 to 69	1,038,538	80	716,833	56	194,564	72	154,605	80
70 and over	2,400,035	87	1,920,622	71	132,465	56	93,786	74

Table A.8

Type of advice used, by income quintiles, 2009 Canadian Financial Capability Survey

	Estimate					
	Retirement planning		Children's education planning		Estate planning	
	Number	Percent	Number	Percent	Number	Percent
Household income quintile						
Total	5,377,082	21	2,163,383	9	1,568,826	6
Less than \$32,001 (0% to 20%)	373,108	7	158,913	3	101,670	2
Total \$32,001 to \$54,999 (21% to 40%)	838,954	17	293,514	6	230,249	5
\$55,000 to \$79,999 (41% to 60%)	1,046,128	21	407,779	8	313,319	6
\$80,000 to \$119,999 (61% to 80%)	1,355,282	27	585,896	12	351,602	7
\$120,000 and over (81% to 100%)	1,763,609	35	717,280	14	571,985	11
	Estimate					
	Insurance		Tax planning		General financial planning	
	Number	Percent	Number	Percent	Number	Percent
Household income quintile						
Total	3,767,429	15	3,159,844	13	6,282,124	25
Less than \$32,001 (0% to 20%)	380,775	8	240,233	5	538,890	11
Total \$32,001 to \$54,999 (21% to 40%)	590,931	12	454,441	9	1,010,368	20
\$55,000 to \$79,999 (41% to 60%)	801,999	16	634,245	13	1,296,934	26
\$80,000 to \$119,999 (61% to 80%)	956,582	19	761,012	15	1,569,114	31
\$120,000 and over (81% to 100%)	1,037,142	21	1,069,913	21	1,866,818	37

Table A.9

Respondents with all their insurance products with one company, by household income quintiles, 2009 Canadian Financial Capability Survey

	Estimate	
	Number	Percent
Household income quintile		
Total	7,359,750	37
Less than \$32,001 (0% to 20%)	1,441,730	49
Total \$32,001 to \$54,999 (21% to 40%)	1,671,277	43
\$55,000 to \$79,999 (41% to 60%)	1,605,984	37
\$80,000 to \$119,999 (61% to 80%)	1,416,620	33
\$120,000 and over (81% to 100%)	1,224,140	28

Table A.10

Type of insurance held, by household income quintiles, 2009 Canadian Financial Capability Survey

	Estimate							
	Auto		Life		Disability		Property (home)	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Household income quintile								
Total	20,733,103	84	16,509,819	67	9,201,344	37	16,612,549	67
Less than \$32,001 (0% to 20%)	3,081,979	63	2,177,378	45	709,022	15	2,196,296	45
Total \$32,001 to \$54,999 (21% to 40%)	4,113,778	83	3,086,326	62	1,499,475	30	3,075,411	62
\$55,000 to \$79,999 (41% to 60%)	4,453,193	89	3,533,056	71	2,003,214	40	3,696,551	74
\$80,000 to \$119,999 (61% to 80%)	4,548,102	91	3,862,839	78	2,362,085	47	3,800,280	76
\$120,000 and over (81 to 100%)	4,536,050	91	3,850,219	77	2,627,549	53	3,844,012	77

	Estimate							
	Renters (content)		Travel		Other		None	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Household income quintile								
Total	3,370,187	14	6,546,298	26	402,275	2	1,945,769	8
Less than \$32,001 (0% to 20%)	837,711	17	497,044	10	68,090	1	895,022	18
Total \$32,001 to \$54,999 (21% to 40%)	810,036	16	986,289	20	71,337	1	368,973	7
\$55,000 to \$79,999 (41% to 60%)	668,967	13	1,381,847	28	87,253	2	211,819	4
\$80,000 to \$119,999 (61% to 80%)	546,125	11	1,649,011	33	76,357	2	227,416	5
\$120,000 and over (81 to 100%)	507,348	10	2,032,107	41	99,238 ^E	2 ^E	242,538	5

^E use with caution

Table A.11

Univariate distributions of selected questions, 2009 Canadian Financial Capability Survey

