

Economic Inclusion, Mobility and Financial Resilience Report

The intersection between economic inclusion, employment and income volatility and household financial resilience and financial well-being

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November 2024



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1 Introduction and Key Insights Summary





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Analytics from the Institute's Financial Resilience Index model and Financial Well-Being studies on financial vulnerability as a mainstream issue



Context: the intersection between economic inclusion, employment opportunities, income volatility and household financial resilience and financial well-being

This report was made possible thanks to the support of Coast Capital Savings

Financial Resilience Institute recognizes that there are many structural, societal, economic, employment-related and other factors that impact the economic inclusion and exclusion, economic mobility and empowerment and the financial resilience, health and well-being of Canadian households, including more vulnerable populations and those facing systemic or other barriers.

This report is not designed to be a comprehensive report, but instead focuses and shares robust data and Index analytics around some of the intersections between the indicators below and associations with household financial vulnerability (or financial resilience) and/or with financial well-being and/or overall health and well-being. Sample data insights analytics lever the Institute's robust longitudinal Financial Well-Being studies peer-reviewed Financial Resilience Index model. This has a pre-pandemic baseline of February 2020 and builds on over nine years of Financial Well-Being studies data. These are centered around four key indicators:

The proportion of Canadians facing barriers impacting their ability to earn money

The proportion of Canadians experiencing significant income volatility

The proportion of Canadians reporting they feel insecure in their work or job situation

The proportion of Canadians that have taken on additional work or a side gig to earn additional income in the past 13 months

The report, made possible thanks to the generous support of our granting funder Coast Capital, is designed to spark new insights, ideas and dialogue related to the criticality of Policymakers, Employers, Financial Institutions and other organizations helping Canadians to to access employment opportunities, grow their incomes and/or empower themselves to gain meaningful work, with many positive knock-on effects of this for individuals, families, our economy and society. One benefit is improved household financial resilience, financial well-being and overall well-being of Canadians. The Institute's Index analytics prove there is a clear association between people having employment and/or not facing barriers impacting their ability to earn money, and improved household financial resilience outcomes. People who are more financially resilient also have improved financial well-being, and physical, emotional, and mental well-being. They are also more engaged and productive at work, as a result of lower levels of financial stress.

This report includes some trended data and sample analytics on more vulnerable populations such as for people not working owing to a disability or low-income Canadians. Deeper-dive independent analytics is available for Policymakers, Employers and others in the future. The Institute has and is developing other indicators related to economic mobility, financial empowerment and financial well-being that can be utilized in the future as appropriate to support evidence-based policy and program development and impact measurement for key populations, including pre-and-post economic inclusion interventions as appropriate. For more information, please contact info@finresilienceinstitute.org or visit our website at <https://www.finresilienceinstitute.org/>

Key Insights Summary

Financial Resilience Institute has tracked the financial challenges and barriers to economic inclusion faced by Canadians for several years. Recent findings from the June 2024 Seymour Financial Resilience Index ® underscore the depth of these issues:

- Job insecurity affects 39% of Canadians, with 40% of this group 'Extremely Vulnerable' with a financial resilience score of 0 to 30 based on the Index.
- Income volatility is another key issue: with 17% of Canadians reporting that their household income varies significantly or quite significantly month-to-month.

Concerningly, over the past three years, there has been a significant increase in the number of Canadians reporting that they face barriers impacting their ability to earn money. The proportion of households that 'completely agree' or 'somewhat agree' they are facing barriers impacting their ability to earn money has risen from 45% in June 2021 to 55% in June 2024, representing a 10% increase over the period.

Economic exclusion barriers makes for increased household financial vulnerability

Data from the June 2024 Financial Resilience Index ® and Financial Well-being studies indicates a stark contrast in financial resilience and financial well-being between those who face economic barriers and those who do not. Canadian households that face barriers to earning money have a mean financial resilience score of 42.6 as of June 2024, with these households 'Financially Vulnerable'. This is 20 Index points lower (38.4% lower) compared to Canadians those who do not face this economic exclusion barrier (62.9). Households that 'completely agree' they are facing barriers impacting their ability to earn money are more financially vulnerable still, with a mean financial resilience score of 36.2 as of June 2024.

60% of Canadian households facing barriers to earning money have a liquid savings buffer of under 1-2 months and one third have a liquid savings buffer of less than 3 weeks.

Being able to access employment makes a difference

The Institute has used its Financial Resilience Index model to prove the association between Canadians having access to employment opportunities and improved financial resilience (and financial and overall well-being) outcomes since it was created in 2020. Canadians working full time have higher mean financial resilience scores, as outlined below, while those who are working part time and/or are under-employed or unemployed are more financially vulnerable. Canadians not working owing to a disability are 'Financially Vulnerable' and are the most challenged population of all consistently. They have a mean financial resilience score of 31.04 as of June 2024. This is over 20 Index points lower than Canadians working full time and 30 Index points lower compared to retired Canadians.

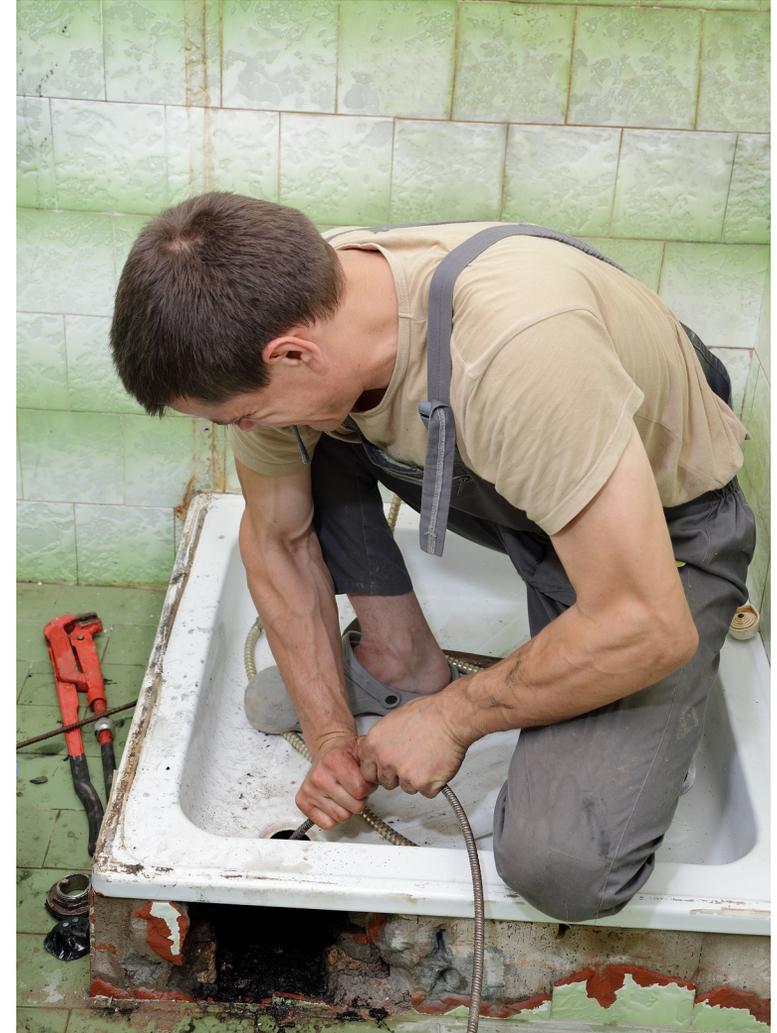
Canadian households experiencing income volatility are confirmed to be more financially vulnerable

Canadian households that agree that their household's income varies significantly or quite significantly from month to month have a mean financial resilience score of 43.7 as of June 2024, with this nearly 11 Index points (21%) lower than those who do not face income volatility.

Moreover, households that 'completely agree' that income volatility is an issue are even more financially vulnerable, with a mean financial resilience score of 36.8 as of June 2024 based on the Institute's Financial Resilience Index model.

Many Canadians are taking on side hustles to grow their household incomes

- The high cost of living is taking a toll on Canadians, with 84% reporting that the increase in the cost of living has outpaced any income growth they've seen in their household as of June 2024. To maintain their financial resilience and bring in additional income [1] just over a third of adult Canadian households (aged 18 to 70 years old) report they have taken on additional work or a side hustle to grow their household income. This is especially notable among higher-income groups, with 1 in 5 of those in higher-income brackets (with an annual income of \$200,000 or more) taking on additional work.
- That said, not surprisingly, households that have not had to take on a side gig are more financially resilient compared to those who have taken on a side hustle, as validated by the Institute's Financial Resilience Index model. The mean financial resilience score of people who have taken on a side hustle is 44.0 as of June 2024, with these same households 'Financially Vulnerable' compared to a mean financial resilience score of 55.9 for those who have not taken on a side hustle, with these households 'Approaching Resilience'.
 - 28% of Canadians who have taken on a side-hustle are 'Extremely Vulnerable' as of June 2024, compared to 14% of Canadians that have not taken on a side hustle and 19% of Canadians overall.
 - Concerningly, nearly a third (32%) of Canadians report that they are unable to meet their essential expenses despite taking on a side-hustle to supplement their income. This same segment of the population is also disproportionately affected by money worries, with 78% reporting that money worries negatively impacts their mental health as of June 2024.
 - Interestingly, 1 in 6 retired Canadians have taken on a side hustle, as have 21% of households with a household income over \$250,000 as of June 2024. The mean financial resilience score of these retired Canadians that have taken on a side hustle is 53.2, with this 8 Index points lower than the mean score of retired Canadians overall, which is 61.07 as of June 2024.



Compounding Effect of Multiple Economic Barriers

- Financial Resilience Institute conducts intersectional analysis for many populations, to measure and track compounded challenges and financial vulnerabilities of Canadian households facing more than one systemic or other barrier (for example, low-income households also experiencing income volatility, and/or also facing barriers impacting their ability to earn money.)
- The Institute's analytics validate that Canadians that face one barrier, such as job insecurity, are also more likely to face other economic inclusion and/or income related barriers. For example:
 - 79% of Canadians who experience job insecurity also report they are experiencing barriers impacting their ability to earn money as of June 2024.
 - 69% of those who face barriers to earning money agree that housing affordability is a problem for them personally, compared to 55% of Canadians overall.
 - 73% of Canadians who face barriers to earning money are living pay cheque to pay cheque: compared to 57% of households overall living pay cheque to pay cheque.
- This intersection of economic challenges and insecurities has a compounding effect on financial vulnerability, leading to worsened financial stress and resilience outcomes for those who face multiple economic barriers.

Negative Health and Well-Being Impacts for Canadians caused by financial stress for Canadians facing barriers impacting their ability to earn money

- The Institute is measuring intersections between economic exclusion, income volatility and financial stress – with negative impacts on physical and mental health and well-being of Canadians facing barriers. Canadians experiencing job insecurity and other financial challenges are much more likely to report facing impacts on their physical health and emotional stress due to money worries.

