



The financial vulnerability and challenges of key populations in Canada

Including Canadians with a Disability, Indigenous Canadians and other more financially vulnerable or underserved households:
based on the Seymour Financial Resilience Index™

January 2023

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At the non-profit Financial Resilience Institute, we believe in the power of evidence to build resilience, improve lives and strengthen communities. Financial services innovation, public policy and programs work best when rooted in data and facts. Our research, impact measurement, and cross-sector collaboration spark solutions in programs and practice. We're working to help expand opportunities for people and improve financial resilience for all.



Sample populations featured in this report

With the financial resilience, financial vulnerability and many financial well-being indicators for other populations, such as renters, new immigrants, mortgage holders and others experiencing key stressors measured and tracked by the Institute.

Indigenous
Canadians



People not working
owing to a disability



Racialized
Canadians



Women



Canadians with Low
Incomes



Single parents



'Extremely
Vulnerable' [1]



People impacted by by
life events causing
financial hardship



Experiencing
significant
Income volatility'



People with self-
reported fair or poor
credit scores



People struggling with
debt manageability

[1] 'Extremely Vulnerable' households have a financial resilience score of 0 to 30
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Table of Contents

This report is complemented with the 'Financial Inclusion and Access to Financial Help Challenges' Report, published in January 2023.

1	About Financial Resilience Institute, the Seymour Financial Resilience Index™ and the state of financial resilience for Canadians at the national level	5 - 20
2	Executive Summary, Key Insights and the 'Financial Resilience Gap'	21 - 28
3	Sample insights on the financial resilience of some of Canada's most financially vulnerable or underserved populations	29 - 35
4	The financial resilience gap between men and women: a problem that persists	36 - 37
5	Intersectional analysis validates increased financial vulnerability for people represented across more than one population	38 - 39
6	Sample insights from longitudinal research confirms individual households' financial resilience can change and behaviours have an impact	40 - 42
	Appendices	43 - 48

Additional data and analytics is available in the Institute's Full Subscribers' Full Report.



1

About Financial Resilience Institute, the Seymour Financial Resilience Index™ and national findings based on the June 2022 Index



Financial Resilience Institute is a non-profit organization that strives to help improve financial resilience and well-being for all Canadians and global citizens



Impact Goals

1. **Reduce financial vulnerability** in particular for those who need help most or are underserved ^[1]
2. **Be a catalyst for positive change** through knowledge mobilization, solutions that create value and cross-sector collaboration.
3. **Foster financial inclusion and empowerment** while helping to build a resilient, equitable and inclusive Canada.

Improving Financial Resilience For All

We partner with financial institutions, business leaders and policymakers to develop and implement solutions that improve financial resilience, health and well-being for all.

[1] These include households that are most financially vulnerable based on their mean financial resilience score and/or who are challenged from a financial help or 'access' perspective. It also includes key populations facing barriers, households who are using predatory financial services, have specific financial stressors; are underserved by their primary Financial Institutions and/or exhibiting financial behaviours that impact their financial resilience and financial well-being.
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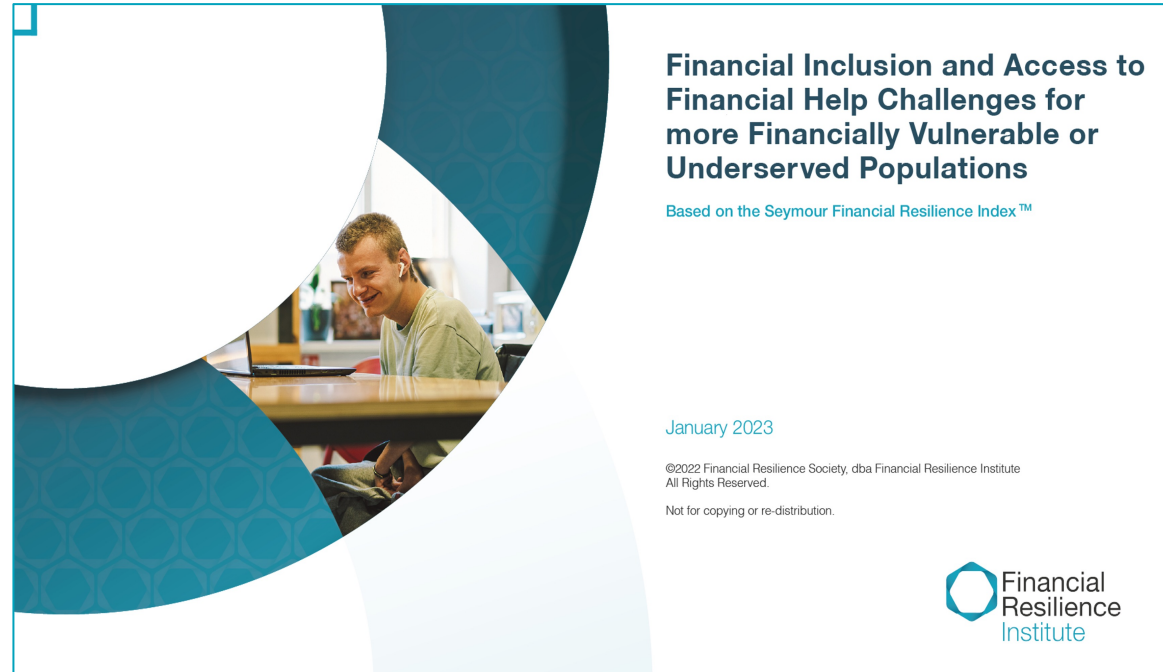
This report shines a light on the financial vulnerability of some of Canada's most vulnerable populations. It provides sample insights for Financial Institutions, Policymakers and the ecosystem, with deeper-dive data and insights available in the 100+ slide Full Report for Institute Subscribers.

This Financial Resilience Institute report provides some insights on the financial resilience (and financial vulnerability) of some of Canada's most financially vulnerable populations. Findings from this report on the financial vulnerability, stressors and sample access challenges are based on the Seymour Financial Resilience Index™, with a primary focus on data from June 2022 Index data.

Context for this Report

Index and data analytics provide insights, enable impact measurement and can help inform program and policy innovation, systems change and design thinking. However, sample data insights are provided only, and need to be complemented with qualitative insights, advocacy, strategy and testing-and-learning, in collaboration with vulnerable populations and partner organizations that deeply understand their needs and are experts in serving them. This is key to create relevant programs, solutions and policies that are designed for the people, families and communities they are meant to serve.

This report is complemented with the free 'Financial Inclusion' report and a full report for Institute Subscribers



Additional data and analytics on the financial vulnerability of specific populations including Racialized Canadians and those with self-reported poor credit scores is also available in the Full Report for Institute Subscribers. Contact us if you are interested in learning more about this report or Institute Subscriber benefits.

Definitions of financial health, financial resilience and financial wellness within the over-arching construct of Financial Well-Being ^[1]

Financial Well-Being

A state of being wherein a person can fully meet current and ongoing financial obligations, can feel secure in their financial future, and is able to make choices that allow them to enjoy life ^[2]

Financial Health

Financial health is about your ability to balance your financial needs for today with those of tomorrow as a result of decisions and behaviours that move you forward.

Measured through many financial health and behavioural indicators in the longitudinal Financial Well-Being study (2017-2023)

Financial Resilience

Financial resilience is about your ability to get through financial hardship, stressors or shocks as a result of unplanned life events.

Measured at the national, provincial, segment and individual household level based on behavioural, resilience and sentiment indicators through the Seymour Financial Resilience Index TM

Financial Wellness

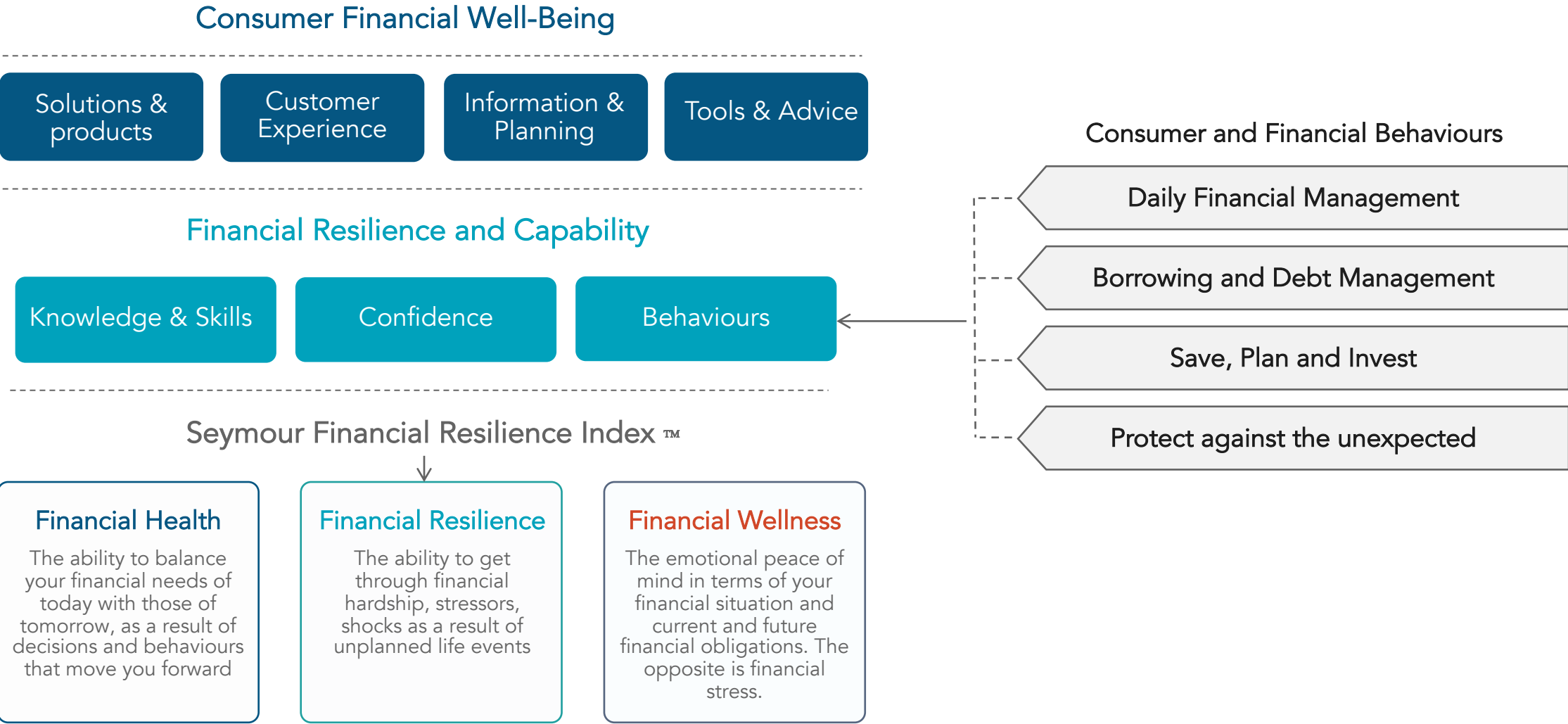
Financial wellness is about your emotional peace of mind in terms of your financial situation and current and financial future obligations. The opposite is financial stress.

Measured through many financial stress, debt stress and financial wellness indicators in the longitudinal Financial Well-Being study.

[1] The Financial Well-Being Framework developed by Seymour Consulting in 2016 (now the Financial Resilience Institute) is summarized in the appendices.

[2] Definitions of financial health, financial resilience and financial wellness Financial Well-Being definitions were created by Seymour Consulting as the leading independent authority on financial health in Canada (2016-2022). The definition for 'Financial Well-Being' above was developed by CFPB (Consumer Financial Protection Bureau in the US) and aligns with other definitions of financial well-being analyzed by the Institute over several years.

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The national Financial Well-Being Study (2017 to 2023 onwards)

A complementary instrument to the Seymour Financial Resilience Index™



Canada's robust national study of Canadians' financial health, wellness and resilience and the role Financial Institutions can play to support their customers' financial wellness: with longitudinal tracking.