Question label	Question	Response category	Number	Percent
OE_Q12	How often do you stay within your budget?	Total	13,121,859	100
		Always	4,881,629	37
		Usually	7,137,757	54
		Rarely	820,326	6
		Never	282,147	2
OE_Q17	Again, thinking of the last 12 months, which one of the following statements best describes how well you and your family have been keeping up with your bills and other financial commitments?	Total	26,024,128	100
		Keeping up...without any problems	16,883,009	65
		Keeping up...but it's sometimes a struggle	7,998,925	31
		Having real financial problems and falling behind	705,224	3
		Don't have any bills or financial commitments	436,971	2
Late payments (derived from OE_Q14, OE_Q15 and OE_Q16)	In the last 12 months have you ever been two or more consecutive months late in paying a bill, rent or mortgage or a loan payment?	Total	25,963,594	100
		Behind in none	22,979,296	89
		Behind in one	2,286,107	9
		Behind in any two	565,996	2
		Behind in all three	132,194	1
OE_Q14	Thinking about the last 12 months, were you ever behind two or more consecutive months in paying a bill?	Total	26,051,994	100
		Yes	2,706,132	10
		No	23,345,862	90
OE_Q15	Thinking about the last 12 months, were you ever behind two or more consecutive months in paying your rent or mortgage?	Total	26,098,826	100
		Yes	444,449	2
		No	25,654,376	98
OE_Q16	Thinking about the last 12 months, were you ever behind two or more consecutive months in making a loan payment?	Total	26,084,718	100
		Yes	705,485	3
		No	25,379,233	97
OE_Q08	How do you usually pay for your day to day purchases?	Total	25,956,129	100
		With cash	7,870,145	30
		With a debit card	12,184,843	47
		With a credit card	5,666,676	22
		Other	234,466	1
OE_Q09	Which of the following methods best describes how you pay bills?	Total	25,844,830	100
		At an automatic teller	2,443,364	9
		At a bank teller	3,702,092	14
		By telephone banking	1,904,349	7
		By internet banking	11,307,305	44
		By a cheque through the mail	1,809,907	7
		By preauthorized withdrawals from an account	2,854,420	11
		By preauthorized payments on a credit card	361,030	1
		In person with cash	1,010,581	4
		Other	451,783	2
FM_Q07	Have you or any other member of your family ever declared bankruptcy or made a formal or informal proposal to your creditors in regards to your financial arrangements?	Total	25,876,647	100
		Yes	2,020,687	8
		No	23,855,960	92
OE_G02A	How many personal chequing or savings accounts do you currently have with a bank, credit union or trust company?	Total	25,157,613	100
		0 accounts	4,006,210	16
		1 account	9,155,007	36
		2 accounts	7,556,611	30
		3 accounts	2,859,709	11
		4 accounts	1,006,715	4
		5 accounts	348,337	1
		6 or more accounts	225,023	1
OE_G02B	How many joint chequing or savings accounts do you currently have with a bank, credit union or trust company?	Total	25,337,063	100
		0 account	10,802,323	43
		1 account	7,814,010	31
		2 accounts	4,265,929	17
		3 accounts	1,432,443	6
		4 accounts	601,320	2
		5 accounts	226,875	1
		6 or more accounts	194,163	1

Table A.11 continued

Univariate distributions of selected questions, 2009 Canadian Financial Capability Survey

Question label	Question	Response category	Number	Percent
OE_Q02	Total number of bank accounts (derived from OE_Q02A and OE_Q02B)	Total	25,062,367	100
		0 personal and joint accounts	134,113	1
		1 personal and joint accounts	6,558,456	26
		2 personal and joint accounts	8,138,930	32
		3 personal and joint accounts	4,446,732	18
		4 personal and joint accounts	3,130,674	12
		5 personal and joint accounts	1,091,102	4
		6 personal and joint accounts	870,634	3
		7 personal and joint accounts	236,155	1
		8 personal and joint accounts	228,070	1
		9 personal and joint accounts	60,205	0
		10 or more personal and joint accounts	167,296	1
OE_Q05	How often do you usually check your account balance?	Total	24,333,769	100
		Daily	3,287,272	14
		Weekly	11,587,607	48
		Every 2 weeks	4,242,281	17
		Monthly	4,924,567	20
		Yearly	73,135	0
		Never	218,906	1
ME_Q01	Excluding home purchases as a principal residence and the possible cost of your children's higher education, do you plan to make any purchases or expenditures of \$10,000 or more in the next three years?	Total	25,356,224	100
		Yes	7,678,470	30
		No	17,677,754	70
ME_Q02	Please describe the purchase you plan to make.	Total	7,640,042	100
		Car	4,161,733	54
		Cottage	160,187	2
		Home improvement or repair	1,629,089	21
		Travel	391,383	5
		Wedding	222,384	3
		Education (own or other child's)	212,499	3
		Recreational vehicle	147,186	2
		Second home or investment property	145,874	2
		Other	569,706	7
ME_Q03	How do you intend to pay for this purchase? Note: Multiple answers are possible. Only 'Yes' responses are shown here.	Use savings	4,006,083	53
		Borrow from a financial institution	2,660,216	35
		Monthly payments	731,796	10
		Use a credit card, line of credit or overdraft	970,984	13
		Get mortgage, borrow against, remortgage	356,992	5
ME_Q08	Do you plan to purchase this house in...?	Total	5,012,943	100
		Less than six months	425,953	8
		Six months to just under one year	566,512	11
		One to just under two years	1,108,680	22
		Two to just under three years	878,680	18
		Three or more years	2,033,117	41
ME_Q09	What is the price range of the house you are planning to purchase?	Total	4,921,526	100
		Less than \$100,000	306,947	6
		\$100,00 to less than \$200,000	1,436,692	29
		\$200,000 to less than \$300,000	1,582,165	32
		\$300,000 to less than \$500,000	1,184,211	24
		\$500,000 or more	411,512	8
ME_Q10	As of today, what percent of the total price have you managed to save for your future home?	Total	4,741,055	100
		Less than 5%	2,314,120	49
		5% to 10%	918,040	19
		11% to 20%	452,699	10
		21% to 50%	558,635	12
		51% to 75%	182,787	4
		76% to 100%	314,773	7