The negative impacts of financial stress for those facing challenges, including more vulnerable populations

- Financial stress - particularly among those facing job insecurity and income volatility - is having a measurable impact on the productivity of Canadian employees, particularly for more financially vulnerable households, with this measured by Financial Resilience Institute since 2017. As of June 2024, 41% of Canadians overall report that money worries negatively impact their productivity and engagement at work. More financially vulnerable households also have lower levels of financial well-being, emotional well-being, physical well-being, satisfaction with work, relationships with family and friends and feelings of connection with neighbours and community. 'Extremely Vulnerable' Canadians (with a financial resilience score of 0 to 30) as of June 2024 rate their satisfaction with work as 4.43 out of 10 for example as of June 2024, compared to 'Financially Resilient' households reporting an overall 7.3 out of 10 satisfaction with their work.
- 63% of Canadians experiencing job insecurity agree that money worries negatively impact their engagement and productivity at work, compared to 41% of Canadians overall.

Canadians not working owing to a disability are particularly challenged from a financial vulnerability perspective, and need more targeted support

- Canadians not able to work owing to a disability have the lowest mean financial resilience score of any household, with this tracked by the Institute since its Financial Resilience Index model was created. Again, intersectional analytics validates a compounding effect for households facing more than one systemic or other barriers. These report significantly increased financial vulnerabilities – and financial stress negatively impacting their health and well-being – due to compounded effects of job insecurity, income volatility, and other economic hurdles. This validates the criticality of continued targeted policy and program support for Canadians facing economic exclusion and other barriers, as highlighted by Financial Resilience Institute for several years.
- 42% of Canadians living with low incomes have taken on a side hustle in the last year, compared to 32% of households earning medium to high income. Despite this, they report a mean financial resilience score of 36.7, putting them in the "Financially Vulnerable" segment. Low-income households facing barriers impacting their ability to earn money are even more challenged, reporting a mean financial resilience score of 35.4.
- For additional insights and data see slides 17 to 43 with emerging conclusions outlined on slide 45.

About the Institute's Financial Resilience Index model ^[1]

Peer-reviewed by Statistics Canada, UN-PRB, C.D. Howe Institute, Haver Analytics Financial Institutions and NPOs, the Index builds on 8+ years of robust Financial Well-Being studies data and has applications in other countries.

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 Index measures and tracks household financial resilience across nine behavioural, sentiment and resilience indicators at the national, provincial and individual household levels in Canada.



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, 9 variables were determined to account for 65 percent of the variance in the financial resilience construct as of February 2024, 62 percent of the variance in the financial resilience construct as of February 2023 and June 2022, and 64 percent 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/>.

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Index Indicators and Scoring Model

The Index is the first of its kind in the world [1]. It is based on the nuances of the Canadian consumer and ecosystem. Household financial resilience is tracked at the national, provincial, segment and individual household levels for Canadians, tier-one bank customers and the customers of any organization adopting it, with measurement and tracking every four months.

The Index has been peer-reviewed by Statistics Canada, C.D. Howe Institute, UN-PRB, Haver Analytics, Vancity, Co-operators and many organizations using it. It has applications in many countries.

The Index has a pre-pandemic baseline of February 2020, and builds on 8+ years of robust national financial health, stress and financial well-being data from the Financial Well-Being studies instrument.

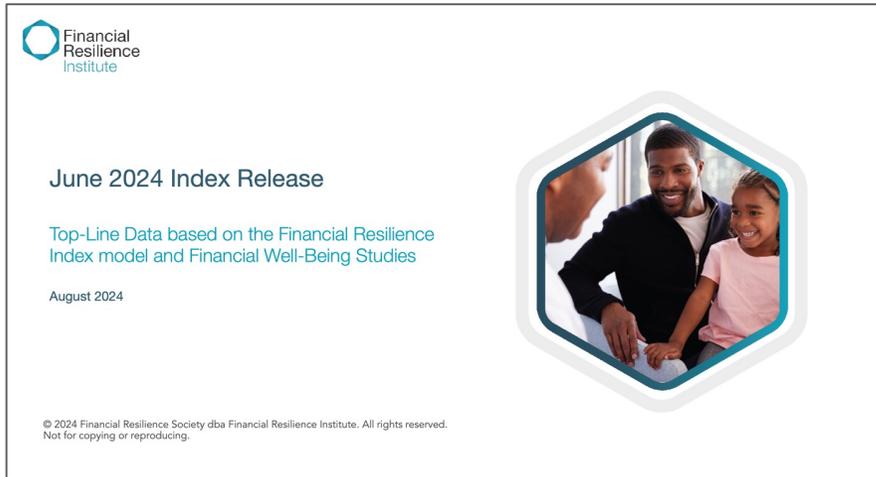


‘Extremely Vulnerable’ households have a financial resilience score of 0 to 30; ‘Financially Vulnerable’ a score of 30.01 to 50; ‘Approaching Resilience’ a score of 50.01 to 70, and ‘Financially Resilient’ a score of 70.01 to 100.

[1] The Index is called the Seymour Financial Resilience Index®. The original Index release report and Index development methodology are available at <https://www.finresilienceinstitute.org/about-the-seymour-financial-financial-resilience-index/>. Seymour Financial Resilience Index® is a registered trademark used under license by the Financial Resilience Society.

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Financial Resilience Institute's reports published since 2017 and most recent June 2024 Index Release Report highlight that financial vulnerability is a mainstream issue



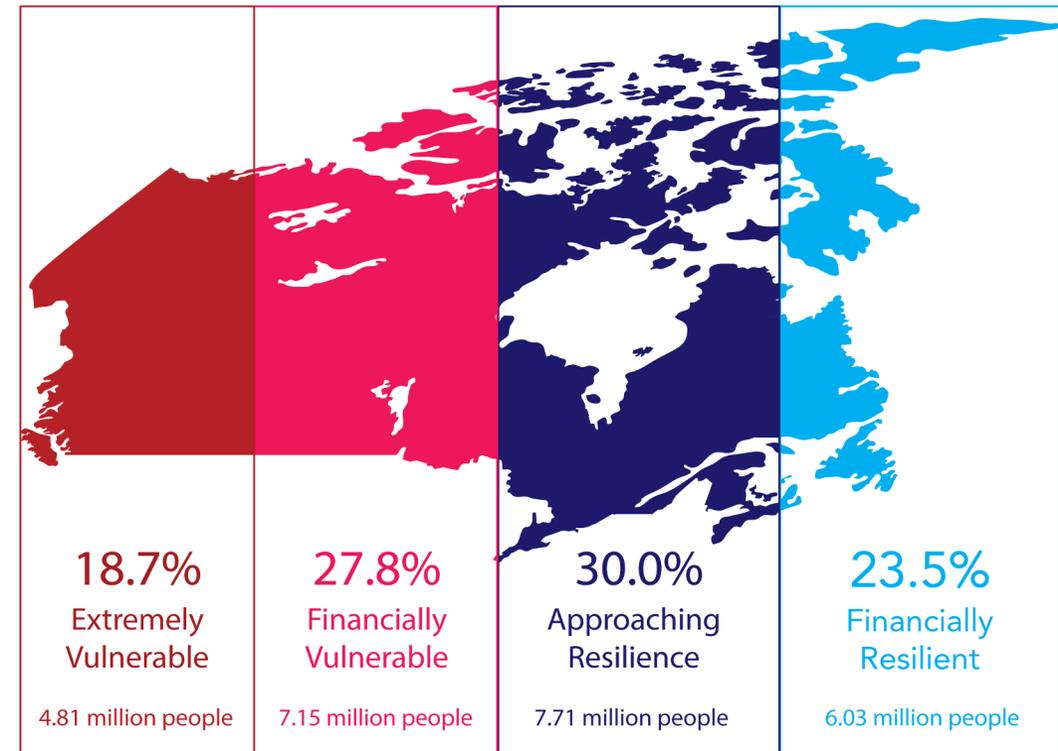
Financial Resilience Institute

June 2024 Index Release

Top-Line Data based on the Financial Resilience Index model and Financial Well-Being Studies

August 2024

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Source: Financial Resilience Institute, June 2024 Seymour Financial Resilience Index ®
 The Index complements the June 2024 Financial Well-Being study instrument. Data is based on sample size of 6218 households with 5433 scored through the Index. MOE of +/- 1.24 % and 95% confidence interval across all provinces. '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. 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)
 Financial Resilience Institute's Index Releases and Reports can be accessed at <https://www.finresilienceinstitute.org/index-releases-and-reports/>
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Financial vulnerability spans all household income demographics

For example, as of June 2024, 31% of Canadians who are 'Extremely Vulnerable' report having a household income above \$75,000 while 31% of Canadians who are seen as 'Financially Resilient' have household incomes less than \$75,000.

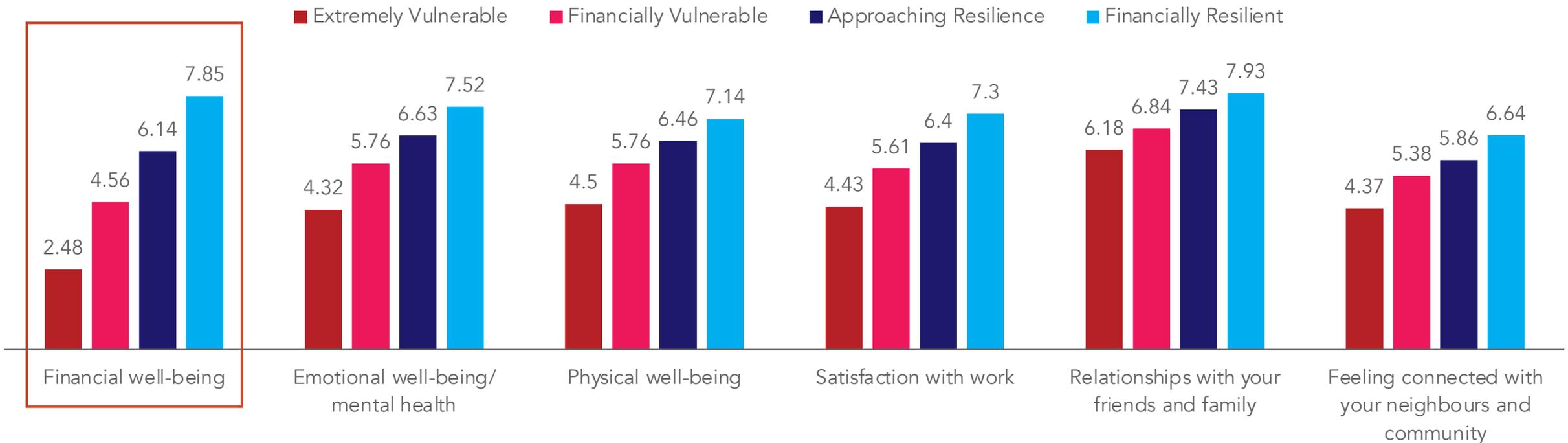


Source: Financial Resilience Institute, June 2024 Seymour Financial Resilience Index®
 'Extremely Vulnerable' households have a financial resilience score of 0-30; 'Financially Vulnerable' a score of 30.01 to 50; 'Approaching Resilience' a score of 50.01 to 70, and 'Financially Resilient' a score of 70.01 to 100.
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More financially vulnerable Canadian households have lower levels of financial well-being, emotional well-being, physical well-being, satisfaction with work and feelings of connection with family and neighbours in June 2024: as in recent years.

This is relevant for Policymakers focusing on Canadians' Quality of Life. It is also relevant for organizations wanting to support the overall health and well-being of their customers, employees and communities. The Index provides data-driven evidence on the social (and financial) impact case for why an increased focus on the financial resilience and financial well-being of individuals, families, small businesses and communities are critical.