Canada's most robust national, independent investigation into consumer financial well-being, and the linkage between financial health and overall personal well-being. The study typically has a sample size of 5000 adult Canadians from a representative sample of the population by household income, age, gender and province.

Online 15-minute study was conducted annually from 2017 to 2019, 3 times a year in 2020 and annually in June 2021 and June 2022.

Next studies will be in February 2023 and June 2023, with the ability for Index measurement at other times and customized questions.

Boost samples for specific populations (e.g. low-income Canadians) have been conducted to support deep-dive, customized Index analytics.

Online survey respondents are primary or joint financial decision makers, aged 18 to 70 years old.

Survey respondents are recruited through the Angus Reid Forum, Canada's most respected and engaged online panel, with all study design and analytics conducted by Financial Resilience Institute.

The Financial Well-Being study is a complementary instrument to the Seymour Financial Resilience Index™

WHAT THE INDEX MEASURES

Financial resilience: i.e. a *household's ability to get through financial hardship, stressors and shocks as a result of unplanned life events.*



The ability to balance your needs of today with those of tomorrow, as a result of decisions and behaviours that move you forward.



The ability to get through financial stressors, shocks and financial hardship as a result of unplanned life events.

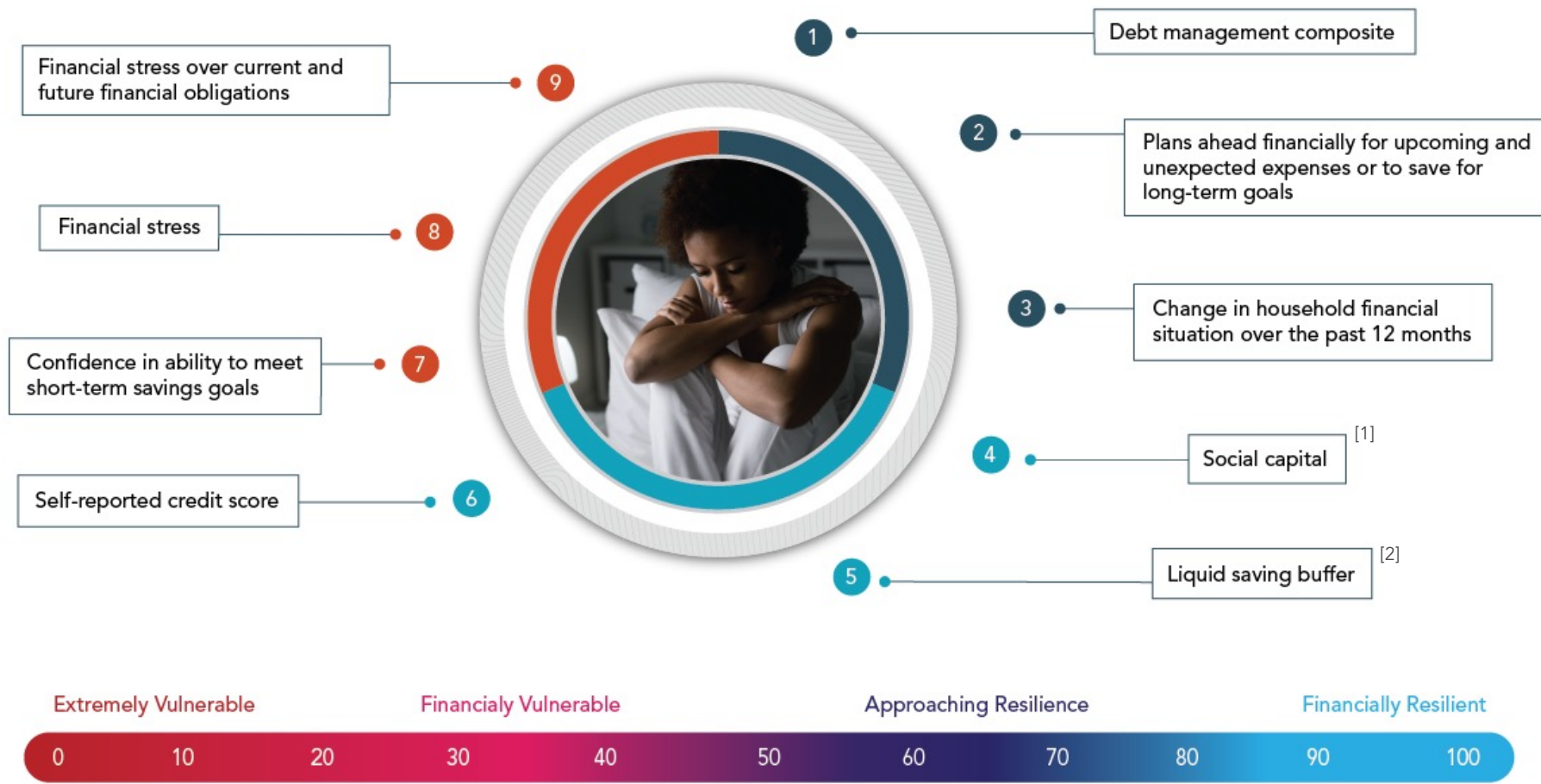


Emotional peace of mind in terms of our financial situation, and current and future financial obligations. The opposite is financial stress.

[1] The Index was developed by Seymour Consulting over more than five years based on an iterative process to regressing and evaluating over 35 potential indicators against self-reported “financial resilience” or “financial stress” measures, using the multiple linear regression technique. In the end, nine variables were determined to account for 62 percent of the variance in the financial resilience construct as of June 2022 and 64 per cent of the variance in the financial resilience construct as of February 2021. The regression model’s indicators (independent variables) are significant at a 95% confidence interval, with p-values less than 0.05. Index development and methodology details are at <https://www.finresilienceinstitute.org/why-we-created-the-index/>. The Index has been peer-reviewed by Statistics Canada, with our organization and Statistics Canada publishing a joint report on the financial resilience and financial well-being of Canadians during the COVID-19 pandemic in 2021. The Index has also been peer reviewed C.D. Howe Institute and is being used by Financial Institutions, non-profit organizations and other organizations to measure and track the financial resilience and financial well-being of their customers and stakeholders, while leveraging robust independent longitudinal benchmark data. More information on the Index development and methodology process is in the appendices and a methodology section of the Institute’s website. Seymour Financial Resilience Index™ is a trademark used under license with the Index now being licensed to the Institute.

Indicators and Scoring Model

Households are scored from 0 to 100 for their financial resilience



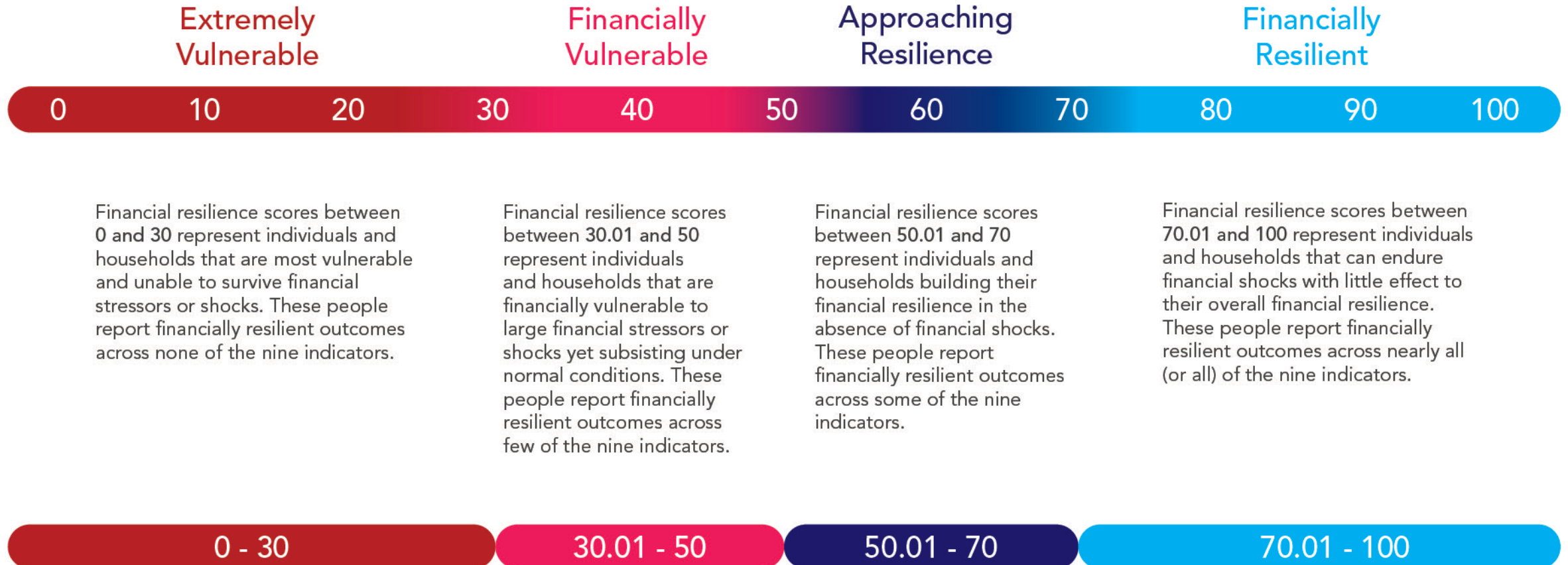
'Extremely Vulnerable' households have a financial resilience score of 0 to 30; 'Financially Vulnerable' a score of 30.01 to 50; 'Approaching Resilience' a score of 50.01 to 70, and 'Financially Resilient' a score of 70.01 to 100.

[1] Social capital: has a spouse, partner, family member or close friend who could provide financial support in times of financial hardship that they are willing to turn to for help.

[2] Liquid savings buffer: how many weeks or months could afford to cover living expenses at current spending levels if income was lost or reduced, without borrowing or drawing on retirement savings.

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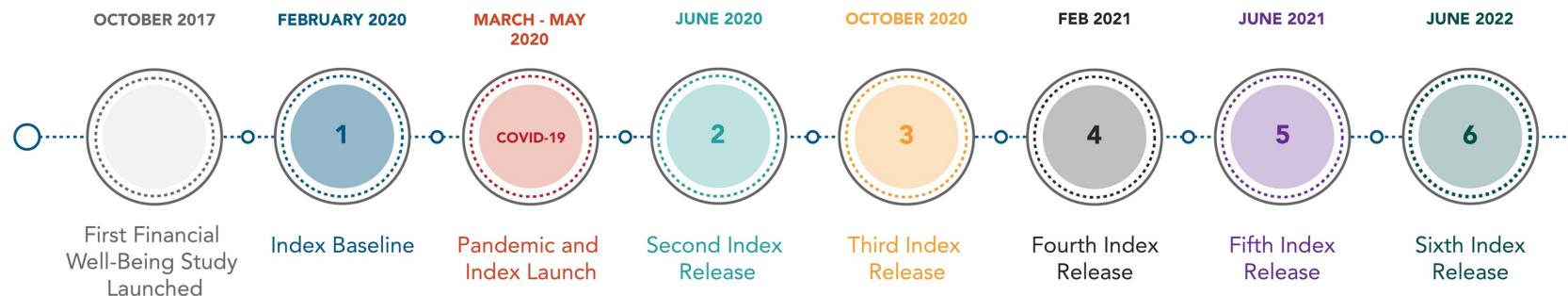
Index Scoring Model



'Extremely Vulnerable' households have a financial resilience score of 0 to 30; 'Financially Vulnerable' a score of 30.01 to 50; 'Approaching Resilience' a score of 50.01 to 70, and 'Financially Resilient' a score of 70.01 to 100. Seymour Financial Resilience Index™ is a trademark used under license.