Table A.11 continued

Univariate distributions of selected questions, 2009 Canadian Financial Capability Survey

Question label	Question	Response category	Number	Percent
ME_Q11	Other than a loan or mortgage from a financial institution, how else do you intend to pay for this home? Note: Multiple answers are possible. Only 'Yes' responses are shown here.	Draw money from current account	1,605,306	33
		Use the money from sale of previous home	1,066,663	22
		Borrow money from family or friends	181,475	4
		Withdraw savings from RRSP	240,590	5
		Nothing	1,357,340	28
ME_Q12	Other than the down payment are you expecting any other costs for your future home?	Total	4,907,792	100
		Yes	2,217,879	45
		No	2,689,913	55
ME_Q13	Could you tell me what these costs are? Note: Multiple answers are possible. Only 'Yes' responses are shown here.	Legal fees	766,698	36
		Taxes	634,466	30
		Furniture or appliances	703,939	33
		Moving costs	460,976	22
		Utility deposits	313,154	15
		Real estate fees	351,502	16
		Renovations, upgrades, repairs	1,237,596	58
		Other	233,906	11
EF_Q02	Are you currently saving or have you already saved to support the cost of your children's postsecondary education?	Total	8,342,647	100
		Yes	5,819,015	70
		No	2,523,632	30
EF_Q04	How are you currently saving to support your children's postsecondary education? Note: Multiple answers are possible. Only 'Yes' responses are shown here.	Contribute to a RESP account	3,797,377	66
		Contribute to a dedicated savings plan or account	1,590,415	28
		Other	795,384	14
OE_Q18	What do you do when you run out of money? Note: Multiple answers are possible. Only 'Yes' responses are shown here.	Borrow from family or friends	247,464	36
		Cut back, do without	235,970	34
		Use credit card for a cash advance	92,522	13
		Use authorized overdraft or line of credit	60,250	9
		Other	282,080	41
SA_Q03	How would you rate yourself on making ends meet?	Total	24,568,334	100
		Very good	10,704,650	44
		Good	8,853,574	36
		Fairly good	4,176,320	17
		Not very good	833,791	3
RP_Q01	Are you financially preparing for your retirement either on your own or through a employer pension plan?	Total	20,481,725	100
		Yes	14,319,156	70
		No	6,162,569	30
RP_Q02	Which of the following sources of revenue are included in your financial plan for retirement? Note: Multiple answers are possible. Only 'Yes' responses are shown here.	Government pension benefits	11,549,411	81
		Occupational or workplace pension plan benefits	8,184,854	58
		Personal retirement savings	11,659,715	82
		Obtaining a reverse mortgage	484,616	3
		Sell your financial assets	3,573,583	25
		Sell your non-financial assets	2,218,298	16
		Use an inheritance	2,427,531	17
		Rely on financial support from your family	2,051,049	14
		Drawing income from your business	2,754,583	19
		Earnings from employment in retirement	6,124,497	43
		Other	331,947	2
AD_G04	In your estimation, what is the current total value of these RRSPs?	Total	10,370,253	100
		Less than \$25,000	3,917,216	38
		\$25,000 to less than \$50,000	1,617,570	16
		\$50,000 to less than \$75,000	1,349,357	13
		\$75,000 to less than \$100,000	474,734	5
		\$100,000 to less than \$125,000	946,385	9
		\$125,000 to less than \$150,000	143,763	1
		\$150,000 to less than \$175,000	379,246	4
		\$175,000 to less than \$200,000	92,683	1
		\$200,000 to less than \$225,000	430,315	4
		\$225,000 to less than \$250,000	26,060	0
		\$250,000 and over	992,924	10

Table A.11 continued

Univariate distributions of selected questions, 2009 Canadian Financial Capability Survey

Question label	Question	Response category	Number	Percent
FM_Q05	Have you ever withdrawn money from RRSP for reasons other than your retirement needs?	Total Yes No	25,948,643 5,749,875 20,198,768	100 22 78
FM_Q06	Reasons for withdrawing RRSP. Note: Multiple answers are possible. Only 'Yes' responses are shown here.	Home Buyer's Plan Life Long Learning Plan Personal reasons	2,125,310 180,665 3,642,278	37 3 64
RP_Q08	Taking all the various sources of retirement income into account for your household, how confident are you that your household income at the time of your retirement will give you the standard of living you hope for?	Total Very confident Fairly confident Not very confident Not at all confident	19,702,781 3,681,692 10,154,747 4,264,988 1,601,355	100 19 52 22 8
RP_Q09	Do you have a good idea of how much money you will need to save to maintain your desired standard of living when you retire?	Total Yes No	19,735,179 8,159,252 11,575,926	100 41 59
FC_Q01	In the past 12 months did you make use of any advice, free or paid, on any of the following financial products? Note: Multiple answers are possible. Only 'Yes' responses are shown here.	Retirement planning Children's education planning Estate planning Insurance Tax planning General financial planning	5,377,082 2,163,383 1,568,826 3,767,429 3,159,844 6,282,124	21 9 6 15 13 25
FC_Q02	Where did you get your advice? Note: Multiple answers are possible. Only 'Yes' responses are shown here.	Accountant Lawyer, notary Financial advisor, planner Tax advisor, planner Bank, Caisse Populaire Insurance company Work, employer Internet Media School, seminars, workshop, trade shows Friends and family Other	1,096,620 213,763 4,114,075 118,525 4,164,805 905,198 296,521 355,007 185,530 214,875 1,045,288 686,691	10 2 39 1 40 9 3 3 2 2 10 7
FC_Q04A	People get information about financial investments from many sources. What sources do you feel most influence your decisions about the financial investments you make? Note: Multiple answers are possible. Only 'Yes' responses are shown here.	Advertisements Magazines Newspapers Radio or television Internet Advice from financial advisor Advice from knowledgeable friend Other None of the above	2,627,138 2,049,657 5,143,216 5,164,085 5,688,444 13,282,981 10,752,285 174,558 3,789,896	11 8 21 21 23 54 43 1 15
FC_Q07A	Could you please tell me which of the following insurances you currently own? Note: Multiple answers are possible. Only 'Yes' responses are shown here.	Auto Life Disability Loss of income Property Renters Travel Other None of the above	20,733,103 16,509,819 9,201,344 5,311,521 16,612,549 3,370,187 6,546,298 402,275 1,945,769	84 67 37 21 67 14 26 2 8
FC_Q08	Do you have all your insurance policies with one company?	Total Yes No	19,878,816 7,359,750 12,519,066	100 37 63