Analytics of financial well-being and several well-being dimensions for Canadians by financial resilience segment: based on the June 2024 Index



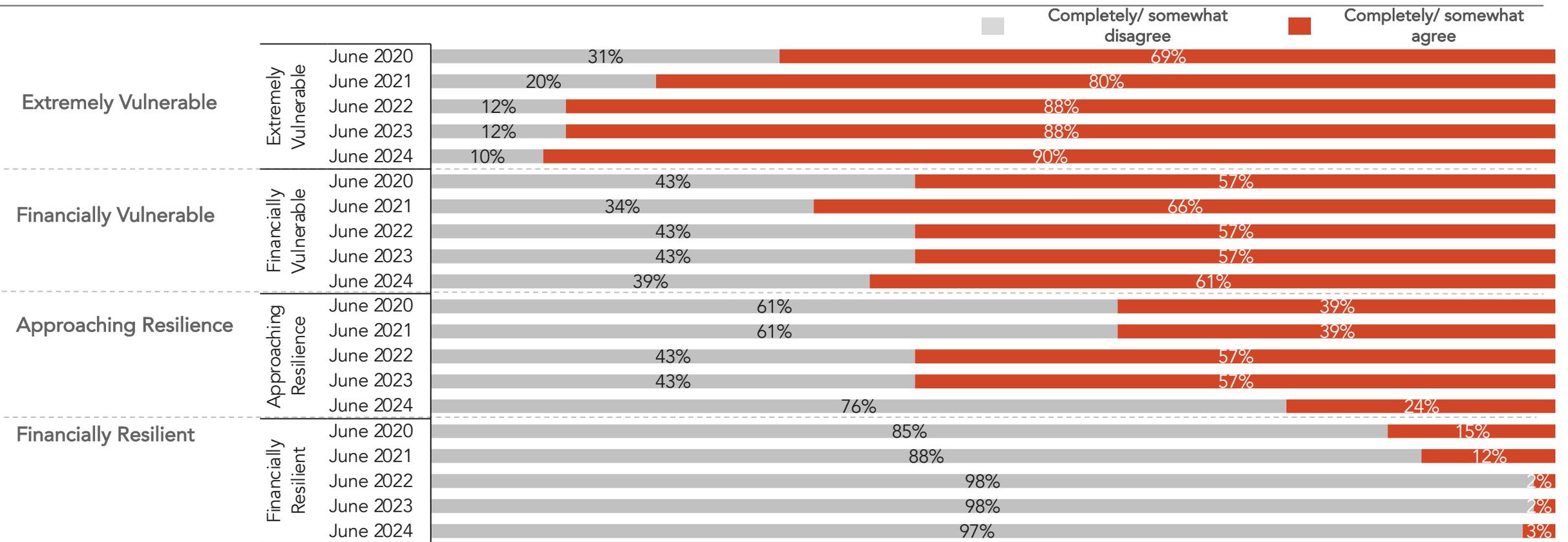
Source: Financial Resilience Institute, June 2024 Seymour Financial Resilience Index® and June 2024 Financial Well-Being Study
 [1] 'Extremely Vulnerable' households have a financial resilience score of 0 to 30; 'Financially Vulnerable' a score of 30.01 to 50; 'Approaching Resilience' a score of 50.01 to 70, and 'Financially Resilient' a score of 70.01 to 100.
 This data tells a similar story to analytics provided in the joint report published with Statistics Canada on the financial resilience and financial well-being of Canadians during the Covid-19 pandemic in September 2021:
<https://www150.statcan.gc.ca/n1/pub/75f0002m/75f0002m2021008-eng.htm>
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Inequities continue with 90% of 'Extremely Vulnerable' Canadians experiencing significant financial hardship, compared to just 3% of 'Financially Resilient' households

The Index shines a light on the 'financial resilience gap' and concerning inequities for more financially vulnerable populations. It highlights the criticality of more targeted support of more financially vulnerable populations by Policymakers, Financial Institutions, Non-profits, Employers and others with a stake in helping to build a more resilient, equitable and inclusive Canada. Equally as important is for this to be combined with independent impact measurement and tracking of positive financial resilience, health and well-being outcomes, as a result of specific interventions and investments. Other business, customer and financial benefits can also be tracked.

Financial resilience segment

Proportion of households that report they face significant financial hardship by financial resilience segment: June 2020 to June 2024



Source: Financial Resilience Institute, June 2020 to June 2024 Seymour Financial Resilience Index ©
 '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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Trended data on four key indicators and the association between households facing economic exclusion barriers and increased financial vulnerability and challenged financial well-being



This report focuses on four indicators relating to economic inclusion, employment, income volatility and job insecurity and key intersections with household financial resilience and financial well-being

Facing barriers impacting one's ability to earn money



Economic exclusion indicator

Experiencing income volatility



Income stressor indicator

Experiencing job insecurity



Employment stressor indicator

Taken on additional work or a side gig to earn additional income



Economic inclusion behavioural indicator

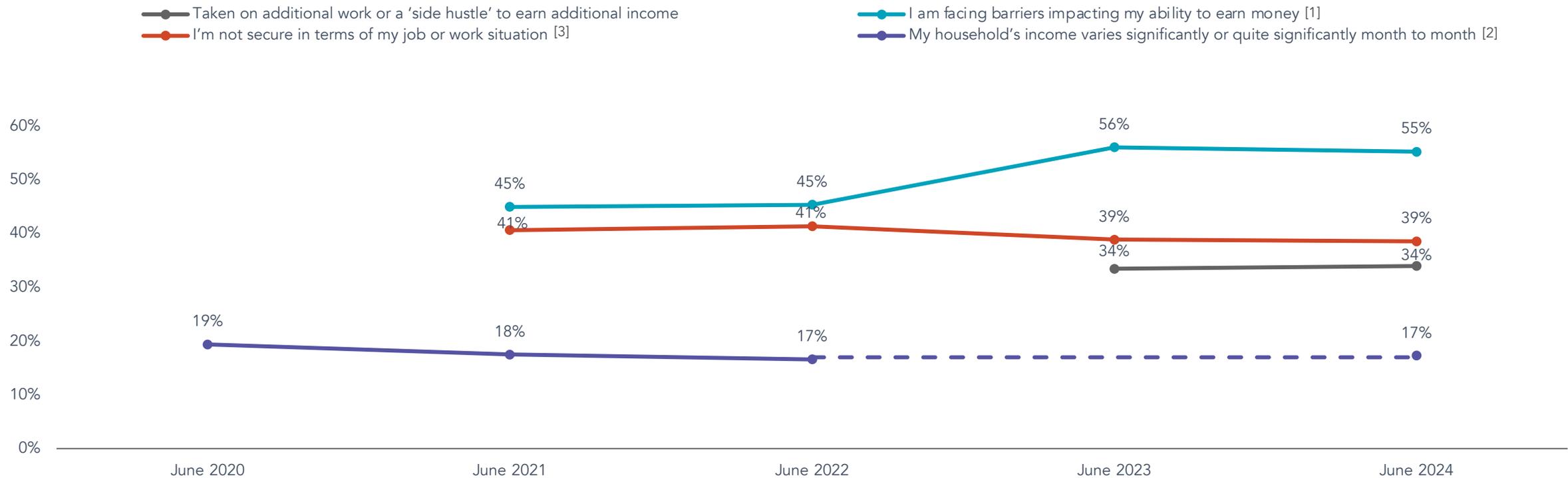
This report focuses on the four key indicators above, with analytics against the Institute's Index and Financial Well-Being studies (2017-2024) Instrument. The first three indicators above (facing barriers impacting one's ability to earn money, experiencing income volatility and experiencing job insecurity) relate to economic exclusion, income volatility and job insecurity (or security). The fourth indicator (taking on additional work or a side gig to earn additional income) is more of a positive indicator linked to economic inclusion, economic mobility and financial resilience. The Institute also shares sample data for Canadians with different employment statuses and/or for key populations, such as, for example, people not able to work owing to a disability, or households living with low incomes.

Source: June 2024 Seymour Financial Resilience Index ® and Financial Well-Being Study conducted by Financial Resilience Institute
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As of June 2024, 25% of households completely agree and 30% of households somewhat agree they are facing barriers impacting their ability to earn money: a key economic exclusion indicator measured and tracked by the Institute over time ^[1]

As of June 2024, 39% of households agree or completely agree they are not secure in their job or work situation (as an indicator of job insecurity), with 18% of households completely agreeing to this. 17% of households report they are facing significant or quite significant income volatility, with this similar to 19% reporting the same in June 2020. As a good news story, just over a third of Canadian households (34%) report having taken on a side hustle to earn additional income in the past 12 months.

Proportion of Canadian households that completely or somewhat agree they are facing the following economic inclusion or income barriers and/or have taken on an additional work or a side hustle to earn additional income in the past 12 months (June 2020 to 2024)



Source: Financial Resilience Institute, June 2020 to 2024 Financial Wellbeing Studies

[1] 25% of households 'completely agree' and 30% of households 'somewhat agree they are facing barriers impacting their ability to earn money as of June 2024. Example barriers are not specified in the Financial Well-Being study for survey respondents and can be interpreted by survey respondents in different ways. Barriers could include, for example, not being able to work owing to a disability, physical or mental health issues for the person, their spouse or family member; having childcare or elderly care responsibilities impacting one's ability to take on work or other economic or inclusion or systemic barriers.

[2] This includes 6% of households that completely agree and 11% that somewhat agree that their household's income varies significantly or quite significantly month to month as of June 2024.

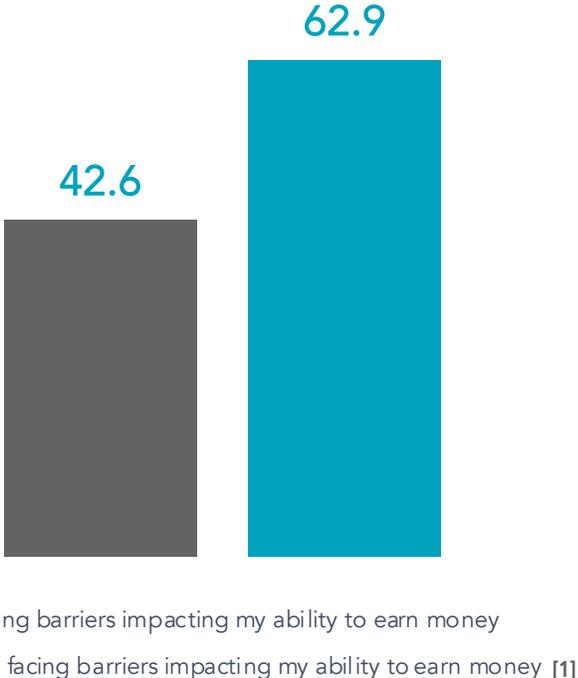
[3] This includes 18% of households that completely agree and 21% of households that somewhat agree they are not secure in their job or work situation as of June 2024.