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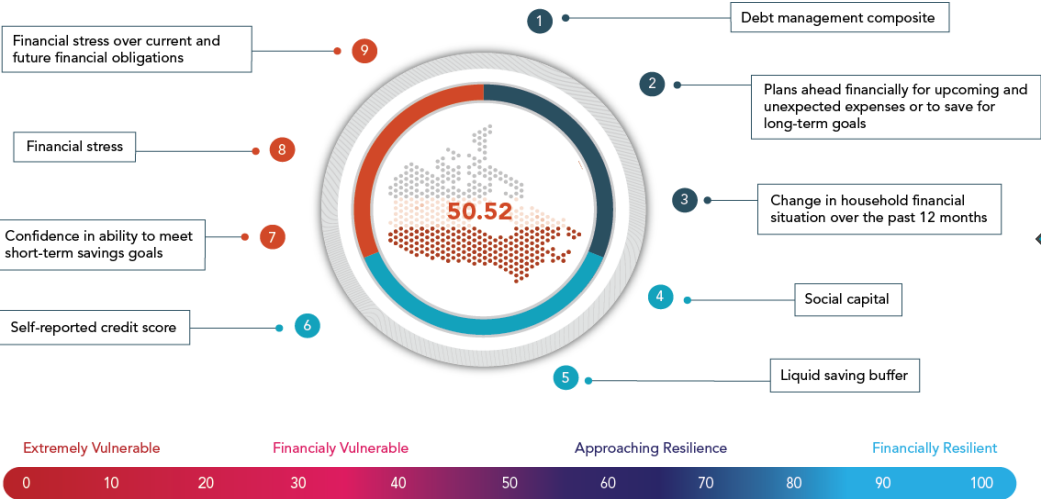
- Developed over 5 years based on an iterative process to regressing and evaluating over 35 potential indicators against self-reported “financial resilience” or “financial stress” measures, using the multiple linear regression technique.
 - In the end, 9 variables were determined to account for 62 percent of the variance in the financial resilience construct as of February 2023 and June 2022 and 64 per cent of the variance in the financial resilience construct as of February 2021.
 - The regression model’s indicators (independent variables) are significant at a 95% confidence interval, with p-values less than 0.05.
 - The model has been validated against all years of Financial Well-being studies data between 2017 and 2023. This has revealed consistency in results, represented by a strong R-squared as well and similar weights of the independent variables as predictors of financial resilience.
 - Weightings for the model are based on their overall contribution to the dependent variable in the model and are not equal.
- Five stages of Index development and validation:
 1. Identification of potential indicators
 2. Data collection for Index development
 3. Regression model development with different combinations of potential indicators
 4. Indicator selection and
 5. Model validation.
 - Based on 2017 and 2018 data, six of the nine index model independent variables were available, and in the 2019 data, seven of the independent variables were available. All nine variables are available based on the February 2020 Index baseline data. In July 2022, one of the two variables within the debt composite indicator was replaced.



The Index and Financial Well-Being Studies are complementary instruments

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Seymour Financial Resilience Index™



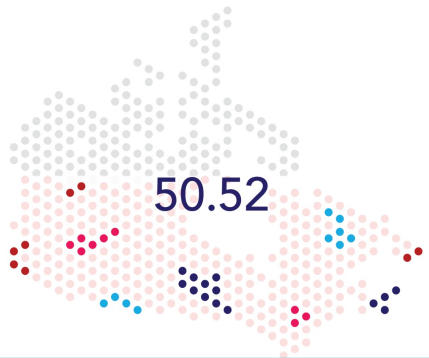
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Longitudinal Financial Well-Being study (2017 to 2022 and beyond)



About the Institute's Financial Resilience Index: Measuring household financial resilience at the national, provincial, segment and individual household level

Canada Mean Financial Resilience Score



The Index measures and tracks household financial resilience across nine behavioural, sentiment and resilience indicators. Household financial resilience measurement and tracking is conducted at the national, provincial, segment and individual household levels, at least twice a year (and more often based on the needs of Financial Resilience Institute clients, partners and members)

Peer-reviewed by Statistics Canada, C.D. Howe Institute and many leading organizations, the Index has a pre-pandemic baseline of February 2020 and builds over six years of longitudinal Financial Well-Being studies data. It has many applications and provides financial resilience and financial well-being measurement for customers and communities of tier one banks and other organizations.

The Financial Well-Being study is a complementary instrument to the Index, which is being levered as a community asset for good to help create a more resilient, equitable and inclusive Canada.

Provincial



Segment



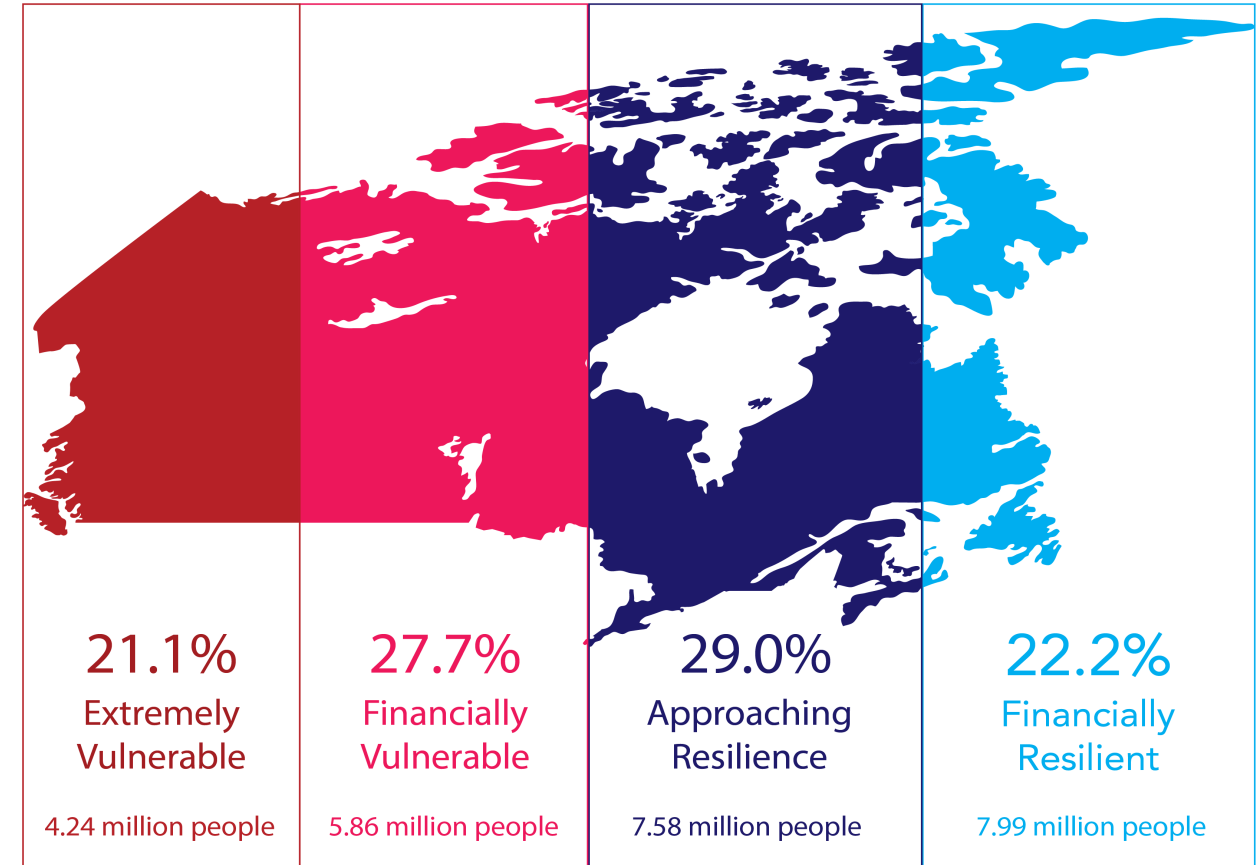
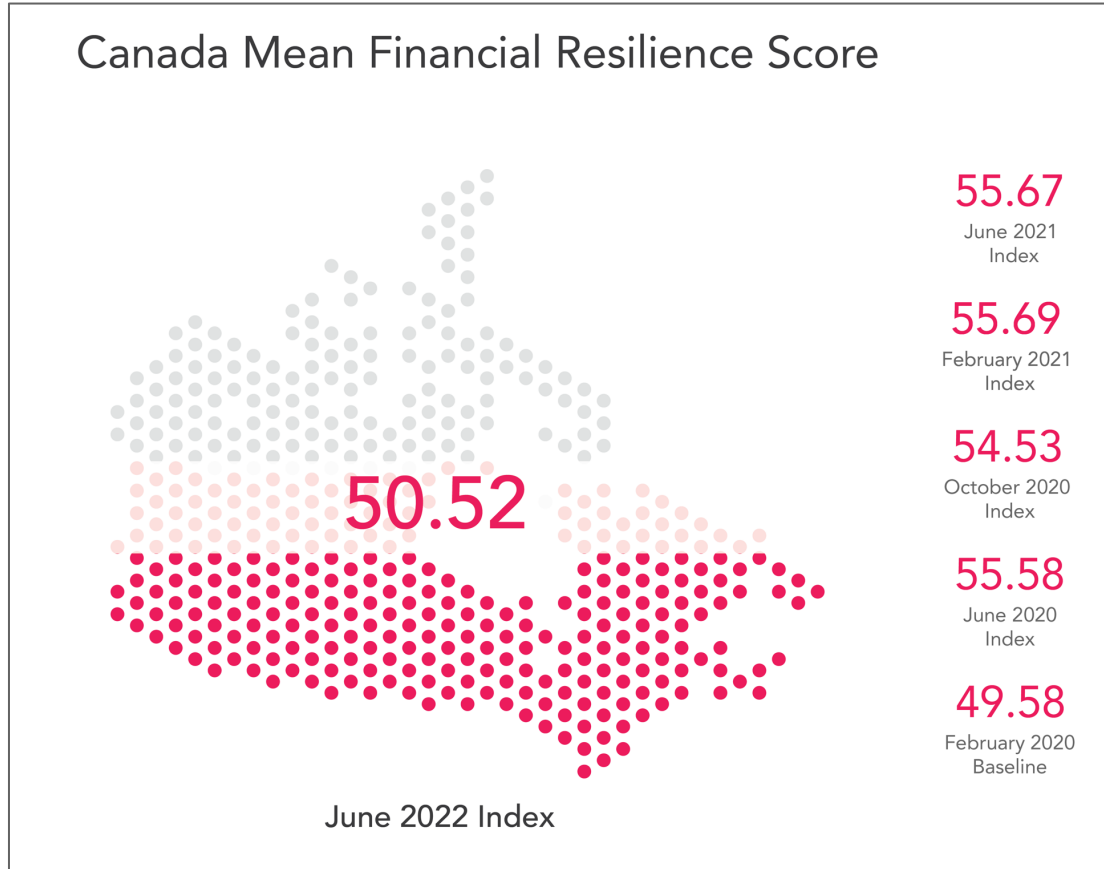
Organization



Individual



Canada has a national mean financial resilience score of 50.52 as of June 2022
77.8% of the population are not 'Financially Resilient' representing 19.99 MM households



Segment sizes are based on a total population of 25.70 million adult Canadians aged 18 to 70 years old as of July 2021 (Statistics Canada) Please see September 2022 report for more data and insights on the financial vulnerability of Canadians.

'Extremely Vulnerable' households have a financial resilience score of 0-30; 'Financially Vulnerable' a score of 30.01 to 50; 'Approaching Resilience' a score of 50.01 to 70, and 'Financially Resilient' a score of 70.01 to 100.