Table A.11 continued

Univariate distributions of selected questions, 2009 Canadian Financial Capability Survey

Question label	Question	Response category	Number	Percent
FC_Q05	Are there things you personally keep an eye on, such as changes in...?	The housing market	10,442,249	42
		The stock market	8,234,971	33
		The currency (money) market	7,555,492	30
		Interest rates	12,845,714	51
		Inflation	10,127,953	41
		Taxation	9,603,829	38
		The job market	9,284,066	37
		Pension plan and benefits	7,075,525	28
		Sale of consumer goods and services	8,221,812	33
		Other	964,614	4
	Note: Multiple answers are possible. Only 'Yes' responses are shown here.	None of the above	5,623,164	23
FC_Q06	How do you tend to monitor these things?	Newspapers	10,781,039	56
		Financial/business newspapers	6,240,250	32
		Financial magazines	2,994,104	16
		Current event magazines	3,358,138	17
		Radio and television business programming	12,325,630	64
		Internet	10,607,368	55
		Financial advisor	6,979,777	36
		Other	2,054,284	11
FC_Q11	When did you personally last request a credit report to verify your credit history?	Total	24,486,275	100
		Within the last 12 months	2,900,932	12
		Within the last 5 years	3,152,927	13
		Within the last decade	789,888	3
		More than 10 years ago	709,056	3
		Never	16,933,473	69
FC_Q12	Have you ever found an error in any of the information presented on your personal credit report?	Total	7,377,132	100
		Yes	1,518,870	21
		No	5,858,262	79
SA_Q01	How would you rate your level of financial knowledge?	Total	24,560,958	100
		Very knowledgeable	1,516,264	6
		Knowledgeable	7,459,457	30
		Fairly knowledgeable	10,993,315	45
		Not very knowledgeable	4,591,923	19
SA_Q07	Please tell me if you agree or disagree with the following statement: I enjoy dealing with financial matters.	Total	24,363,127	100
		Agree	10,531,346	43
		Disagree	13,831,781	57
SA_Q10	Please tell me if you agree or disagree with the following statement: I've got a clear idea of the sorts of financial products I need.	Total	24,206,069	100
		Agree	18,530,197	77
		Disagree	5,675,872	23
SA_Q11	Please tell me if you agree or disagree with the following statement: I keep a close personal watch on my financial affairs.	Total	24,504,984	100
		Agree	20,790,950	85
		Disagree	3,714,034	15
SA_Q12	Please tell me if you agree or disagree with the following statement: I know enough about investments to choose ones that are suitable for my circumstances.	Total	24,077,639	100
		Agree	13,591,475	56
		Disagree	10,486,164	44
SA_Q13	Please tell me if you agree or disagree with the following statement: I always research my choices thoroughly before making any financial decisions.	Total	24,307,279	100
		Agree	18,583,414	76
		Disagree	5,723,865	24
SA_Q14	Please tell me if you agree or disagree with the following statement: I always consult my family/spouse before making any important financial decisions.	Total	24,497,161	100
		Agree	19,359,591	79
		Disagree	5,137,569	21

Table A.11 concluded

Univariate distributions of selected questions, 2009 Canadian Financial Capability Survey