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Canadians facing barriers to earning money are more financially vulnerable: as evidenced by the Institute's peer-reviewed Financial Resilience Index model

Households that face barriers impacting their ability to earn money have significantly lower mean financial resilience scores (42.6 as of June 2024) compared to those who do not face this economic exclusion barrier (62.9) as of June 2024 based on the Seymour Financial Resilience Index ®

Mean financial resilience score of Canadians that completely agree or somewhat agree they are facing barriers impacting their ability to earn money compared to those who are not facing this barrier (June 2024)



Source: June 2024 Seymour Financial Resilience Index ® and Financial Well-Being Study conducted by Financial Resilience Institute

[1] 55% of households 'completely agree' or somewhat agree they are facing barriers impacting their ability to earn money as of June 2024. The mean financial resilience score provided is for households that 'completely agree' or 'somewhat agree' to this barrier as of June 2024.

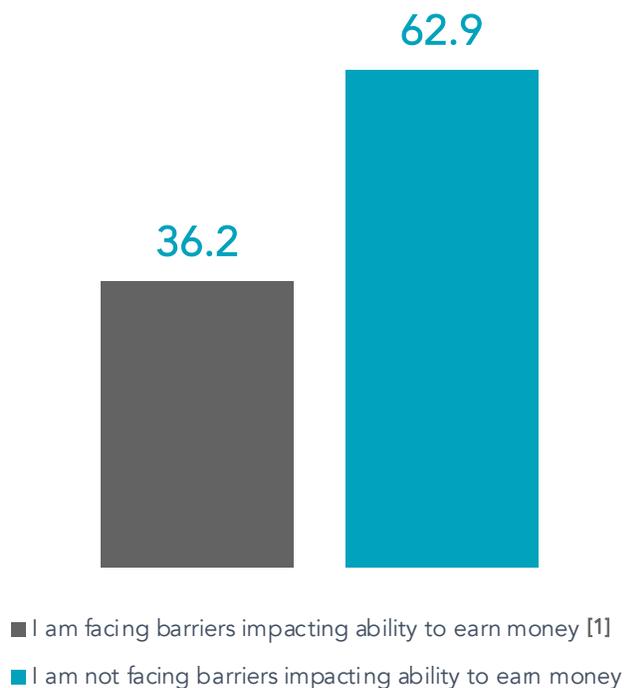
'Extremely Vulnerable' households have a financial resilience score of 0 to 30; 'Financially Vulnerable' a score of 30.01 to 50; 'Approaching Resilience' a score of 50.01 to 70, and 'Financially Resilient' a score of 70.01 to 100.

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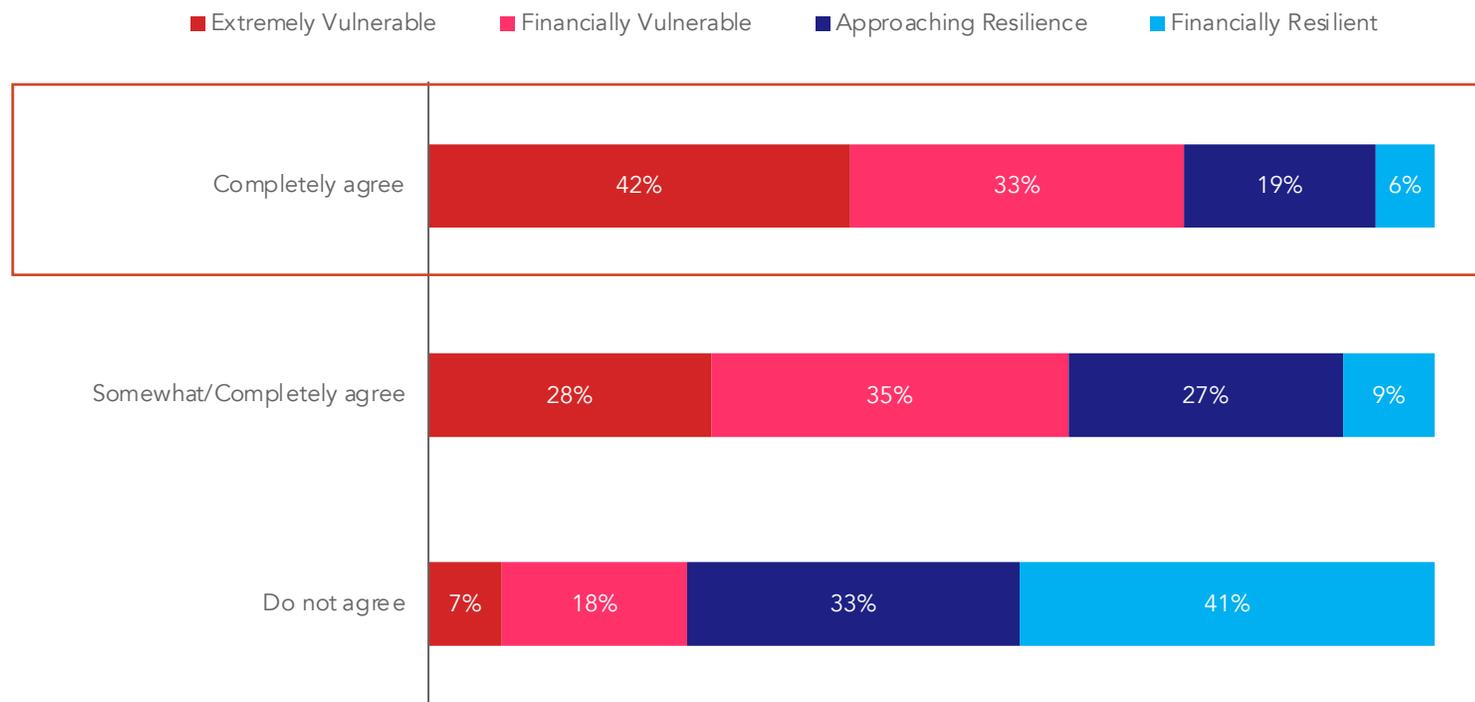
Moreover, the one quarter of Canadian households that ‘completely agree’ they are facing barriers impacting their ability to earn money are even more financially vulnerable: with a mean financial resilience score of 36.2 as of June 2024, compared to one of 62.9 for households not facing this barrier.

These households are ‘Financially Vulnerable’, while those not facing this economic exclusion barrier are ‘Approaching Resilience’.

Mean financial resilience score of Canadians that completely agree they are facing barriers impacting their ability to earn money compared to those who are not facing this barrier (June 2024)



Distribution of households that completely agree they are facing barriers impacting their ability to earn money by resilience segment compared to those not facing this barrier (June 2024)



Source: June 2024 Seymour Financial Resilience Index ® and Financial Well-Being Study conducted by Financial Resilience Institute

[1] 25% of households ‘completely agree’ or somewhat agree they are facing barriers impacting their ability to earn money as of June 2024. The mean financial resilience score provided is for households that ‘completely agree’ or ‘somewhat agree’ to this barrier as of June 2024.

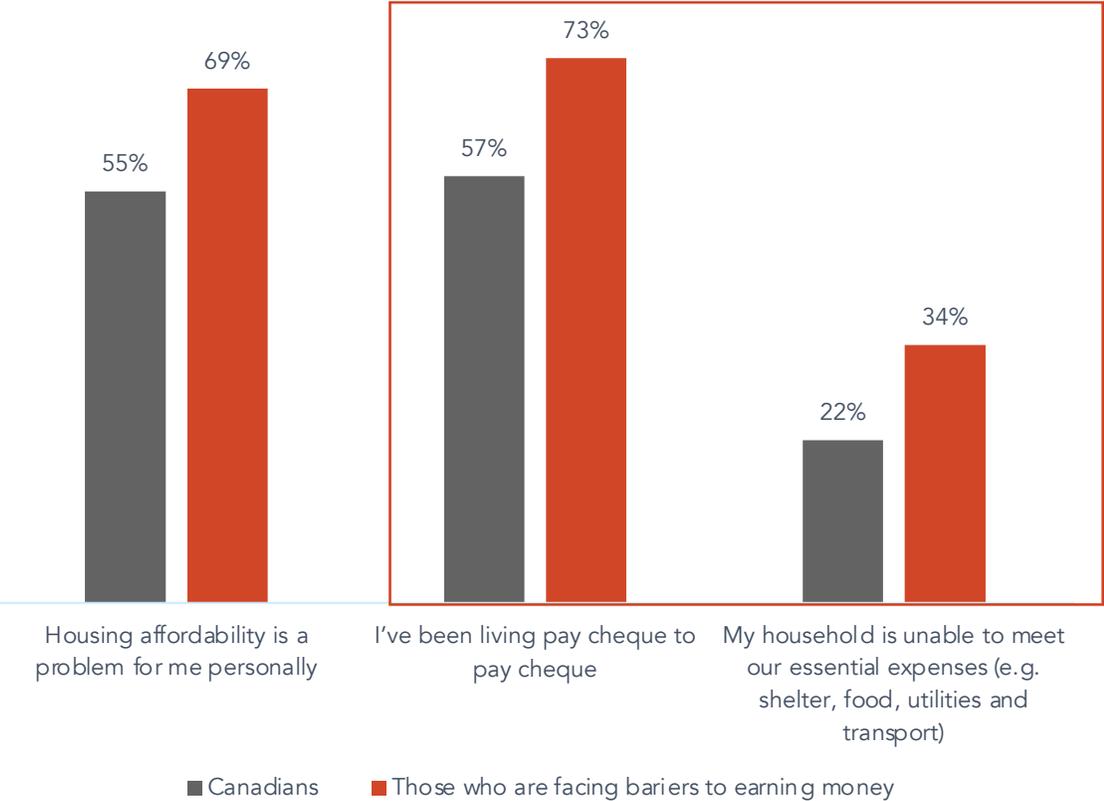
‘Extremely Vulnerable’ households have a financial resilience score of 0 to 30; ‘Financially Vulnerable’ a score of 30.01 to 50; ‘Approaching Resilience’ a score of 50.01 to 70, and ‘Financially Resilient’ a score of 70.01 to 100.