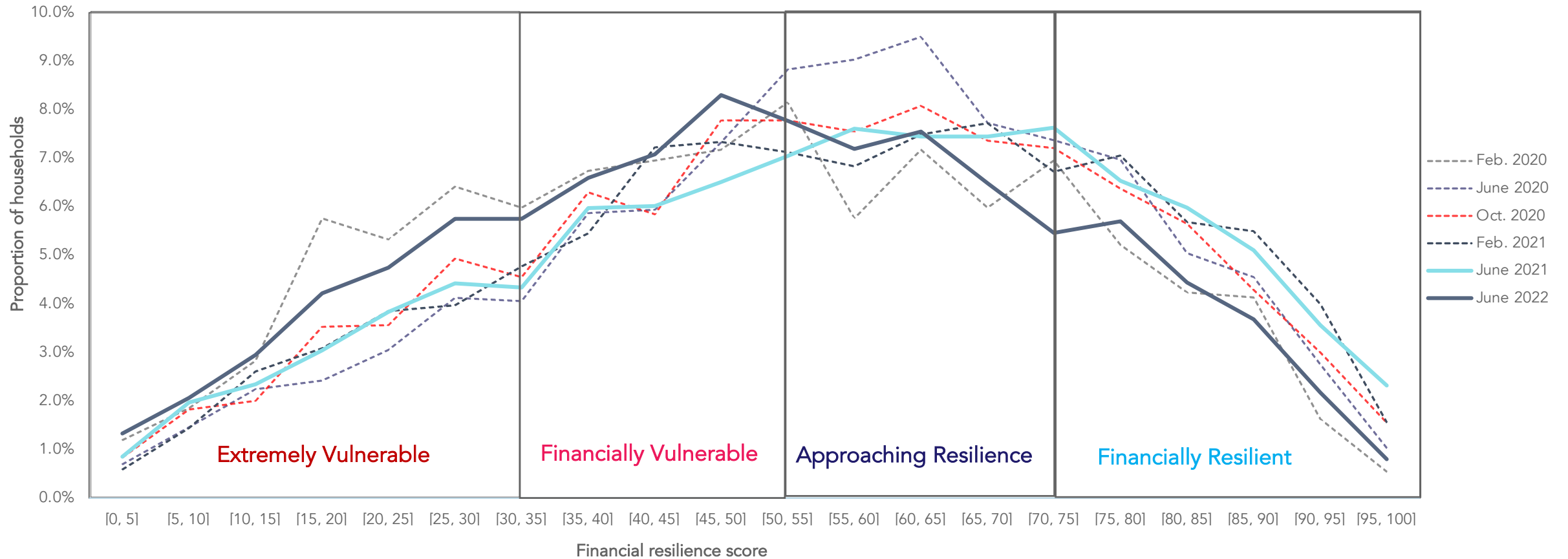
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Seymour Financial Resilience Index™ Distribution

From February 2020 (pre-pandemic) to June 2022

Canada Mean Financial Resilience Score: 50.52 (June 2022)



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June 2022 Financial Well-Being study has a sample size of 5061 households with 4505 households scored through the Index. MOE of +/- 1.4% and 95% confidence interval across all provinces.

June 2021 Financial Well-Being study has a sample size of 5028 households with 4504 households scored through the Index. MOE of +/- 1.38% and 95% confidence interval across all provinces.

June 2020 Financial Well-Being study has a sample size of 4989 households with 4462 households scored through the Index. MOE of +/- 1.4% and 95% confidence interval across all provinces.

February 2020 Financial Well-Being study has a sample size of 1013 households aged 18-70 and an Index sample of 919 households scored through the Index. MOE of +/- 3.1% and 95% confidence interval across all provinces.

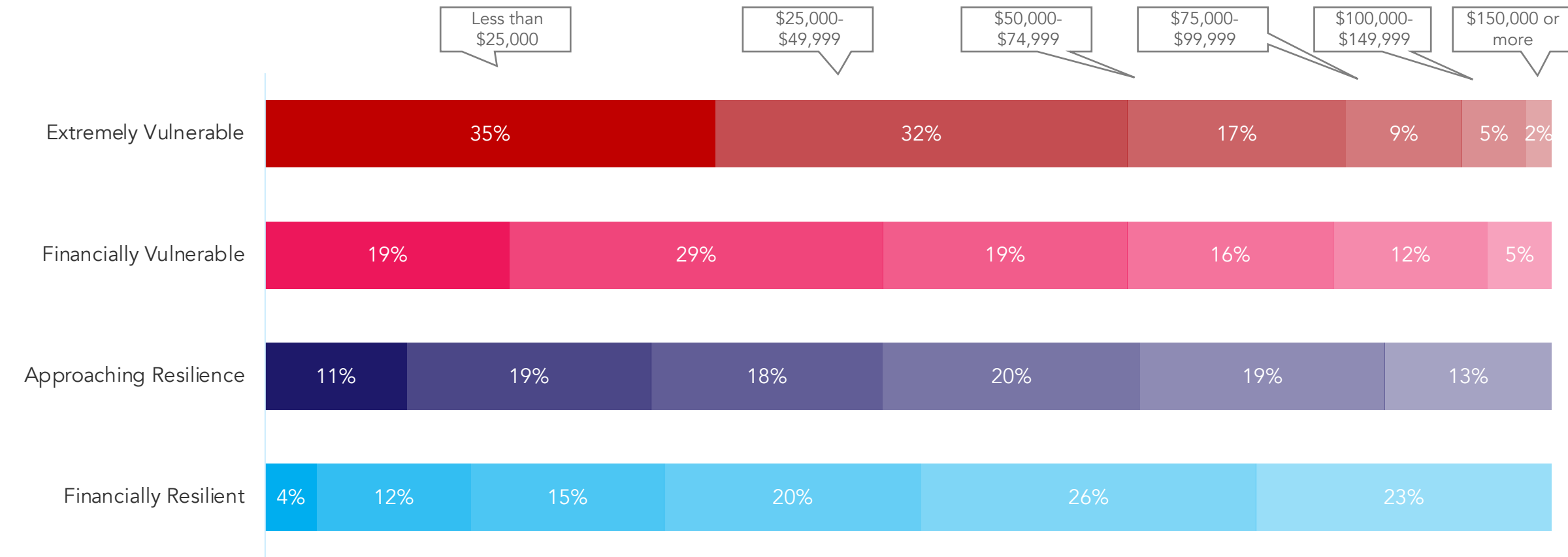
Data is weighted to be representative of Canadian population based on household income, gender, age and province, with survey respondents recruited through the Angus Reid Forum. All survey design and analytics conducted by Financial Resilience Institute.

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Households from all income demographics represented across the 4 index segments



For example, 14% of households with a household income between \$75,000 and \$149,999 are 'Extremely Vulnerable'; 28% are 'Financially Vulnerable'; 39% are 'Approaching Resilience' and 46% are 'Financially Resilient' [1]



[1] 'Extremely Vulnerable' households have a financial resilience score of 0 to 30; 'Financially Vulnerable' a score of 30.01 to 50; 'Approaching Resilience' a score of 50.01 to 70, and 'Financially Resilient' a score of 70.01 to 100.

Executive Summary, Key Insights and the 'Financial Resilience Gap'



The Institute's Index highlighted growing inequities and challenges for more financially vulnerable households through the pandemic, with this continuing for more financially vulnerable households in the current challenging inflationary environment.

Financial vulnerability has increased for Canadians overall. Concerningly, it has also increased for 'Extremely Vulnerable' Canadians and many of Canada's more vulnerable populations.

The Seymour Financial Resilience Index™ was developed in order to shine a light on Canadian households that are more financially vulnerable, in order to help Financial Institutions, Policymakers and other purpose-driven organizations to understand, measure and improve the financial resilience and financial well-being of their customers and communities. The Financial Well-Being studies and Index have shone a powerful light on household financial stress and financial vulnerability as a mainstream issue – and concerningly, highlight growing inequities and increased challenges for those who are more financially vulnerable and/or facing system barriers.

This is one of the reasons why we created Financial Resilience Institute as a non-profit organization, to help improve financial resilience for all, The Institute and its Index brings much-needed robust, independent longitudinal financial health, financial resilience and financial well-being data and impact measurement to help support the work of all those with a stake in financial lives of Canadians.

While our data highlighted growing inequities through the pandemic, the June 2022 Index highlights continued (and in some instances growing) inequities and increased financial vulnerability for those who were already more vulnerable. The cost-of-living crisis, inflationary environment, rising interest rates, housing affordability crisis, housing and food insecurity and other challenges are all having an impact, despite Canadians working hard to maintain or improve their financial resilience from a financial behavioural perspective. Financial vulnerable households that were previously cushioned by COVID-19 Government financial relief are also no longer receiving this relief, with this issue combined with job insecurity and financial inclusion challenges taking a toll, particularly for more financially vulnerable households [1].

This report provides sample data only on just a few of Canada's more vulnerable populations and is provided to the ecosystem to help guide and spur program and policy innovation and action to help build a more resilient, equitable and inclusive Canada.

[1] See report on the Financial vulnerability of Low-Income Canadians: A Rising Tide published in November 2022 and other whitepaper reports published since 2017.

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This report shines a light on the financial vulnerability of some of Canada's most vulnerable populations. It provides sample insights for Financial Institutions, Policymakers and the ecosystem, with deeper-dive data and insights available in the 95-slide report for Institute members.

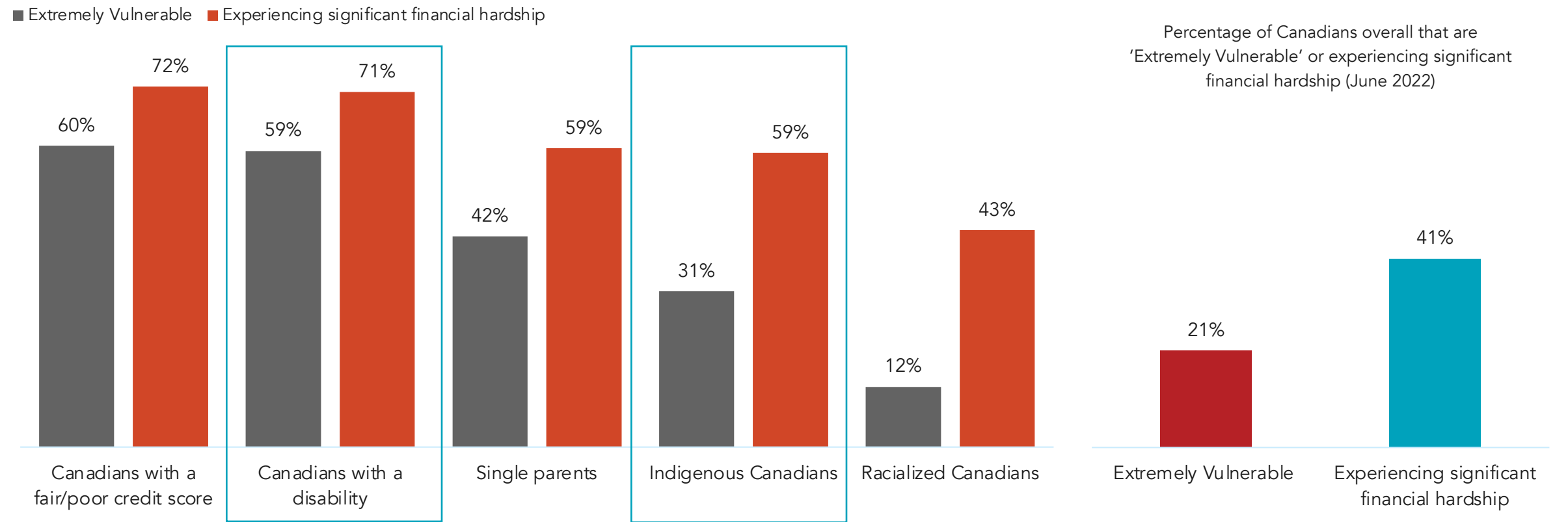
- Financial Resilience Institute report provides some insights on the financial resilience (and financial vulnerability) of some of Canada's most financially vulnerable populations. Findings from this report on the financial vulnerability, stressors and sample access challenges are based on the Seymour Financial Resilience Index™, with a primary focus on data from June 2022 Index data.
- Data analytics on key changes in the financial vulnerability of specific populations over a two-year period (between June 2020 during the pandemic and June 2022) and other insights are provided in the Members Report.
- 'Extremely Vulnerable' households, those with a self-reported fair or poor credit score, and Canadians with a disability are the most financially vulnerable. Canadians with unmanageable debt levels, single parents and low-income Canadians are also financially vulnerable.
- Indigenous Canadians, Black Canadians and Racialized Canadians have higher mean financial resilience scores compared to low-income Canadians, single parents and those with a disability. However, intersectional analysis validates the many nuances and how populations that face more than one barrier (or are represented in more than one segment) have increased financial vulnerability [1].
- Canadians with a disability, representing 15% of all households, have the lowest mean financial resilience score of any household and their financial vulnerability has increased over the past year.
- Between June 2021 and June 2022, Indigenous Canadians, single parents and those experiencing significant income volatility have seen the greatest decreases in their financial resilience based on changes to their financial resilience scores over the past year.