Question label	Question	Response category	Number	Percent
SA_Q02	How would you rate yourself on: keeping track of money?	Total	24,601,428	100
		Very good	8,105,705	33
		Good	9,067,462	37
		Fairly good	5,728,805	23
		Not very good	1,699,456	7
SA_Q03	How would you rate yourself on: making ends meet?	Total	24,568,334	100
		Very good	10,704,650	44
		Good	8,853,574	36
		Fairly good	4,176,320	17
		Not very good	833,791	3
SA_Q04	How would you rate yourself on: shop around to get the best financial product such as loans or insurance rates?	Total	23,602,771	100
		Very good	6,720,435	28
		Good	8,755,333	37
		Fairly good	4,785,257	20
		Not very good	3,341,746	14
SA_Q05	How would you rate yourself on: staying informed on financial issues?	Total	24,408,361	100
		Very good	3,473,357	14
		Good	8,678,594	36
		Fairly good	7,521,970	31
		Not very good	4,734,440	19
OA_Q03	Who insures your stocks in the stock market?	Total	18,017,576	100
		The National Deposit Insurance Corporation	1,746,055	10
		The Securities and Exchange Commission	4,077,427	23
		The Bank of Canada	3,693,582	20
		No one (correct answer)	8,500,511	47

Appendix B

Glossary of terms:

Activity passive – Financial activities that occur as a result of an individual's occupation, or membership/participation in a certain group. In these instances, the individual does not have to be proactive in managing their finances in terms of pensions or other activities such as health plan etc.

Asset – Anything having a monetary value that is owned by a person (or business). Real estate, stocks, bonds, and money itself are all considered to be assets.

Asset-based policies – At the broadest level, asset-based policies are defined in contrast to traditional income support policies, and, in this sense, include policies devoted to supporting the development of human capital,⁴⁹ social capital, housing assets, and other forms of physical and human capital.

Assets and debts – The financial situation of the respondent undoubtedly provides a fair number of data points regarding their knowledge, abilities and the choices they may make and have made in the past. Indeed, information regarding the financial situation of the respondent's past may provide a basis for current behaviour. Therefore, a review of an individual's/households financial product inventory may provide information on present behaviour and future planning, with details on assets, and liabilities such as savings, investments, credit cards, loans, etc.

Attitudes – The reason people “do things” is strongly related to their attitudes about the activity. In terms of understanding why people participate in certain types of activities and not others it is important to understand their attitudes. Attitudes are comprised of three components: an affective component, a cognitive component, and a behavioural component. The outcome of attitudinal formation is a set of emotional, perceptual and action responses based on inputs/stimuli.

(Note: Operationally, it is very difficult to determine individuals' attitudes regarding certain events or activities as simple changes in question wording, or changes to response categories can result in different responses. This problem is compounded when response categories are closed and the respondent is forced to select an answer. Finally, for multiple events activities, responses may vary for each event.)

Bankcard – A card issued by a bank that entitles the holder to make electronic payments with a point of sale terminal and to carry out banking transactions via an automatic teller.

49. PRI synthesis report *Exploring the Promise of Asset-based Social Policies: Reviewing Evidence from Research and Practice*. 2003. p.1.

Bonds – A certificate of indebtedness, issued by a government or corporation. Interest rates are fixed for the term of the bond but the bond may be sold at more or less than its face value.

Canada Pension Plan (CPP) / Quebec Pension Plan (QPP) – Retirement pensions received at age 65 by people who have worked in Canada. Also includes Survivors Benefits, such as widows' pensions, widowers' pensions, orphans' benefits and Disability Pensions for disabled pensioners.

Consumer protection – Emphasizes legislation, and regulation designed to enforce minimum standards, require financial institutions to provide clients with appropriate information, strengthen the legal protection⁵⁰ of consumers when something goes wrong, and provide for systems of redress.

Co-operatives / Co-ops – (see Credit Union below)

Credit card – Method of paying for goods and services whereby the purchaser defers payment and repays the principal and interest in instalments over time. These include bank-type credit cards (i.e., VISA, Mastercard) as well as retail store and gas station cards.

Credit Union – A co-operative financial institution that is owned by its members and that operates for the benefit of its members by accepting savings deposits and making loans, including mortgage loans, and providing other services, such as chequing and credit-card services.

Debit card – see Bankcard above

Debt – An amount owed by one party to another for money, goods or services.

Dividend – Monetary amount paid to shareholders of a company from profits made by that company.

Employment – Employed persons are those who, during the reference week:

- a) did any work at all at a job or business;⁵¹ or
- b) had a job but were not at work due to factors such as own illness or disability, personal or family responsibilities, vacation, labour dispute or other reasons (excluding persons on layoff, between casual jobs, and those with a job to start at a future date).

Equity – The residual interest in assets after deducting related liabilities. For example the “equity” in a home equals the value of the home minus the amount owed on the mortgage.

50. OECD p.26.

51. Work includes any work for pay or profit, that is, paid work in the context of an employer-employee relationship, or self-employment. It also includes unpaid family work, which is defined as unpaid work contributing directly to the operation of a farm, business or professional practice owned and operated by a related member of the same household. Such activities may include keeping books, selling products, waiting on tables, and so on. Tasks such as housework or maintenance of the home are not considered unpaid family work.

Ethnic origin – Refers to the ethnic or cultural origin(s) of which the respondent or the respondent’s ancestors belong. An ancestor is someone from whom a person is descended and is usually more distant than a grandparent. Other than aboriginal persons, most people can trace their origins to their ancestors who first came to this continent. Ancestry should not be confused with citizenship or nationality. A specific ethnic or cultural group or groups are those to which their ancestors belonged, and not the language they spoke. For example a respondent would report “Haitian” rather than “French”, or “Austrian” rather than “German”. Canadians belong to many ethnic or cultural groups, such as Inuit, North American Indian, Métis, Irish, Scottish, Ukrainian, Chinese, Japanese, East Indian, Dutch, English, French, etc.