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Canadians facing barriers impacting their ability to earn money are significantly more likely to be living pay cheque to pay cheque (73%) or to be unable to meet their essential expenses compared to Canadians overall and those not facing this barrier

Proportion of Canadians that completely or somewhat agree they are facing barriers impacting their ability to earn money who are living pay cheque to pay cheque, experiencing housing affordability as a problem for them personally, or are unable to meet their essential expenses (June 2024)

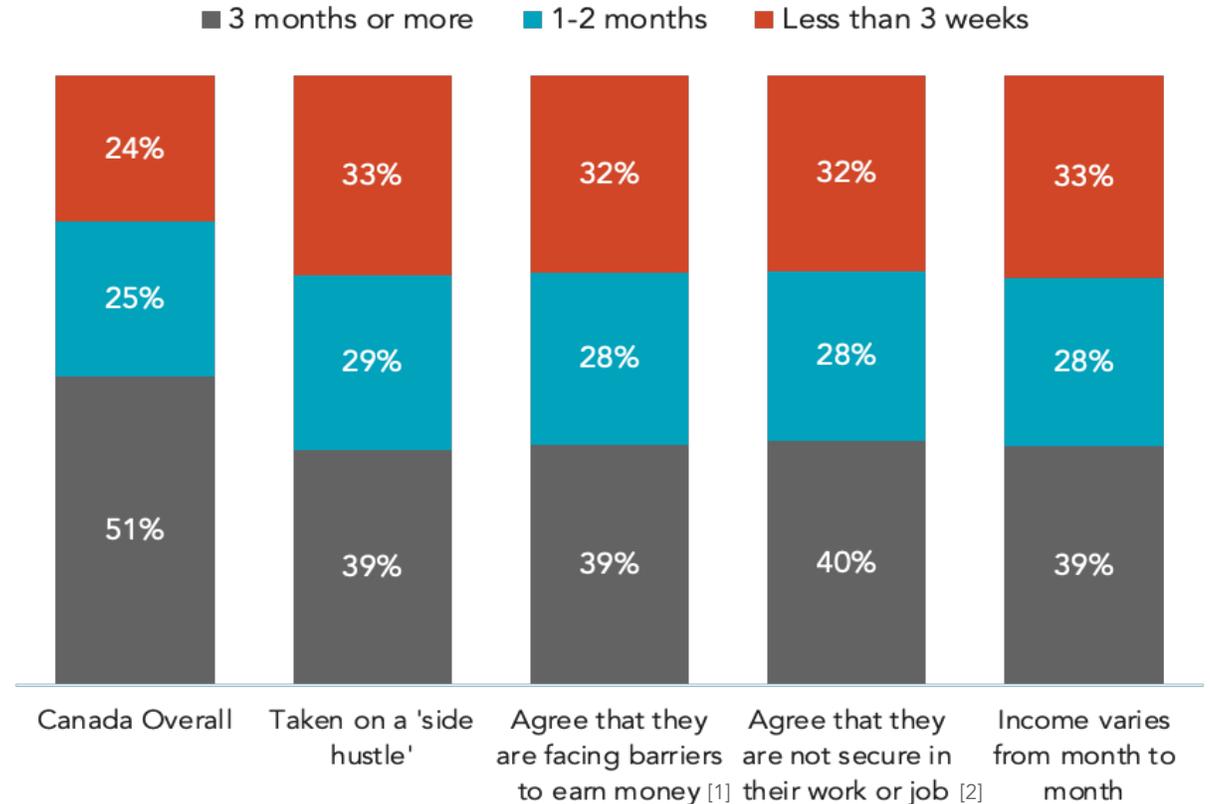


Source: June 2024 Financial Well-Being Study conducted by Financial Resilience Institute
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More Canadians facing barriers impacting their ability to earn money or experiencing income volatility or job insecurity have limited liquid savings buffers

Just under a third (32%) of Canadians that agree or completely agree they are facing barriers impacting their ability to earn money have a liquid savings buffer of less than 3 weeks as of June 2024, and another 28% a buffer of 1-2 months for example, compared to 24% and 25% of Canadians overall respectively [1].

Liquid savings buffers for Canadians overall and those facing economic exclusion and other barriers (June 2024)



Source: Financial Resilience Institute, June 2024 Financial Well-Being study

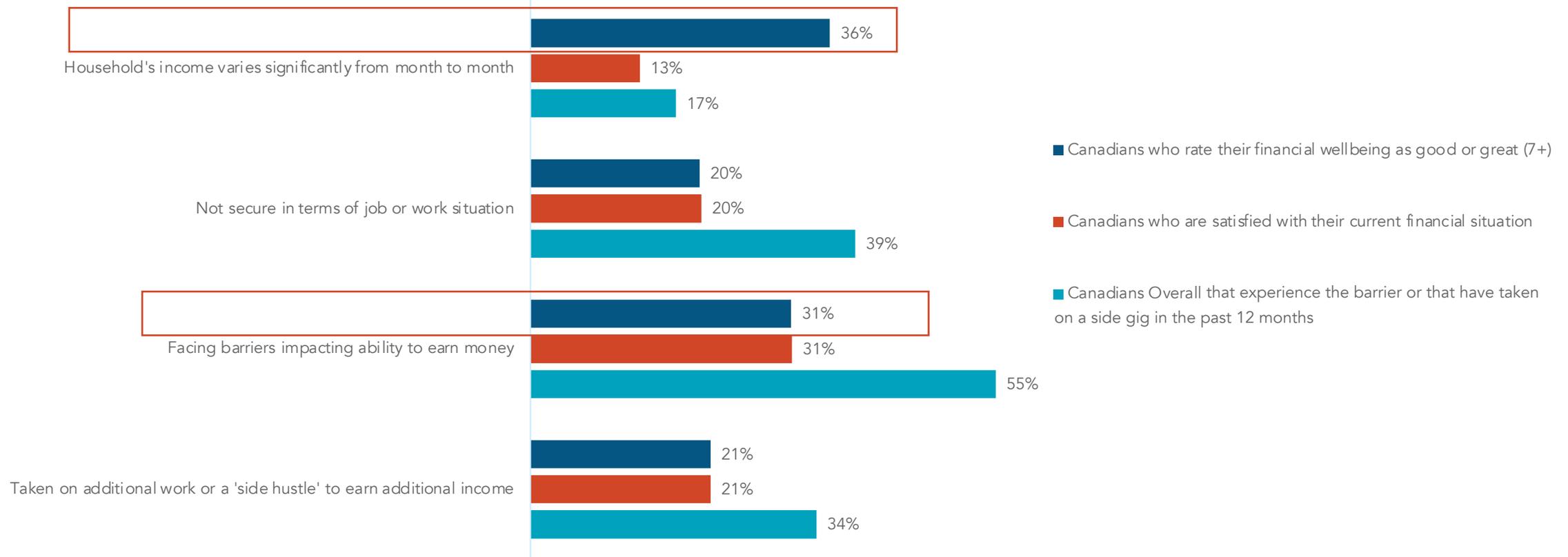
[1] Includes households that 'completely agree' and 'somewhat agree' they are facing barriers impacting their ability to earn money as of June 2024.

[2] Includes households that 'completely agree' and 'somewhat agree' they are not secure in their work or job situation

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Only 31% of households that report they are facing barriers impacting their ability to earn money have high levels of financial well-being, with this the case for 36% of households experiencing income volatility

Households that rate they have high levels of financial well-being that are satisfied with their current financial situation, are facing job insecurity, barriers impacting their ability to earn money and/or have taken on a side hustle in the past 12 months (June 2024)

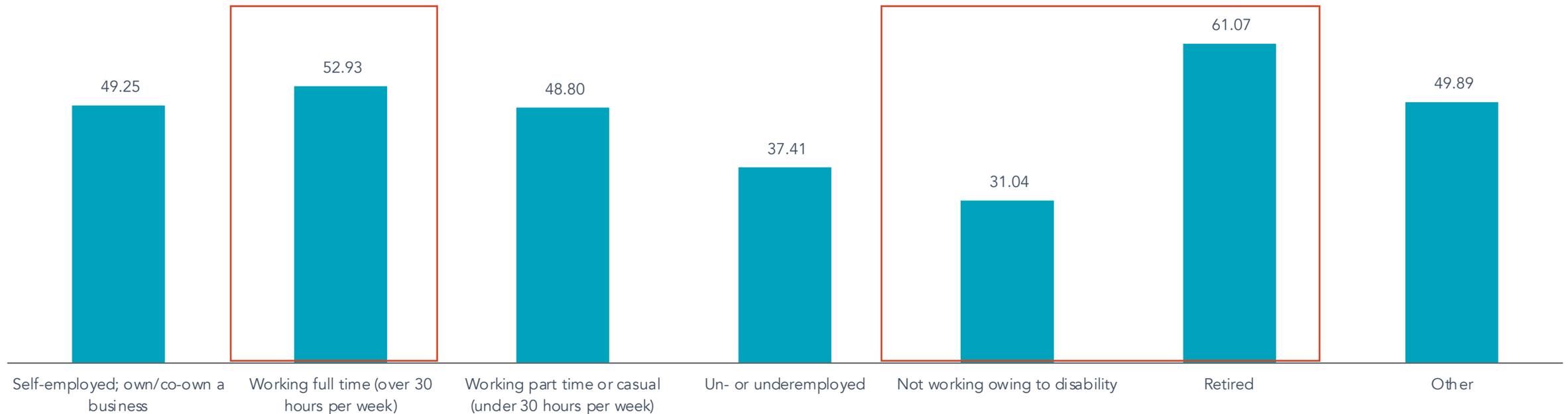


Source: Financial Resilience Institute, June 2024 Financial Wellbeing Study
 [1] Financial Wellbeing study respondents rate their level of financial well-being on a scale of 1-10, where 1 = Poor and 10 = Excellent
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There is a clear association between people having access to employment and improved financial resilience outcomes. Canadians not working due to a disability are the most financially vulnerable population as of June 2024, as in previous years

The Institute has used its Financial Resilience Index model to prove the association between Canadians having access to employment opportunities and improved financial resilience (and financial and overall well-being) outcomes since it was created in 2020. Canadians working full time have higher mean financial resilience scores, as outlined below, while those who are working part time and/or are under-employed or unemployed are more financially vulnerable. Canadians not working owing to a disability are 'Financially Vulnerable' are the most challenged population of all consistently. They have a mean financial resilience score of 31.04 as of June 2024. This is over 20 Index points lower than Canadians working full time and 30 Index points lower compared to retired Canadians.

Mean financial resilience scores of key populations by employment status based on the Seymour Financial Resilience Index® (June 2024)

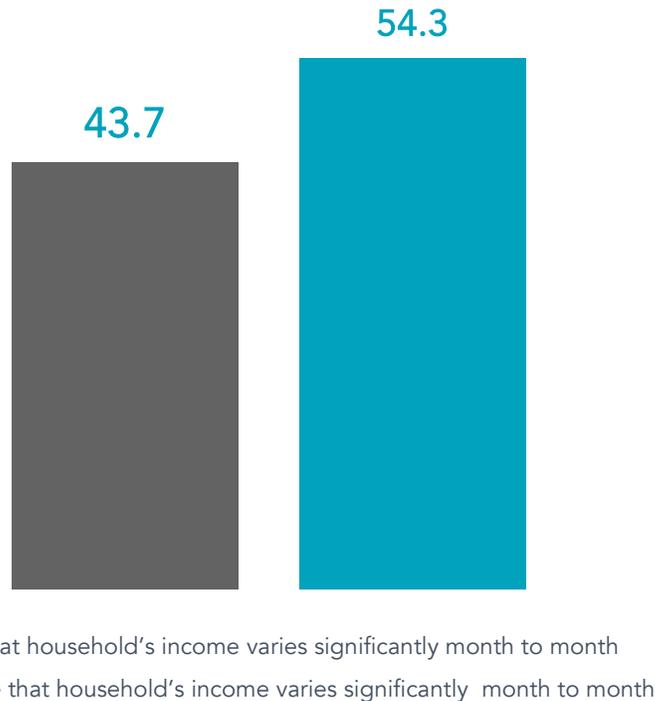


Source: June 2024 Seymour Financial Resilience Index® and Financial Well-Being Study conducted by Financial Resilience Institute
'Extremely Vulnerable' households have a financial resilience score of 0 to 30; 'Financially Vulnerable' a score of 30.01 to 50; 'Approaching Resilience' a score of 50.01 to 70, and 'Financially Resilient' a score of 70.01 to 100.
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Income volatility is clearly associated with increased household financial vulnerability

17% of households completely agree or somewhat agree they experience significant income volatility month to month. These households have a mean financial resilience score of 43.7 as of June 2024: with this 10 Index points lower compared to households that don't face this challenge. While financial vulnerability spans all household income demographics, households that do not have income stability are proven to be more financially vulnerable [1].