[1] Intersectional analysis, with sample data at the end of this report, highlight that households that fall into one or more of these segments (i.e. low income Canadians with a disability) have increased financial vulnerability based on their financial resilience score.

More financially vulnerable populations are much more likely to experience significant financial hardship or to be 'Extremely Vulnerable' [1]

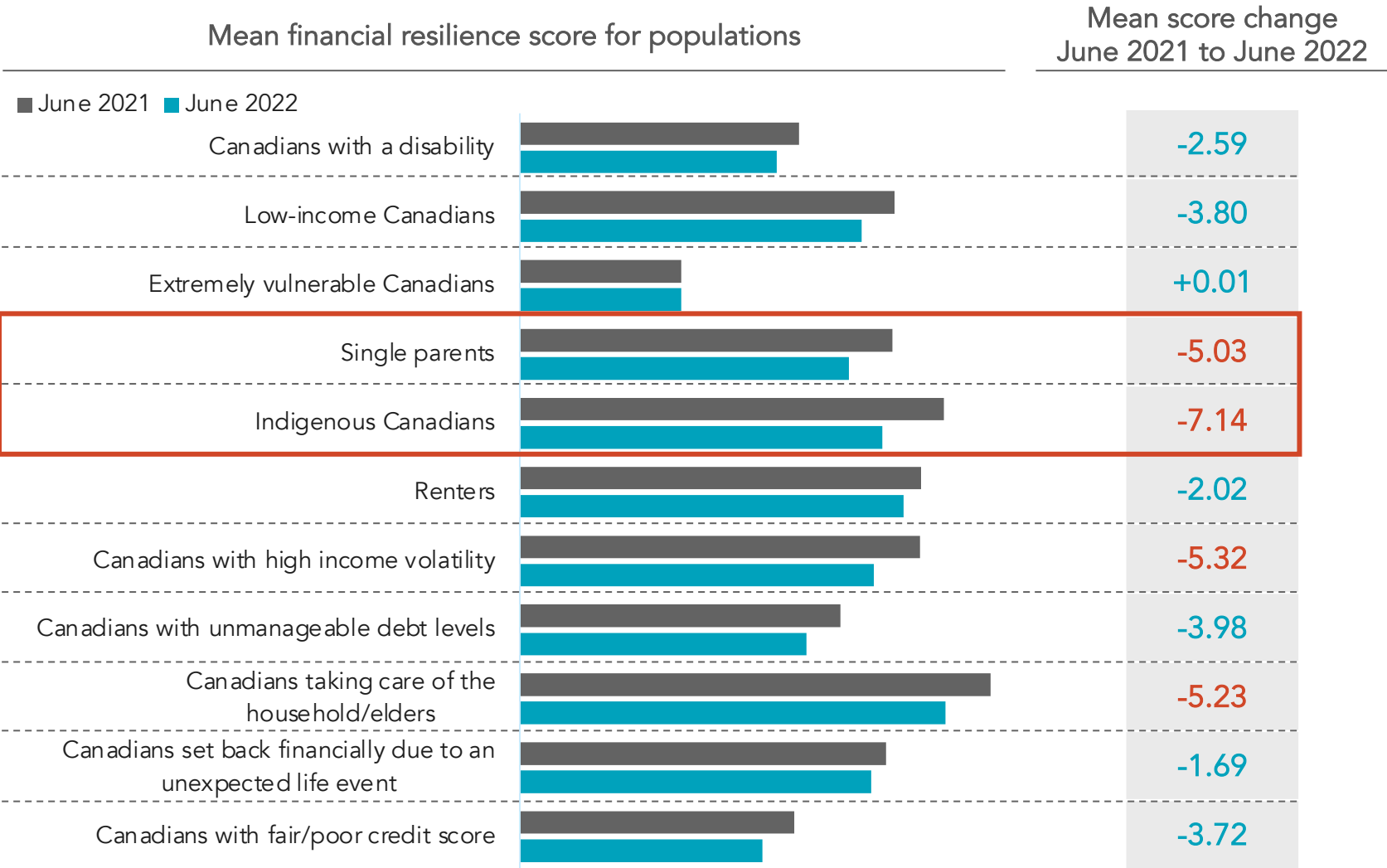
For example, 59% of Indigenous Canadians are experiencing significant financial hardship and 31% are 'Extremely Vulnerable' with this the case for 71% and 59% of Canadians with a disability respectively as of June 2022.

Percentage of households within key populations that are 'Extremely Vulnerable' or experiencing significant financial hardship as of June 2022



'Extremely Vulnerable' households have a financial resilience score of 0 to 30; 'Financially Vulnerable' a score of 30.01 to 50; 'Approaching Resilience' a score of 50.01 to 70, and 'Financially Resilient' a score of 70.01 to 100.
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Over the past year, Indigenous Canadians, those experiencing high income volatility, those taking care of others and Single Parents have experienced the most significant declines in their household financial resilience



'Extremely Vulnerable' households have a financial resilience score of 0 to 30; 'Financially Vulnerable' a score of 30.01 to 50; 'Approaching Resilience' a score of 50.01 to 70, and 'Financially Resilient' a score of 70.01 to 100.
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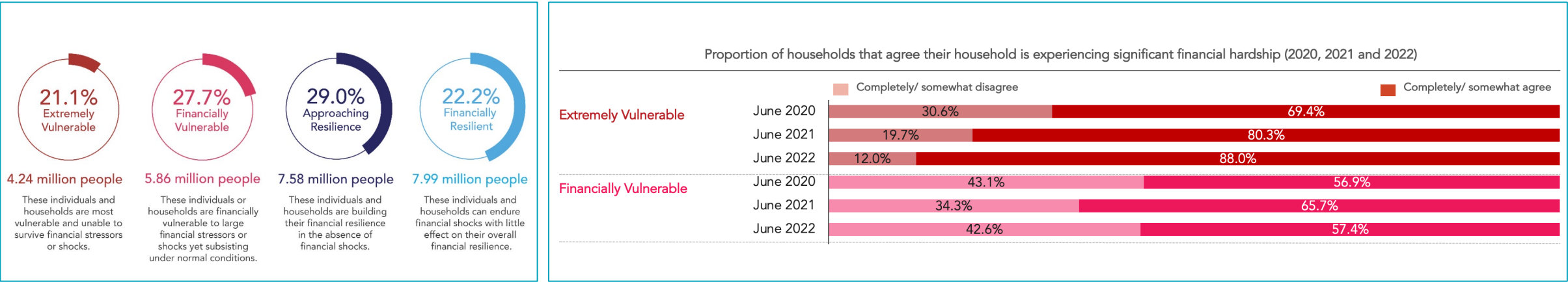
The Financial Resilience gap: With 88% of ‘Extremely Vulnerable’ Canadians experiencing significant financial hardship compared to 2% of ‘Financially Resilient’ households



The Institute’s Index shines a light on the growing ‘financial resilience gap’. Our data highlights not only an increase in the proportion of ‘Extremely Vulnerable’ and ‘Financially Vulnerable’ households overall, but an increase in ‘Extremely Vulnerable’ households that report experiencing significant financial hardship. As of June 2022 Index, just under half of Canada’s population (49%) are ‘Extremely Vulnerable’ or ‘Financially Vulnerable.’ The proportion of households that are ‘Extremely Vulnerable’ (with a financial resilience score of 0 to 30) has increased from 16% to 21% of the population between June 2021 and June 2022. The proportion of households that are ‘Financially Vulnerable’ (with a financial resilience score of 30.01 to 50) has increased from 23% % to 28% of the population between June 2021 and June 2022, representing another 5.86 million households. 78% of the population (19.99 million households) have financial vulnerability on some level.

8.94 million households report experiencing significant financial hardship, representing 35% of the total adult population [1]

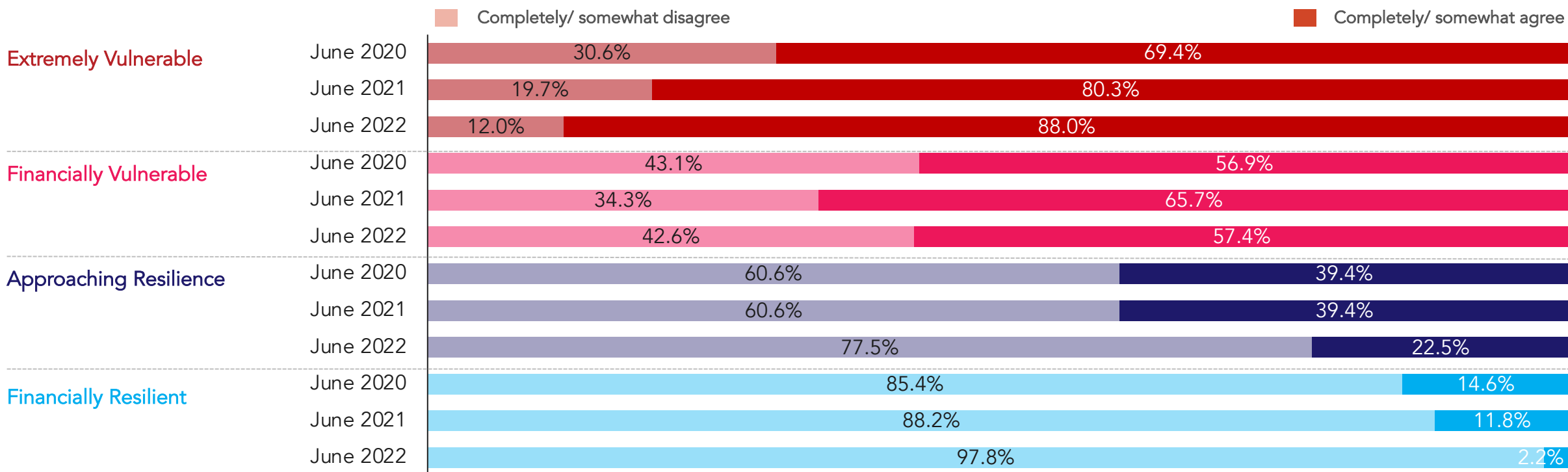
Based on the June 2022 Seymour Financial Resilience Index ™, 88% of ‘Extremely Vulnerable’ Canadians reported that they are experiencing significant financial hardship, an increase from 80% of ‘Extremely Vulnerable households’ in June 2021 and 69% of ‘Extremely Vulnerable’ households in June 2020 (during the pandemic). 57% of ‘Financially Vulnerable’ households report experiencing significant financial hardship, down from 39.4% (during the pandemic and lock-down challenges). By comparison, only 2.2% of ‘Financially Resilient’ households report experiencing significant financial hardship as of June 2022 (down from 14.6% in June 2020 during the pandemic). This has implications for the ecosystem and for Policymakers in light of goals to help build a more resilient, equitable and inclusive Canada [1].



The Financial Resilience Gap: Growing challenges for Canada's most vulnerable

This data, published by Financial Resilience Institute in September 2022, provides an important ‘first lens’ before we highlight particular more nuanced financial vulnerability, financial stress and access-to financial-help challenges for some of Canada’s more vulnerable populations.

Proportion of households that agree their household is experiencing significant financial hardship (2020, 2021 and 2022)



[1] ‘Extremely Vulnerable’ households have a financial resilience score of 0 to 30; ‘Financially Vulnerable’ a score of 30.01 to 50; ‘Approaching Resilience’ a score of 50.01 to 70, and ‘Financially Resilient’ a score of 70.01 to 100. For further information on the financial resilience gap and growing inequities see Index reports published by Seymour Consulting (now Financial Resilience) in 2020 and 2021. Source: Seymour Financial Resilience Index™ Seymour Financial Resilience Index™ is a trademark used under license. © 2023 Financial Resilience Society DBA Financial Resilience Institute. All Rights Reserved.