Family – A group of two or more persons who live in the same dwelling and are related to each other by blood, marriage, adoption, or common-law.

Financial capability – A three part construct including financial knowledge and understanding; financial skills and competence; financial responsibility. (See pages 9-14 for a detailed discussion).

Financial education⁵² – Financial education is the process by which financial consumers/investors improve their understanding of financial products and concepts and, through information, instruction and/or objective advice, develop the skills and confidence to become more aware of financial risks and opportunities, to make informed choices, to know where they go for help, and to take other effective actions to improve their financial well-being. There are three components:

- Information – involves providing consumers with facts, data, and specific knowledge to make them aware of financial opportunities, choices, and consequences;
- Instruction – involves ensuring that individuals acquire the skills and ability to understand financial terms and concepts, through provision of training and guidance; and
- Advice – involves providing consumers with counsel about generic financial issues and products so that they can make the best use of the financial information and instruction they have received.

Financial exclusion – Describes individuals who do not have adequate access to, or information about, the basic goods and services provided by the financial services sector and by governments.⁵³

Financial literacy – Australia – The ability to make informed judgments and to take effective decisions regarding the use and management of money.⁵⁴

Financial responsibility – In terms of personal life choices, knowledge of consumer rights and responsibilities, sources of assistance and general future planning.

52. OECD p26.

53. Social and Enterprise Development Innovations (SEDI). “Why Financial Capability Matters.” P.6 2005.

54. ANZ Survey of Financial Literacy in Australia. Final Report. P.2. taken from Schagen, S. “The Evaluation of NatWest Face 2 Face With Finance”: NFER, 1997. (this definition was adopted from UK research with a view to international consistency).

Full-time employment – Full-time employment consists of persons who usually work 30 hours or more per week at their main or only job.

Geographic exclusion – Occurs in instances where communities do not have local branches of a financial institution or government service.

Getting help – One of the keys to getting help is recognizing that help is needed. A self-assessment of personal financial capabilities would shed light on the incidence of finding and acquiring financial help in a variety of situations.

Guaranteed Investment Certificate (GIC) – A savings vehicle having terms generally ranging from one to five years, during which time the interest rate is guaranteed and the money is usually locked-in until maturity.

Home Buyers' Plan (HBP) – This is a government sponsored plan that allows people to withdraw up to \$20,000 tax free from their Registered Retirement Savings Plan (RRSP) to apply towards the purchase of a home.

Household – Any person or group of persons living in a private dwelling. It may consist of one person living alone, or a group of people who are not related but share the same dwelling, or it may be a family.

Household reference person – The household reference person is the member of the household mainly responsible for its financial maintenance (ie. pays the rent, mortgage, taxes, electricity etc.) This person can either be male or female. When all members of the household share equally, any member of the household may be shown as the household reference person. This person may also be referred to as the person most knowledgeable (PMK).

Household savings – Household savings consist of all liquid assets such as cash and bonds/stock options that can be converted quickly. This does not include a household's home, car or goods that could be sold in the future.

Interest – Payment made at a specified rate for the use of borrowed money.

Labour Force Status – Designates the status of the respondent vis-à-vis the labour market: a member of the non-institutional population 15 years of age and over is either employed, unemployed or not in the labour force.

Line of credit account (LOC) – A formal agreement between a borrower and a lender (usually a financial institution) which allows the borrower to borrow as much or as little as they wish up to a pre-specified maximum (or credit limit). For purposes of the survey, the amount to be reported is the amount currently owing on the line of credit.

Measuring ability – Current testing and assessment technology allows for directly measuring a person's skills. Canadian estimates are currently available for Literacy, Numeracy, and Problem-solving. Each of these dimensions could possibly be tailored to the financial context (current measures span a large number of contextual situations such as home, work or leisure, health and finances).

Money management choices – Current money management practices as practiced by each respondent are helpful in shedding light on the present knowledge and understanding of various products and services available for a host of applications. The types of choices made in the past and those being considered for the future

are critical data points for any indirect measure of knowledge and ability to apply knowledge.

Mortgage – Any loan which uses a home or other real estate as collateral.

Motivation – A factor or circumstance that stimulates the interest of a person in an activity.

Mutual funds – A collection of numerous financial securities that are bought by an investment company and sold as a particular group or fund. Investors purchase units of these funds.

Net value – Value that results from deducting operating costs from price.

Occupation – The Canadian Financial Capability Survey provides information about the occupation attachment of employed and unemployed persons, and of persons not in the labour force who have held a job in the past 12 months. These codes sets are based on the National Occupational Classification – Statistics (NOC-S) 2006.

Old Age Security Pension (OAS) – A monthly benefit available to most Canadians 65 years of age or older who have lived in Canada for at least 10 years.

Overdraft – The amount by which a cheque or other payments exceeds the funds on deposit.

Part-time employment – Part-time employment consists of persons who usually work less than 30 hours per week at their main or only job.