Mean financial resilience score of Canadians that completely or somewhat agree they have significant income volatility month to month compared to those who do not face this challenge (June 2024)



Source: June 2024 Seymour Financial Resilience Index © and Financial Well-Being sStudy conducted by Financial Resilience Institute

[1] This includes 6% of households that completely agree and 11% that somewhat agree that their household's income varies significantly or quite significantly month to month as of June 2024. The mean financial resilience score provided is for households that 'completely agree' or 'somewhat agree' to this barrier as of June 2024.

'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.

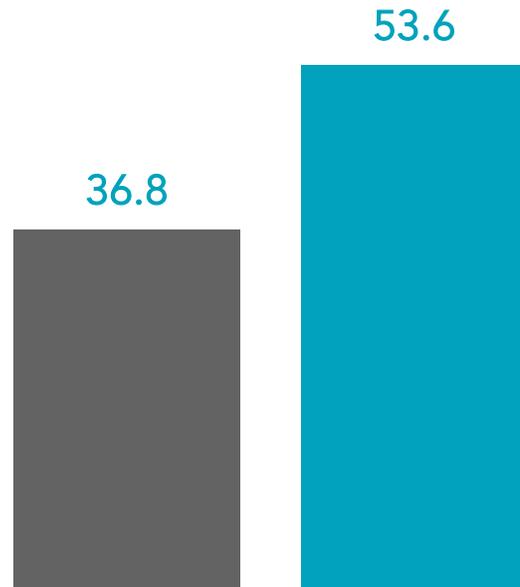
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Households that ‘completely agree’ they experience significant income volatility are more financially vulnerable still

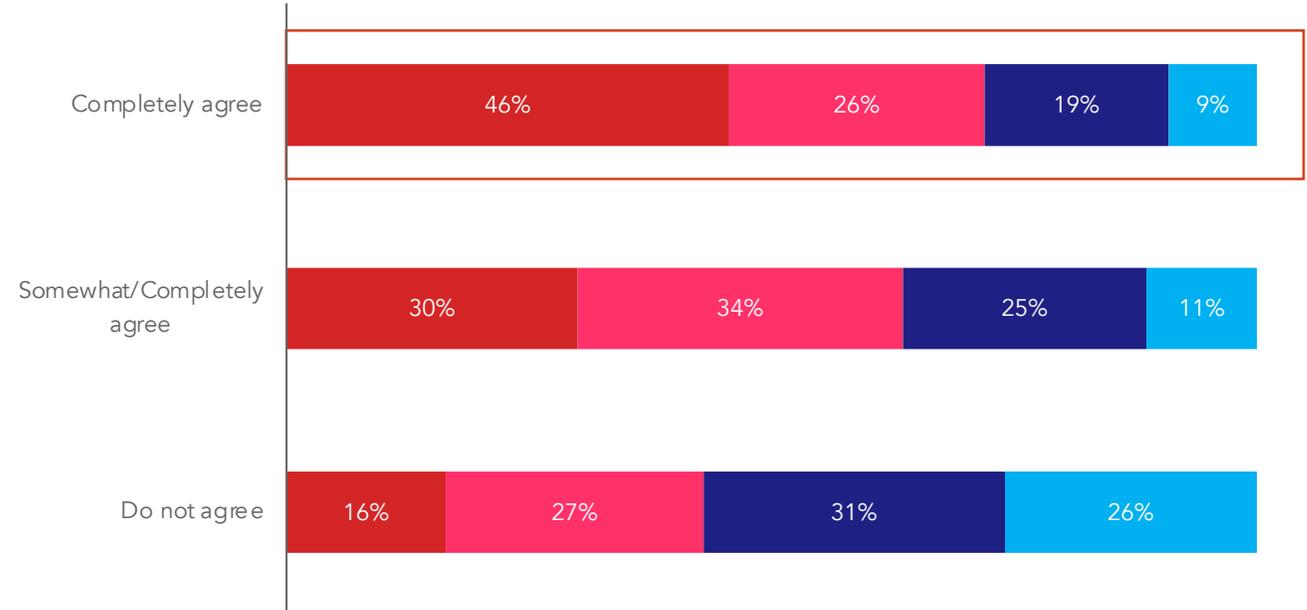
Households experiencing significant income volatility month to month have a mean financial resilience score of 36.7 as of June 2024: with this 17 Index points lower compared to households that don’t face this challenge. While financial vulnerability spans all household income demographics, households that do not have income stability are proven to be more financially vulnerable. 46% of Canadians that completely agree their household experiences significant income volatility are ‘Extremely Vulnerable’ as of June 2024, compared to 16% of Canadians that do not experience income volatility

Mean financial resilience score of Canadians that completely agree they have significant income volatility month to month compared to those who do not face this challenge (June 2024)



- Completely agree that household's income varies significantly month to month
- Disagree that household's income varies significantly month to month

Distribution of Canadians that completely agree and agree their household experiences significant income volatility across the financial resilience segments compared to Canadians who do not experience income volatility (June 2024)



- Extremely Vulnerable
- Financially Vulnerable
- Approaching Resilience
- Financially Resilient

Source: June 2024 Seymour Financial Resilience Index ® and Financial Well-Being Study conducted by Financial Resilience Institute

[1] 6% of households ‘completely agree’ and 11% of households ‘somewhat agree’ their household income varies significantly or quite significantly month to month. The mean financial resilience score provided is for households that ‘completely agree’ that income volatility is a challenge compared to those who do not face this challenge.

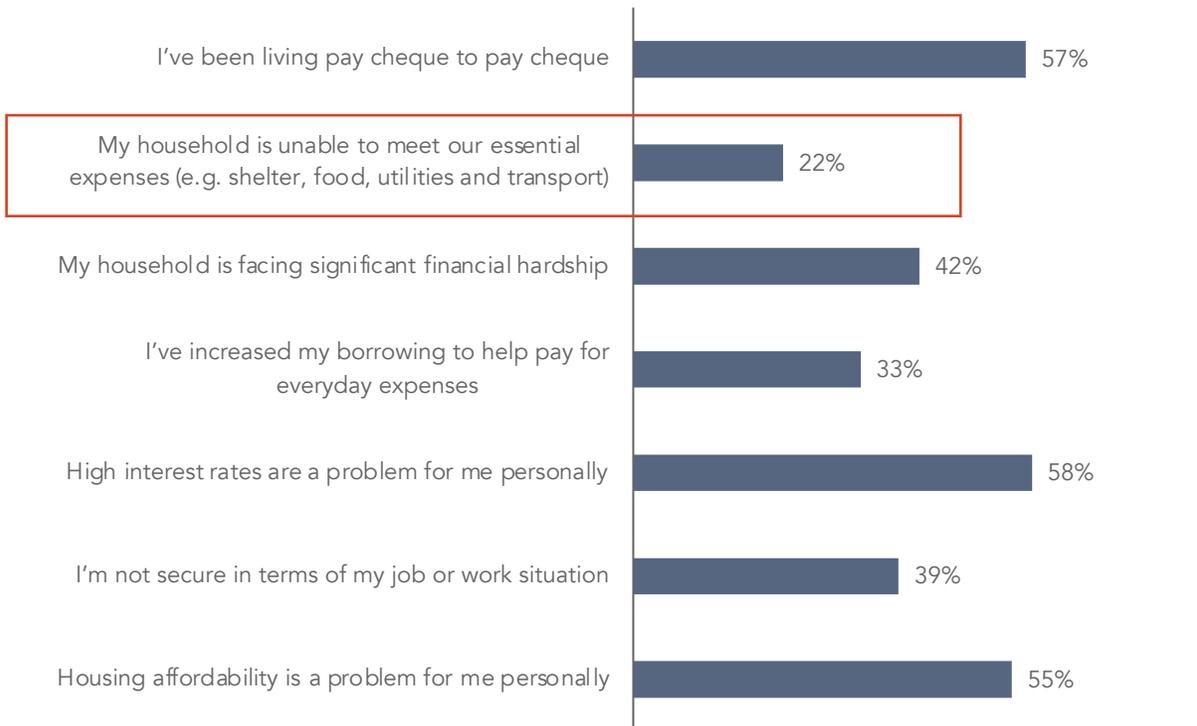
‘Extremely Vulnerable’ households have a financial resilience score of 0 to 30; ‘Financially Vulnerable’ a score of 30.01 to 50; ‘Approaching Resilience’ a score of 50.01 to 70, and ‘Financially Resilient’ a score of 70.01 to 100.

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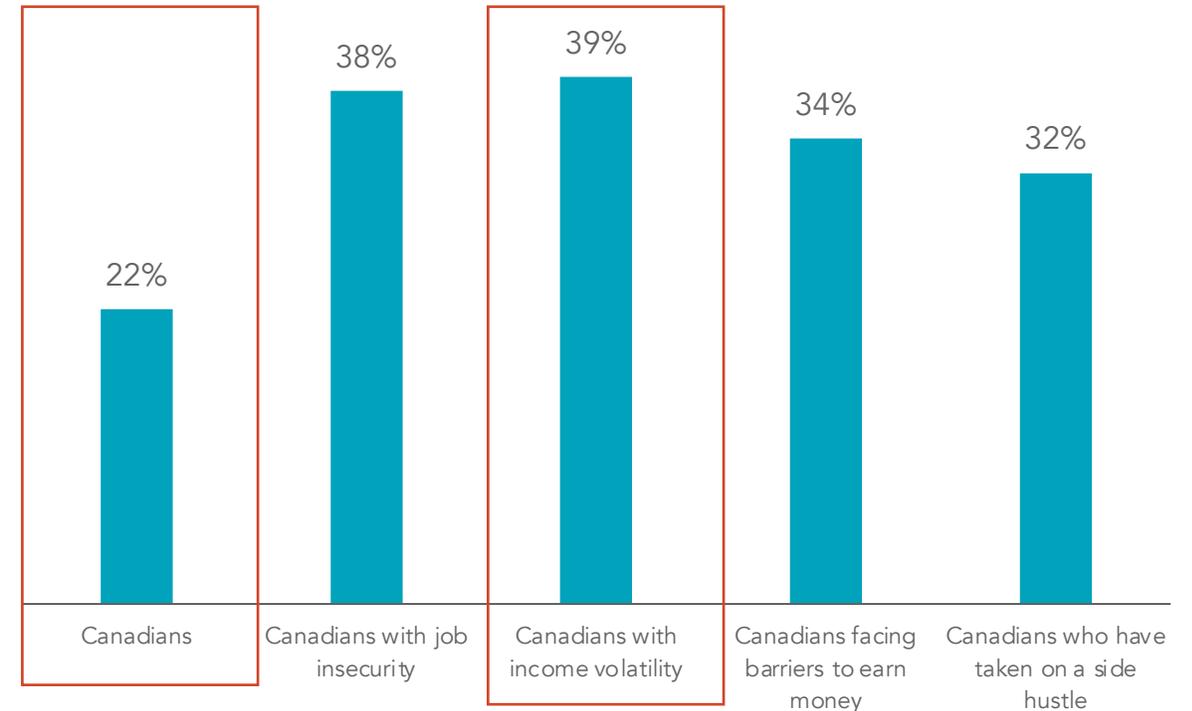
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39% of Canadians that experience significant income volatility are unable to meet their essential expenses compared to 22% of Canadians overall [1]