The Institute tracks food insecurity, and many financial stressors and access challenges for many financially vulnerable and underserved populations

For example:

36% of households with a disability and 25% of low-income Canadians have used a food bank in the last 12 months as of June 2022



This compares to 11% of Canadians using a food bank overall with 17% of Canadians unable to get or afford the food they need as of June 2022

68% of single parents report that rising interest rates is a problem for them personally, with financial stress negatively impacting the physical health of 66% of these households



13% of Indigenous Canadians have taken out a payday loan and 27% an installment loan in the last 12 months as of June 2022, with challenges evident across a many debt and financial stress indicators.



3

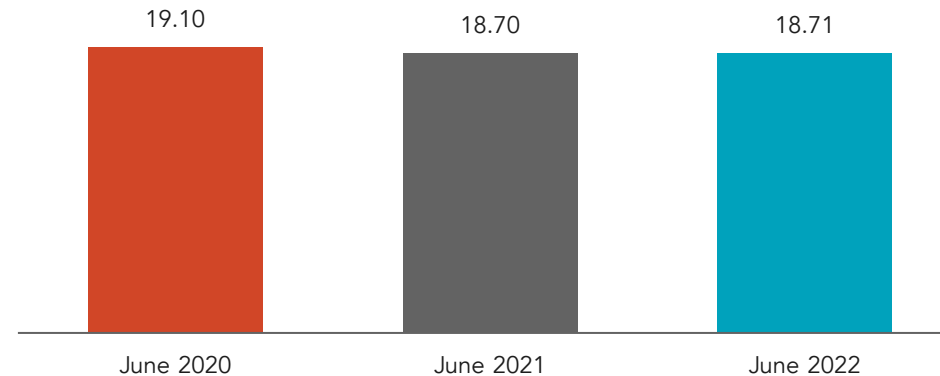
Sample insights on the financial resilience of some of Canada's most financially vulnerable or underserved populations



'Extremely Vulnerable' Canadians have a mean financial resilience score of 18.71 as of June 2022: similar to June 2021 and June 2020



Mean financial resilience score of Extremely Vulnerable Canadians [1]



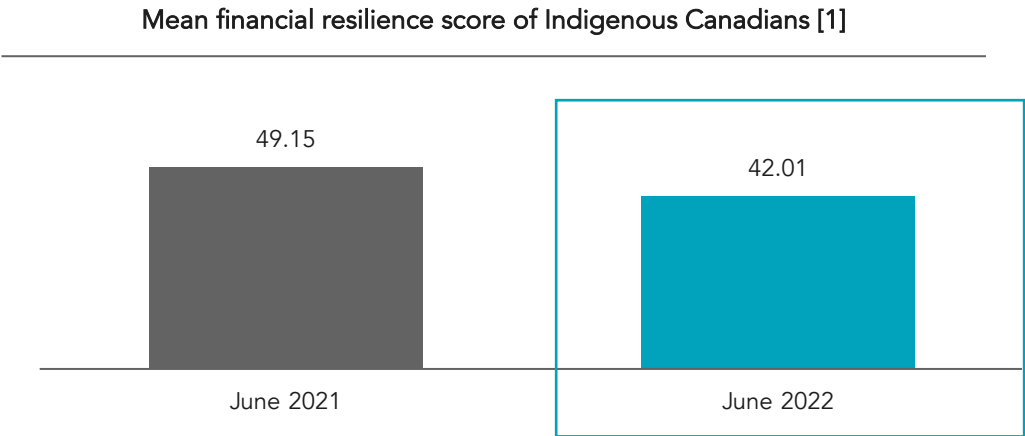
[1] 'Extremely Vulnerable' households have a financial resilience score of 0 to 30; 'Financially Vulnerable' a score of 30.01 to 50; 'Approaching Resilience' a score of 50.01 to 70, and 'Financially Resilient' a score of 70.01 to 100.

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The financial resilience of Indigenous Canadians has decreased over the last year and is lower than for Canadians generally

Indigenous Canadians have a mean financial resilience score of 42.01 in June 2022 compared to 49.15 in June 2021. Nearly a third of Indigenous Canadians (31%) were 'Extremely Vulnerable' as of June 2022, up from 25% of households a year earlier. 52% of Indigenous Canadians had a household income under \$49,999, compared to 38% of Canadians generally [2]



- A third of Indigenous Canadians have a liquid savings buffer of less than 3 weeks, while 48% have a negative or zero savings rate based on the June 2022 Index.
- 59% of Indigenous Canadians report experiencing significant financial hardship.

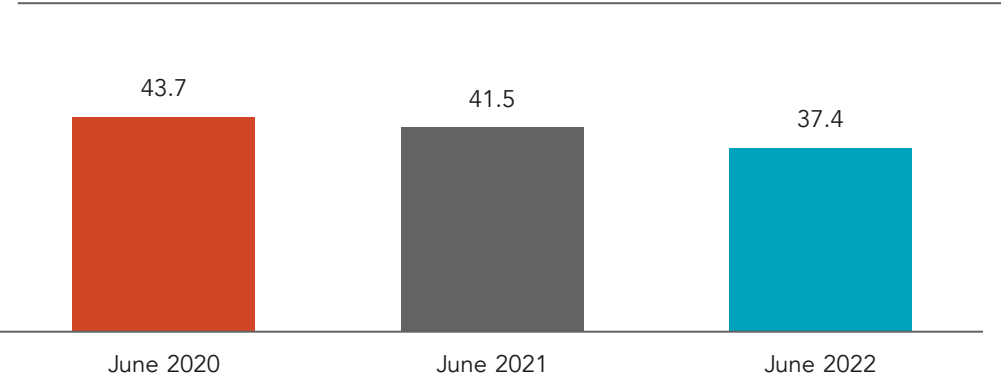
[1] Indigenous Canadians self-identify as First Nations, Metis or Inuk (Intuit). Sample sizes for respondents with Indigenous Canadians are 222 for June 2021 and 256 for June 2022.
[2] More data and analytics are available in the Full Subscribers Report.
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In June 2022, the financial resilience score of Canadians with low incomes was 37.4 with this significantly lower than during the pandemic in June 2020 [1]

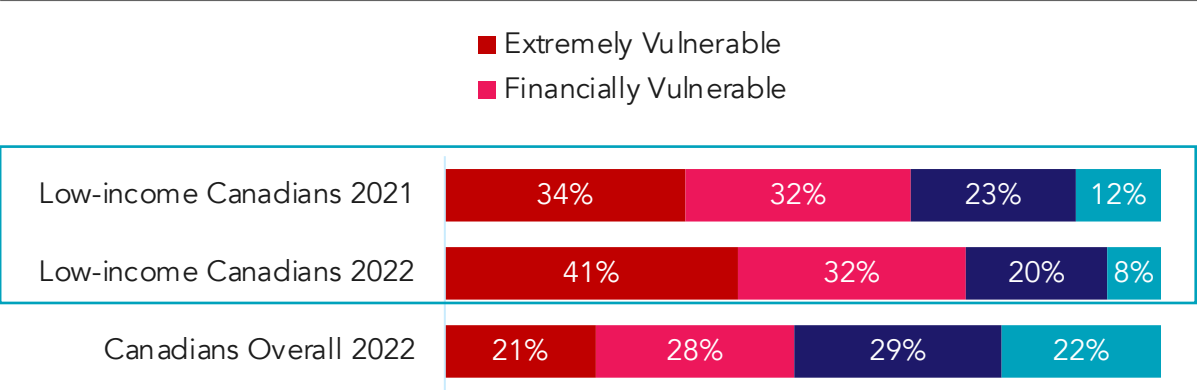
41% of low-income households are 'Extremely Vulnerable' as of June 2022, twice as much as for Canadians overall.



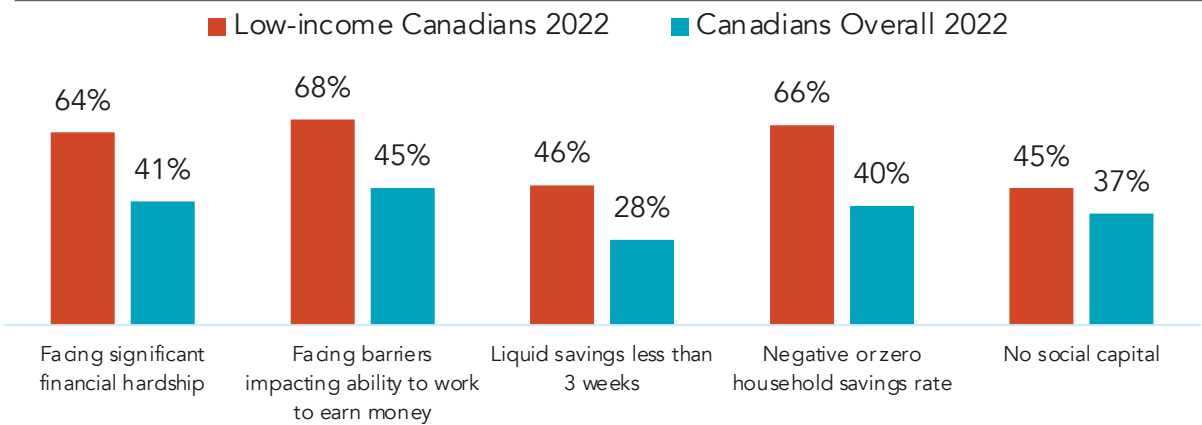
Mean financial resilience score of low-income Canadians [1]



Percentage of households represented in each financial resilience segment as of June 2022 compared to June 2021: with comparison to Canadians overall in June 2022



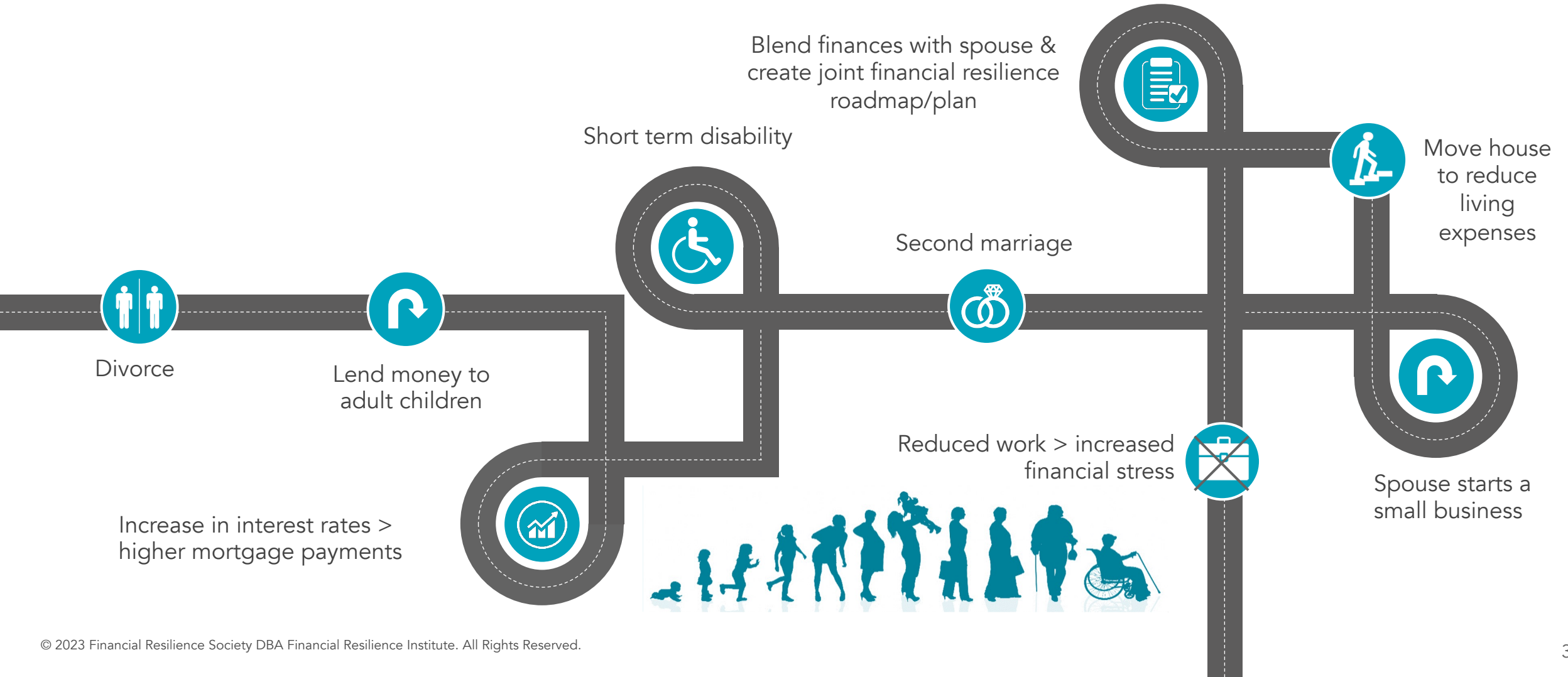
Percentage of households facing different challenges as of June 2022 compared to Canadians overall