Person most knowledgeable (PMK) – Refers to the person in the household who is most knowledgeable about the household finances. This role may be split between more than one household member or may be undertaken by just one household member reflecting the internal division of labour within the household. Within the survey respondents are asked to self identify with respect to ongoing household management and also financial planning.

Planning ahead – Planning for the future (such as educational savings for children, retirement plans, investment strategies, assets, etc.) provide information on the level of responsibility acknowledged by the respondent regarding their finances and the financial well-being of their family. Under the umbrella of responsibility, one might ascertain if the respondent has insurance (disability, life, etc.) to cover any debts accrued. Retirement Stuff – pension plans /RRSP.

Psychometrics – A field of study concerned with the theory and technique of educational and psychological measurement.

Record keeping – Comprehension of financial records and an understanding of the need to keep records. (Superannuation and investment stuff).

Registered Disability Savings Plan (RDSP) – A plan that allows funds to be invested tax-free until withdrawal. It is intended to help parents and others to save for the long-term financial security of a child with a disability.

Region – For this study when the term region is used it refers to the following grouping of provinces:

Atlantic (Newfoundland and Labrador / Prince Edward Island / Nova Scotia / New Brunswick)

Quebec

Ontario

Manitoba/Saskatchewan

Alberta

British Columbia

Registered Education Savings Plans (RESP) – A savings vehicle designed for individuals to accumulate income for post-secondary education. Typically, the plans are entered into by parents seeking to save for their children's post-secondary education. Investing in RESPs can be advantageous since the federal government makes a contribution and income generated is tax sheltered until it is withdrawn for the child's post-secondary education.

Registered Income Fund (RIF) – A fund into which RRSP monies may be transferred. Payments from a RIF may be varied, but a minimum amount must be withdrawn annually.

Registered Retirement Savings Plan (RRSP or RSP) – A capital accumulation program designed to encourage savings for retirement. Contributions are tax deductible, within prescribed limits. Investment income earned in the RRSP is tax-exempt, but benefits are taxable. Amounts in these plans include amounts originally invested plus accrued interest/earnings.

Rollover – An extension of a loan for a fee – typically a penalty fee plus an administrative fee and charges for the new loan (CMC 2004).⁵⁵

Seasonality – Refers to the time of year and is split into four seasons: winter, spring, summer and fall. It is conceivable that an individual's ability to recall financial information will be improved during the taxation season (February-April) as this is typically when financial records are reviewed.

The four seasons are segmented as follows:

Spring (March / April/May)

Summer (June/July / August)

Fall (September / October/November)

Winter (December / January/February)

Stocks – Common and preferred shares of corporations. Could also be referred to as equities. Related terms: Publicly-traded stock, common shares, preferred stock, shares.

⁵⁵. Pyper .p12.

Target population – Persons aged 18 and over living in private households in the 10 provinces. Respondents were randomly selected and were not necessarily the most knowledgeable about the household's finances. The population does not include persons living in collective dwellings, persons living on Indian reserves or persons living in Northern and remote areas.

Tax Free Savings Account or Tax Free Savings Plan (TFSA) – Canadian residents age 18 and older can contribute up to \$5,000 per year without being taxed on investment income or capital gains.

Term deposits – A deposit instrument most commonly available from trust companies and banks, requiring a minimum investment at a predetermined rate of interest for a stated term. The interest rate varies according to the amount invested and the term to maturity.

Trust – A trust is an arrangement whereby the right to property is held by one party, the “trustee” (or manager), for the benefit of another, the “beneficiary”.

Trust company – A financial institution that provides financial and trust services to individuals and corporations. A large part of the business of trust companies is acting as trustees for other corporations in handling pension funds, bond issues and the like. They are active financial intermediaries, taking in deposits and making loans of various kinds.

Unemployment – Unemployed persons are those who, during the reference week:

- a) were on temporary layoff during the reference week with the expectation of recall and were available for work; or
- b) were without work, had actively looked for work in the past four weeks, and were available for work⁵⁶; or
- c) had a new job to start within four weeks from the reference week, and were available for work.

56. Persons are regarded as available for work if they:

- i) reported that they could have worked in the reference week if a suitable job had been offered; or if the reason they could not take a job was of a temporary nature such as: because of own illness or disability, personal or family responsibilities, because they already have a job to start in the near future, or because of vacation (prior to 1997, those on vacation were not considered available).
- ii) were full-time students seeking part-time work who also met condition i) above. Full-time students currently attending school and looking for full-time work are not considered to be available for work during the reference week.

Appendix C

Survey methodology and questionnaire structure:

Survey objectives:

The objectives of the 2009 Canadian Financial Capability Survey were to develop a national statistical database that provides national level estimates surrounding the issue of financial capability. The overarching objective of the project was to gain a greater understanding of current levels of individuals' financial capability and the financial capability needs and preferences of Canadians.⁵⁷ These data would fill a vital data gap in the area of social and economic statistics and would provide baseline data for future policy and program evaluations. The data would assist all levels of government in developing effective data-driven policies in this increasingly complex aspect of Canadian life.

Survey design and coverage:

The Canadian Financial Capability Survey targeted a population 18 years of age and over and was conducted in the ten provinces. Excluded from the survey were residents from the Yukon, the Northwest Territories, Nunavut, and residents of institutions.