Proportion of Canadians that somewhat or completely agree they are facing the following financial stressors as of June 2024



Canadians who completely / somewhat agree they are unable to meet their essential expenses (e.g. shelter, food, utilities and transport) (June 2024)



Source: Financial Resilience Institute, June 2024 Financial Well-Being Study

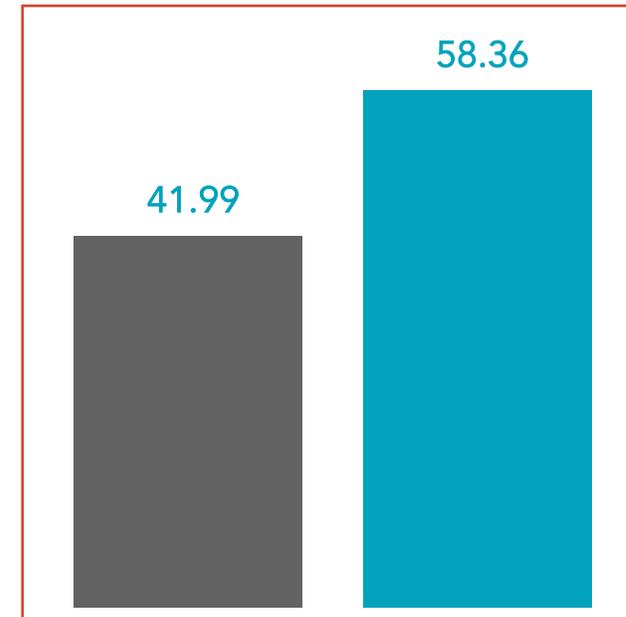
[1] Example essential expenses are outlined to include food, shelter and transport in the Financial Well-Being study for this indicator question.

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Nearly 1 in 4 households report they do not feel secure in their job or work situation as of June 2024, with these households more financially vulnerable

As of June 2024, a concerning 39% of households report they do not feel secure in their job or work situation, with these same households having a mean financial resilience score of 41.99: 16 points lower than those not feeling job insecurity. These households have a mean financial resilience score of 41.99 as of June 2024 compared to one of 58.36 for those not experiencing job insecurity based on the Institute's Financial Resilience Index model [1]

Mean financial resilience score of Canadians who do not feel secure in their job or work situation compared to those who don't experience job insecurity (June 2024)



■ I'm not secure in terms of my job or work situation
■ I am secure in terms of my job or work situation

Source: June 2024 Seymour Financial Resilience Index ® and Financial Well-Being Study conducted by Financial Resilience Institute

[1] This includes 18% of households that completely agree and 21% of households that somewhat agree they are not secure in their job or work situation as of June 2024. The mean financial resilience score provided is for households that 'completely agree' or 'somewhat agree' they experience job insecurity as of June 2024.

'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.

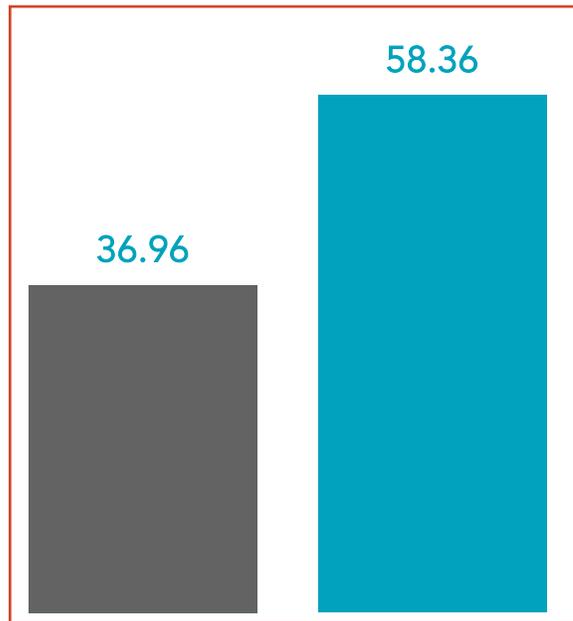
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The households that 'completely agree' they face job insecurity are even more financially vulnerable: with a mean financial resilience score of 39.96 as of June 2024

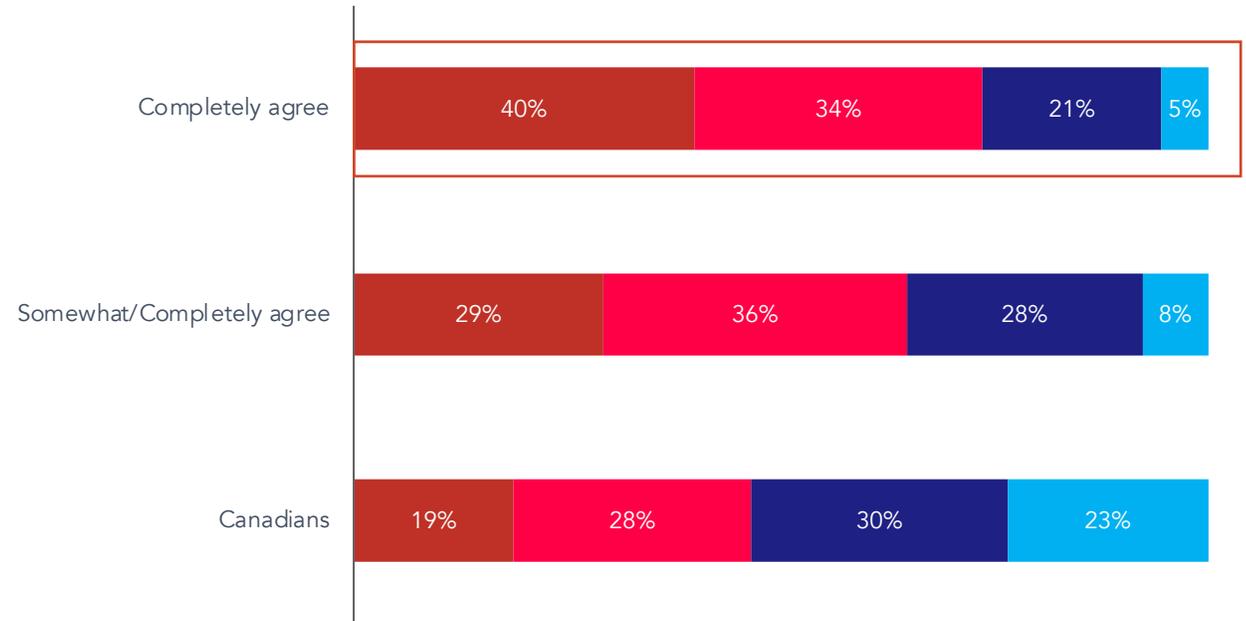
As of June 2024, a 39% of households report they do not feel secure in their job or work situation including 18% who completely agree they face this challenge. These same households have a mean financial resilience score of 36.96: 21 points lower than those not feeling job insecurity. 74% of these same households are 'Extremely Vulnerable' or 'Financially Vulnerable' compared to 47% of Canadians overall. It is important for Policymakers, Financial Institutions, Employers and others to help as many Canadians as possible to access employment opportunities, foster economic inclusion and economic mobility. This is foundational to supporting financial and overall resilience and a strong economy.

Mean financial resilience score of Canadians who completely agree that they do not feel secure in their job or work situation compared to those who don't experience job insecurity (June 2024)



■ I'm not secure in terms of my job or work situation
 ■ I am secure in terms of my job or work situation [1]

Distribution of Canadians that completely agree and somewhat or completely agree they are not secure in their job or work situation across the financial resilience segments compared to Canadians not facing this challenge (June 2024)



■ Extremely Vulnerable ■ Financially Vulnerable ■ Approaching Resilience ■ Financially Resilient

Source: June 2024 Seymour Financial Resilience Index © and Financial Well-Being Study conducted by Financial Resilience Institute

[1] 18% of households 'completely agree' they are not secure in their job or work situation as of June 2024. The mean financial resilience score provided is for households that 'completely agree' that this is an issue as of June 2024.

'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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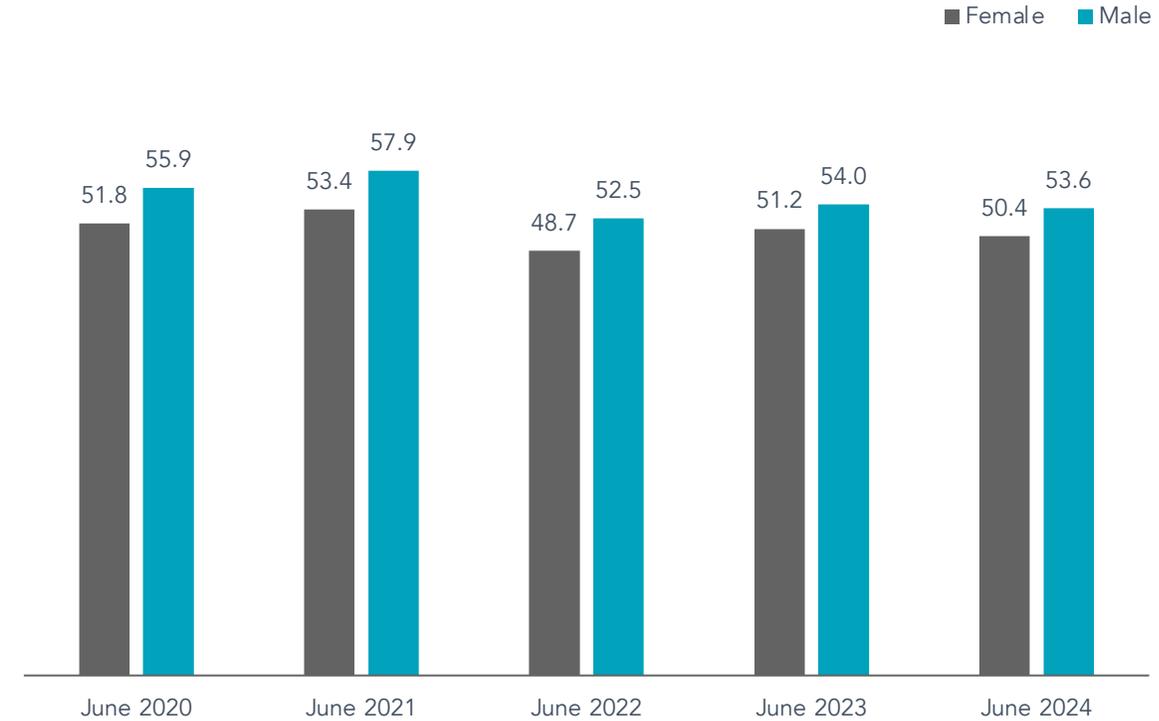
The compounding effect and increased challenges for certain populations facing systemic barriers



The financial resilience gender gap between women and men

Policymakers and other business leaders are keen to ‘lift up’ and empower women in the economy, while fostering diversity, equity and inclusion. The Institute has been tracking the financial resilience gender gap between women and men in Canada for several years, along with other challenges facing women and key populations. Building on our Financial Resilience Gender Gap Report published in 2023, our updated analytics highlight a continued trend with women overall less financially resilient than men at the national level. As of June 2024, the ‘gap’ between the mean financial resilience score of women and men is 3.2 Index points, with men having a mean financial resilience score that is 6% higher than women. Our non-profit is also tracking differences in financial well-being, financial stress and more for women and key populations.