[1] More data and insights on the financial resilience of low-income Canadians is available in the Low-Income Report published in November 2022.
[2] Based on a sample size of low-income Canadians is 1516 households in June 2022, with a boost sample of low-income Canadians conducted in 2019, 2021 and 2022 for the Financial Well-Being study.
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Many people are negatively impacted by unplanned life events, stressors and shocks, such as job loss, divorce, disability or death of a spouse which can lead to increased financial vulnerability or financial stress

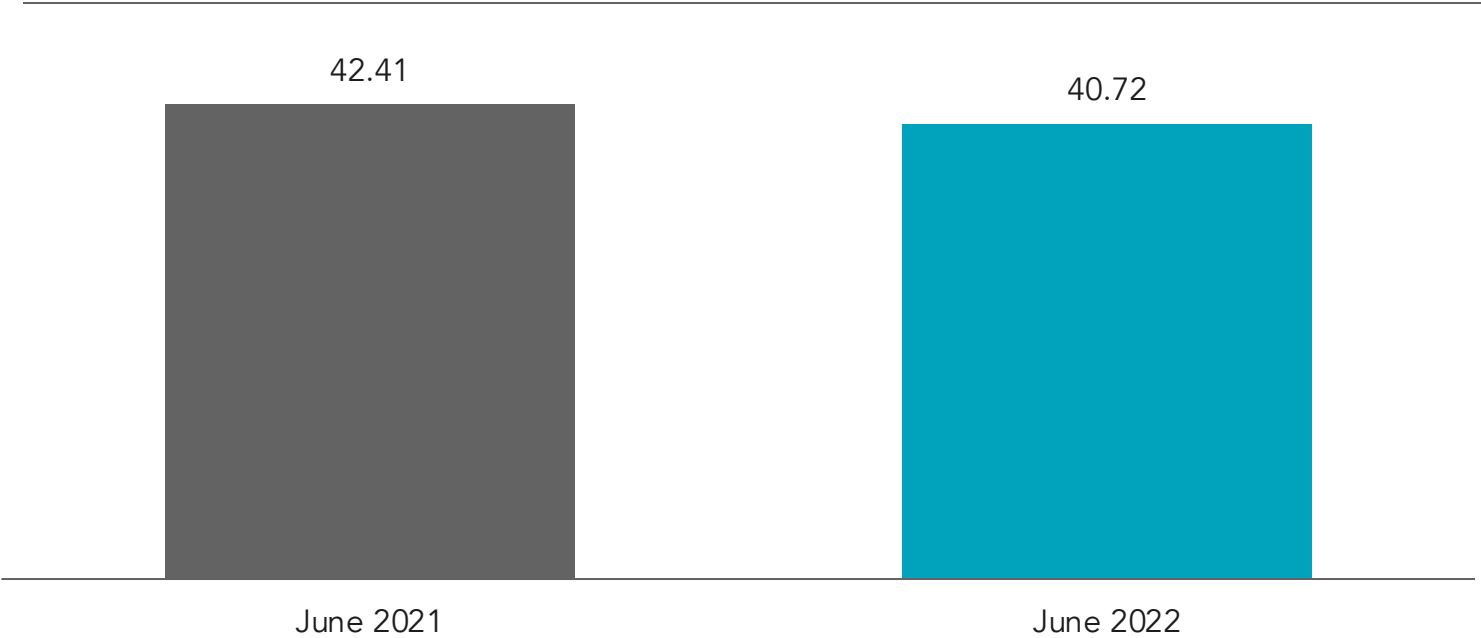
Just as some life events - such as marriage or moving house to reduce living expenses - can improve ones' financial resilience.



The financial resilience of people who report an unexpected life event has set them back financially is 40.72 as of June 2022



Mean financial resilience score of Canadians who report an unexpected life event has set them back financially ^[1]



[1] Sample sizes for respondents with a self-reported fair or poor credit score are 1073 for June 2020, 1160 for June 2021 and 1141 for June 2022.

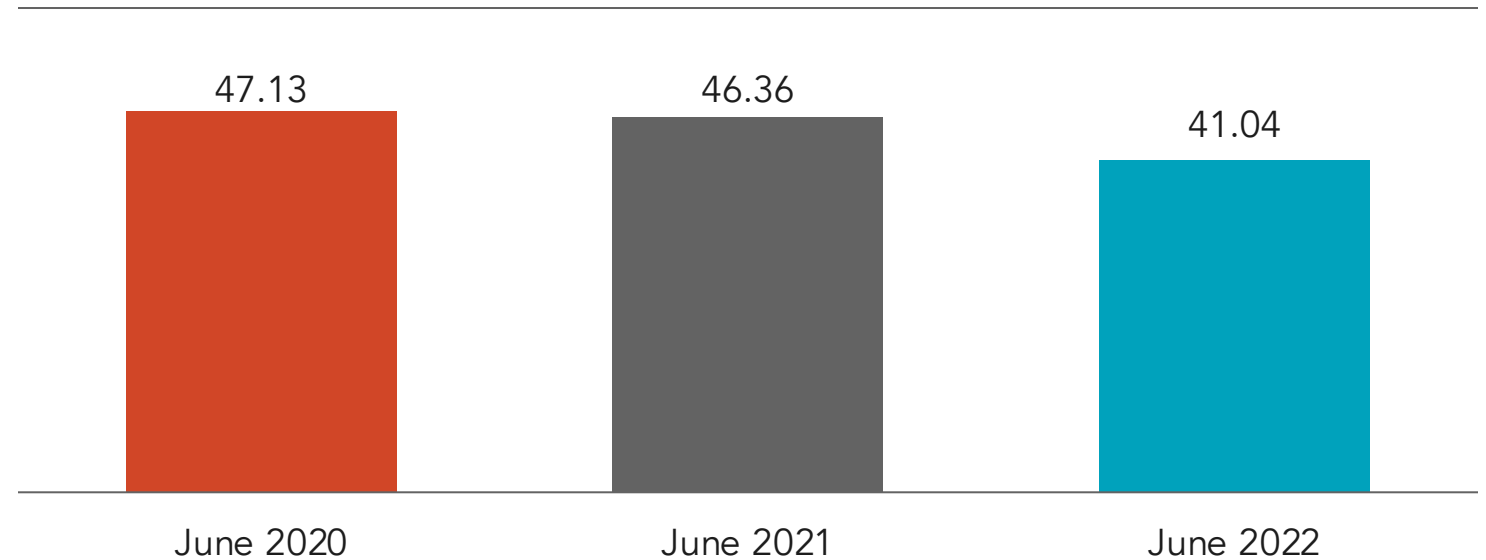
[2] More data and analytics on these households and others is available in the Member Report.
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The financial resilience of those experiencing significant income volatility is 41.04 as of June 2022, down six points compared to two years in June 2020



Mean financial resilience score of Canadians experiencing significant income volatility ^[1]



- 91% of households experiencing high income volatility report the increase in the cost of living has outpaced their any income growth they've seen in their household, compared to 86% of Canadians generally.
- 43% of households experiencing high income volatility are unable to meet their essential expenses (shelter, food, utilities and transport) and 52% have a negative or zero savings rate as of June 2022. ^[2]

[1] Sample sizes for households experiencing significant income volatility are 959 for June 2020, 869 for June 2021 and 842 for June 2022.

[2] More data and analytics available in the Full Subscribers' Report.

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4

The financial resilience gender gap: a problem that persists

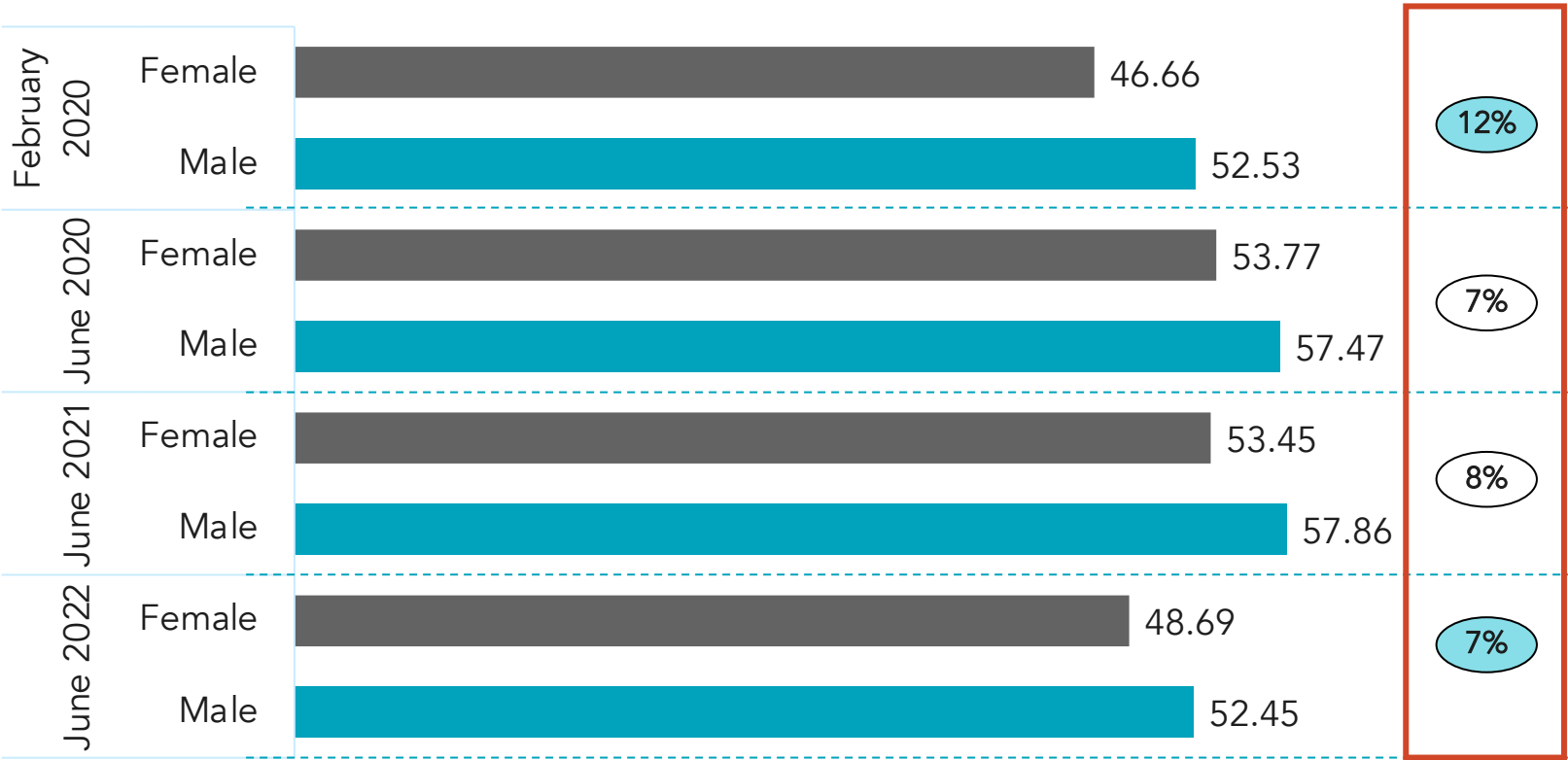


The financial resilience gender gap is a problem that persists

Women have higher levels of financial stress over the current and future financial obligations compared to men and overall are more financially vulnerable, with a mean financial resilience score of 48.69 as of June 2022 compared to 52.45 for men. The gap has reduced since before the pandemic based on the pre-pandemic baseline of February 2020 but is a problem that continues. Women who are single parents, have low incomes or face other barriers such as taking care of others are also notably more financially vulnerable based on the Institute’s intersectional analysis. Women are also more likely to be unpaid caregivers (see appendices)

Mean financial resilience score of women compared to men

Financial resilience gender ‘gap’ [1]



[1] Based on a sample size of 2507 women for the June 2022 Financial Well-Being study, of which 2197 women were scored through the Seymour Financial Resilience Index ™

[2] More data and analytics available in the Full Subscribers’ Report.