The survey was conducted using Random Digit Dialling (RDD) and one person per household was sampled. The Survey was conducted between February and May of 2009 using computer assisted telephone interviewing approach (CATI). A total of 15,519 individuals participated in the survey which resulted in a global response rate of 56.3%.

The CFCS sample size allows for relatively detailed estimates at the national level as well as at the provincial level with the exception of those provinces with smaller populations where only limited analysis is possible. In some instances it may be preferable to use a regional approach.

The Canadian Financial Capability Survey (CFCS) collected information from over 15,500 respondents⁵⁸ from across Canada representing 26,212,439 Canadians aged 18 and older. Following on the lead of previous studies

57. HRSDC Data Development Proposal.

58. At this point, caveat should be mentioned; the data were collected from only the 10 Provinces, excluding the three Territories, while this does not detract from the statistical significance of these national findings, it cannot be generalized to include this non-sampled population.

implemented in Australia, Britain and the United States, the conceptual definition included various component parts. That is to say, Financial capability, as understood in the CFCS is more than a simple one-dimensional skill, but rather includes components of knowledge and understanding, skills, competences and responsibility. Measuring such a broad concept provides a number of challenges, analysing the results can likewise be fraught with ambiguity and competing options.

Being a telephone survey, there are some limitations to the data estimation possibilities provided by the CFCS. First, there are design exclusions; that is to say people who were excluded simply due to the type of collection medium used to gather the information. This included people without home telephones, including those Canadians without homes. Also excluded were Canadians with only cell phone service to their homes (according to the Statistics Canada Residential Telephone Service Survey, 2008 (IMDB# 4426), this accounts for roughly 8% of Canadian households), and people who were residents of institutions (such as prisons, hospitals, group homes, senior residences and psychiatric institutions, motels, etc.), and, for a variety of fiscal, methodological and logistical reasons people living in the Northern Territories were also not part of the sample population. Arguably, some of these groups may face their own particular financial challenges and vulnerabilities not necessarily reflected in this study. Second, there are limitations to the types of questions that can be reasonably asked and the length of the overall survey that can be administered over the telephone. All of these factors have imposed limitations on the scope of the analysis and the representativeness of its conclusions.

Sampling error:

The primary objective of the CFCS was to collect information that would provide a baseline measure of the financial capability of Canadians.

The sample size is large enough to allow detailed breakdowns at the national level and for the larger provinces and across a number of other large sub-populations; however, the size of the sample does not lend itself to such details without decreasing the reliability of the data.

The difference between estimates derived from a sample and those derived from a complete census taken under similar conditions is referred to as the sampling error. As in any sample survey, some of the CFCS estimates are subject to considerable sample error or are based on too small a sample to be statistically reliable. The standard error of the estimates which is shown in parentheses is a good indicator of the quality of the estimates. Estimates based on less than 30 observations are not shown. Such cases are noted by an asterisk (*).

Response rates:

As it is not possible to piggy-back lengthy surveys onto “in-situ” survey platforms such as the Labour Force Survey the most effective approach remaining is Random Digit Dialling (RDD). Although RDD surveys are optimised through the removal of commercial phone banks it is not surprising that “cold-calling” results in lower response rates than might be achieved when linked to an on-going survey. This problem is becoming increasingly compounded by the proliferation of cell-phone

only households. Having said this CFCS was able to obtain a very respectable national response rate of 56.3%. As can be seen in Table C.1 there was variation by province:

Table C.1
Response rates and number of respondents by province

Province	Response rate	Number of respondents
	Percent	Number
Newfoundland and Labrador	54.7	670
Prince Edward Island	56.7	324
Nova Scotia	58.8	779
New Brunswick	56.4	684
Quebec	57.3	3,336
Ontario	55.2	4,519
Manitoba	55.7	795
Saskatchewan	61.4	1,213
Alberta	61.5	1,690
British Columbia	49.3	1,509
Canada	56.3	15,519

Survey Questionnaire: _____

The questionnaire for the survey of Canadian Financial Capability was comprised of 13 sections as identified in the table below:

Subject	Purpose
RDD Entry Component	Determines if phone number is in-scope, creates household roster and selects respondent.
Demographic Section (DM)	Collect basic demographics.
Labour Force (LF)	Determine labour force status.
Ongoing Expenses (OE)	Day-to-day financial management.
Financial Management (FM)	Ongoing financial management and credit issues.
Major Expenses (ME)	Planning for future purchases.
Post-secondary Education Funding (EF)	Financial planning for children's post-secondary education (where children are present).
Retirement Planning (RP)	Determines if the respondent is preparing for retirement and if so the nature of pension entitlements, retirement savings and whether financial resources in retirement will be sufficient.
Assets and Debts (AD)	Identifies the family's assets and debts.
Income (IN)	Identifies individual and household income.
Financial Choices (FC)	Determines how the respondents make financial planning decisions.
Subjective Personal Assessment (SA)	Assess respondent's comfort level with financial decisions and information.
Objective Personal Assessment (OA)	Assess respondent's skills and knowledge in regards to financial matters.