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A photograph of a man with a beard and dreadlocks lying on his side on a light-colored sofa. Two young children, a boy and a girl, are sitting on his chest. The boy, on the left, is wearing a blue and white checkered shirt and is blowing into a green cardboard tube. The girl, on the right, is wearing a white shirt and blue jeans, and is holding a brown cardboard tube to her eye like a telescope. The background shows a modern living room with a white brick wall, a wooden dining table, and some potted plants.

5

Intersectional analysis validates increased financial vulnerability for people represented across more than one population



Intersectionality i.e. how we see increased financial vulnerability for households facing more than one barrier (and/or represented across more than one segment)

Female single parents



Mean financial resilience score

38.2

% 'Extremely Vulnerable'

40%

% experiencing significant financial hardship

59%



Female single parents with low incomes



Mean financial resilience score

30.28

% 'Extremely Vulnerable'

54%

% experiencing significant financial hardship

73%

A close-up photograph of a hand placing a coin into the slot of a white piggy bank. The piggy bank is on a wooden surface. The background is a blurred indoor setting with warm lighting. A semi-transparent text box is overlaid on the left side of the image.

6

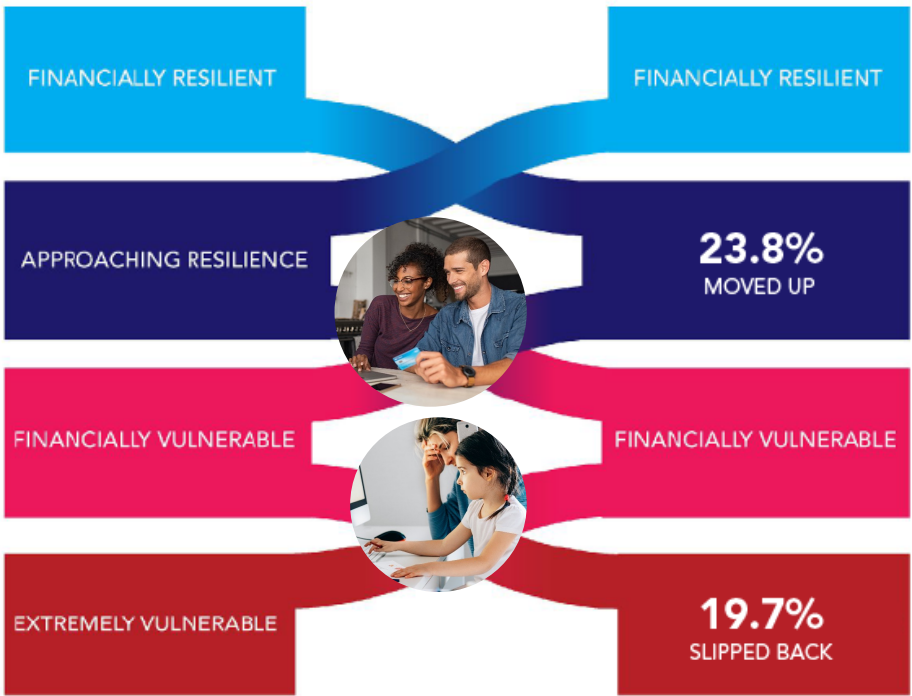
Sample insights from longitudinal research confirms individual households' financial resilience can change and behaviours have an impact



Longitudinal analysis based on the Index conducted since 2020 validates that individual households' financial resilience can improve (or deteriorate) within months with data insights available in the Subscriber report

Longitudinal analysis conducted with over 1000 same households that were respondents to the June 2021 and June 2022 Financial Well-being studies confirms financial resilience 'mobility' i.e. that consumers' financial resilience can improve (or deteriorate) within months they change their consumer and financial behaviours (e.g. move accommodation to reduce living expenses or adjust their savings habits). Similarly, households can 'slip back' and become more financially vulnerable, as a result of less healthy consumer and financial behaviours (such as taking on debt for non-essential items) or as a result of unplanned life events, stressors or shocks, such as job loss or divorce. Financial help and support can also help 'nudge' people to adjust their behaviours to build their financial resilience and achieve their life and financial goals. [1,2]

Financially Vulnerable households in June 2022	Slipped back	Move forward
Have significantly reduced non-essential expenses	79.5%	66.0%
Have a zero or negative household savings rate	95.5%	11.3%
Sought out help or advice from their FI	18.2%	28.3%
Reduced or consolidated debt	18.2%	39.6%



[1] Based on longitudinal analysis of 1082 the same survey respondents that were scored against the June 2021 and June 2022 based on the Seymour Financial Resilience Index TM.
[2] Longitudinal analysis was also conducted every four months through the pandemic with this also confirming households financial resilience mobility for individual households. Further data based on the June 2022 Index is available in the Available in Subscriber Report with free sample insights also provided in 2021 reports such as the February 2021 Index report available at <http://finresilienceinstitute.org>
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Call to Action

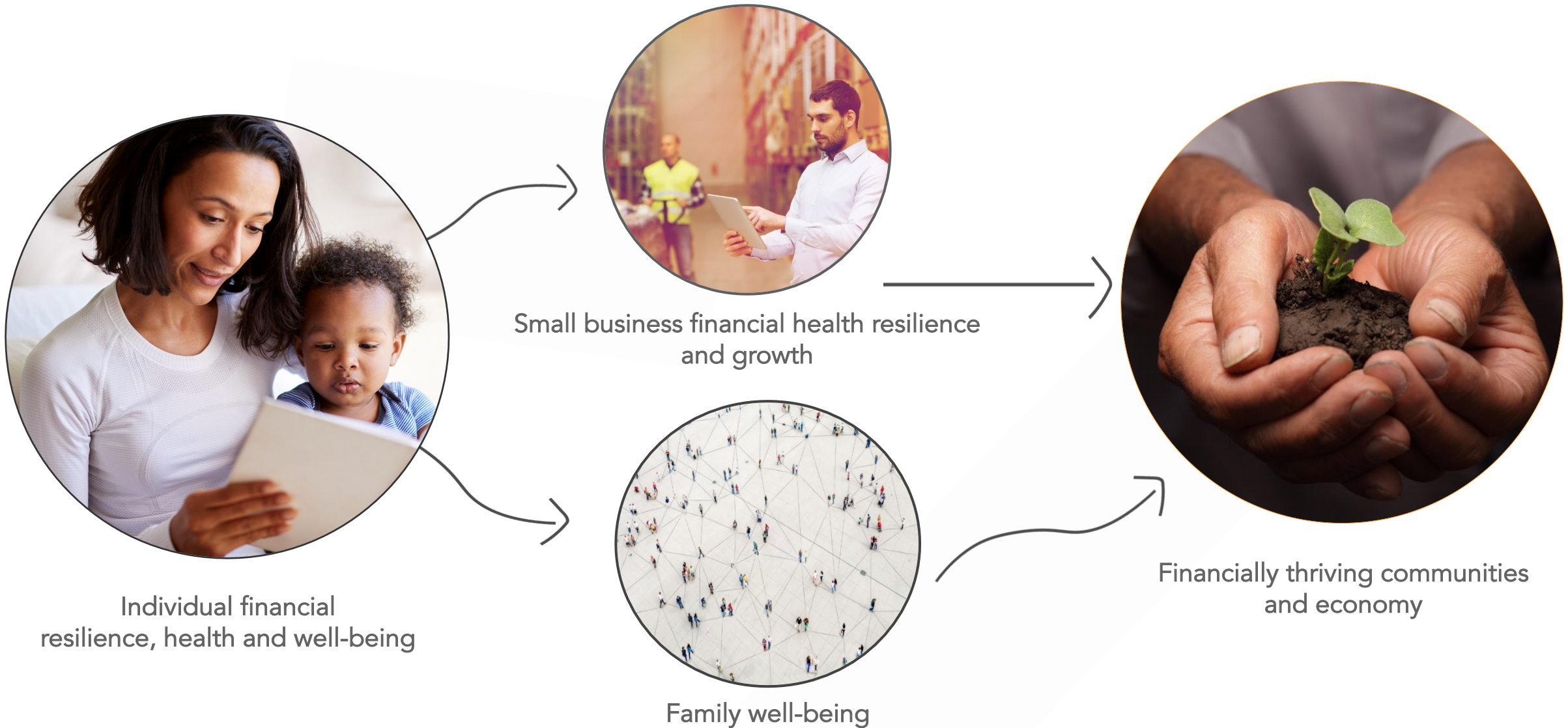
- ✓ Download and share on our two latest reports:
<https://www.finresilienceinstitute.org/research-reports/>
- ✓ Contact us for questions, to learn about Institute Subscriber benefits or opportunities to collaborate for impact.
- ✓ Continue your important work and partnerships to help build a more equitable, inclusive and resilient Canada.



Appendices



Connecting individual financial health and resilience to family financial well-being, small business financial health and thriving communities



Sample sizes for the Financial Well-Being Studies (2017- 2022)

Canada's longitudinal study on Canadians' financial well-being, complementing the Seymour Financial Resilience Index ™



Financial Well-Being Study	Total Sample Size	Survey Respondents scored through the Index [1]	Margin of Error (MOE)
June 2022 study [2]	5061	4505	1.38%
June 2021 study	5028	4504	1.38%
Feb. 2021 study	3018	2710	1.78%
Oct. 2020 study	3016	2635	1.78%
June 2020 study	4989	4462	1.39%
Feb. 2020 study	1013	919	3.08%
June 2018 study	5067	N/A	1.38%
June 2017 study	5218	N/A	1.36%

[1] The Seymour Financial Resilience Index ™ has a pre-pandemic baseline of February 2020 and builds on over six years of longitudinal financial well-being studies data for Canada.

[2] The Financial Well-Being studies data is based on online survey data with survey respondent recruitment through the Angus Reid Forum, Canada's most engaged and respected online panel. There is a representative sample of the population by household income, age, province and gender. The sample includes 1148 respondents from Quebec.

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As the leading independent authority on financial health in Canada, we work with purpose-led organizations so that they can measure, target and accelerate their impact, while achieving their business and ESG goals.

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Measurement and Analytics** ^[1]

**Strategic Consulting and
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Projects and Solutions** ^[3]



[1] These include customized index analytics against the Seymour Financial Resilience Index TM on clients' customers with benchmark data & impact measurement.

[2] We lead large-scale enterprise financial wellness strategy consulting projects for organizations, and work with senior executives, boards and leaders to develop and help execute strategies over time.


[3] These include, deep dive analytics and reports for specific populations (e.g. new immigrants) or solutions for FIs such as proprietary Financial Health Index models and/or new products and services (e.g. Fair and Fast Loan).

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