Mean financial resilience scores of Canadian men compared to women (June 2020 to 2024)



Source: June 2024 Seymour Financial Resilience Index ® and Financial Well-Being Study conducted by Financial Resilience Institute
 ‘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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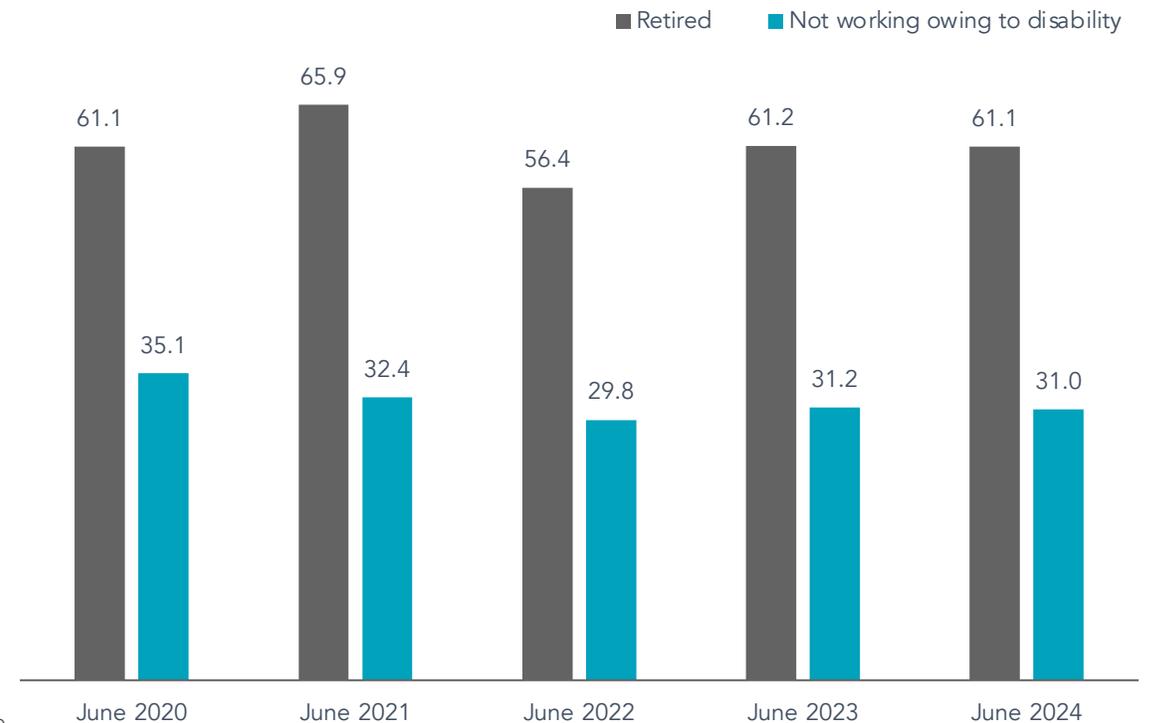
There are significant differences in the financial resilience of different populations: with Canadians not working owing to a disability needing more targeted support

Trended data analytics highlight consistency in analytics by employment status over the years, with the financial resilience scores of people not working owing to a disability deteriorating in June 2024 compared to three years earlier during June 2020 and June 2021 during the pandemic. This highlights the need for Policymakers and others to do more to help this more vulnerable population within Canada in particular.

The financial resilience scores of retired Canadians are significantly higher, in contrast. This serves as a reminder of the need for dis-aggregated data analytics, targeted interventions and and impact measurement by Policymakers, Financial Institutions and others wanting to focus their efforts on helping certain populations.



Mean financial resilience scores of Retired Canadians and people not working owing to a disability (June 2020 to June 2024)



Source: June 2024 Seymour Financial Resilience Index © and Financial Well-Being Study conducted by Financial Resilience Institute

'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.

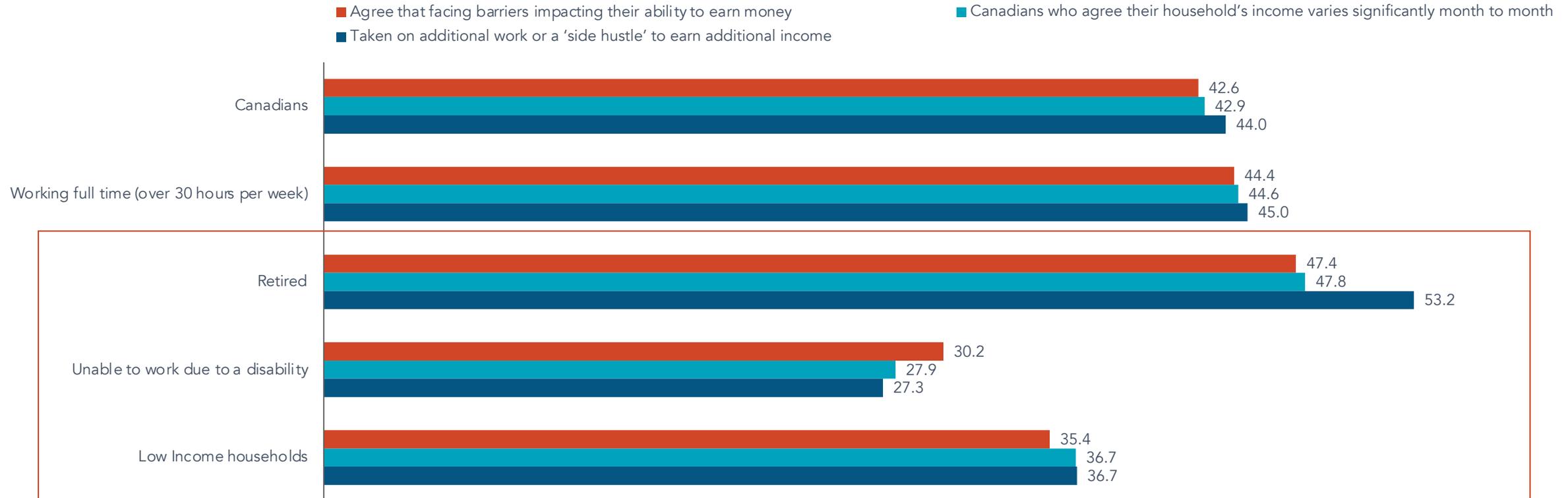
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Comparative mean financial resilience score analytics for key populations such as people living with low incomes: with nuances evident

Canadians living with low to moderate incomes overall are more financially resilient compared to those unable to work owing to a disability. Nuances exist by population, and as a result of economic and other barriers faced: intersectional research, analytics and impact measurement are important. Retired Canadians who have taken on a side hustle in the past 12 months have significantly improved mean financial resilience scores compared to their counterparts facing barriers impacting their ability to work or compared to those experiencing significant income volatility.

Mean financial resilience scores of Canadians that are facing barriers and impacting their ability to earn money, experience income volatility and/or have taken on a side hustle in the past 12 months for different segments (June 2024) [1]

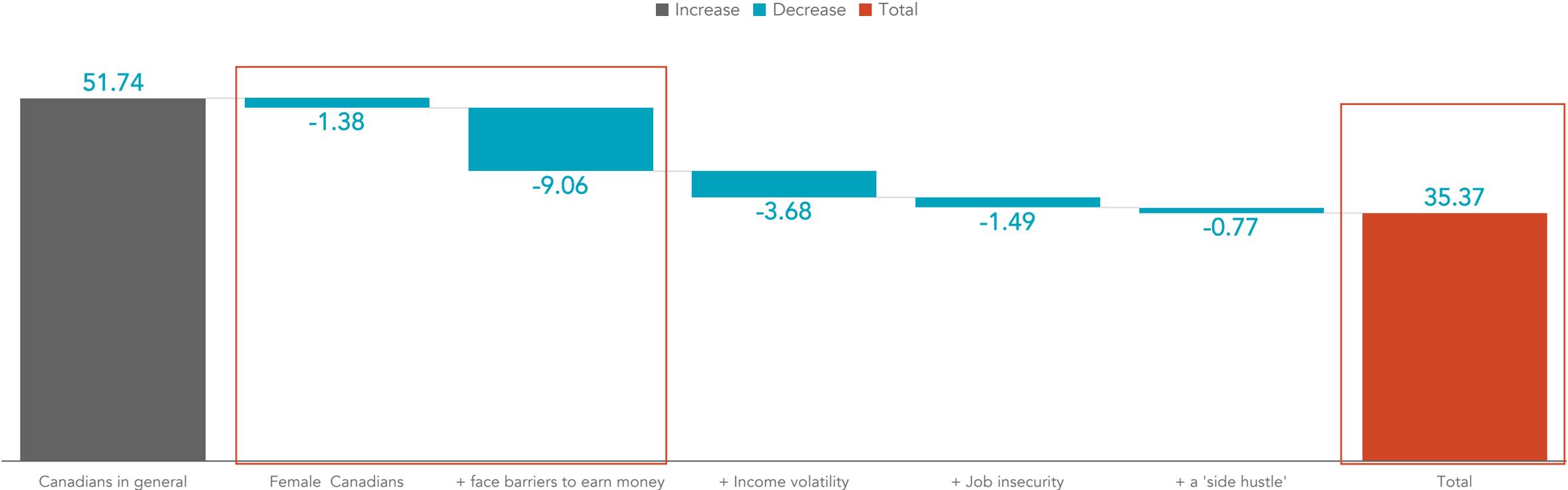


Source: June 2024 Seymour Financial Resilience Index © and Financial Well-Being Study conducted by Financial Resilience Institute
 [1] Includes households that completely agree and agree they face the economic and financial challenges as of June 2024.
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The compounding effect: households experiencing more than one barriers have increased financial vulnerability, not surprisingly

The Institute has conducted intersectional analytics over several years, with this validating increased financial vulnerability and other financial stress and well-being outcomes for key populations facing more than one barrier. An example of this 'compounding effect' is highlighted below. For example, women who face barriers impacting their ability earn money have a mean financial resilience score that is 10.44 index points lower compared to Canadians overall as of June 2024. If these same women also experience income volatility, job insecurity and have needed to have taken on a side hustle in the past 12 months, their mean financial resilience score drops to 35.37, with these women 'Financially Vulnerable'. This analytics data validates the importance of Policymakers, Financial Institutions and others in providing more targeted policy or program support for key populations facing compounding barriers. Using the Index, there is an opportunity to measure improved financial resilience, health and well-being outcomes of policy interventions related to employment and other programs for Canadians who those who do and do not receive targeted support, tracking the positive outcomes of these interventions over time.

Mean Financial Resilience Score Changes for households that are facing economic exclusion and other barriers compared to Canadians overall (June 2024) [1]



Source: June 2024 Seymour Financial Resilience Index® and Financial Well-Being Study conducted by Financial Resilience Institute
 [1] Includes households that completely agree and agree they face the economic and financial challenges as of June 2024.
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A woman with long dark hair is shown in profile, looking out a window. The background is a blurred cityscape. A teal banner with a white number '5' is overlaid on the left side of the image.

5

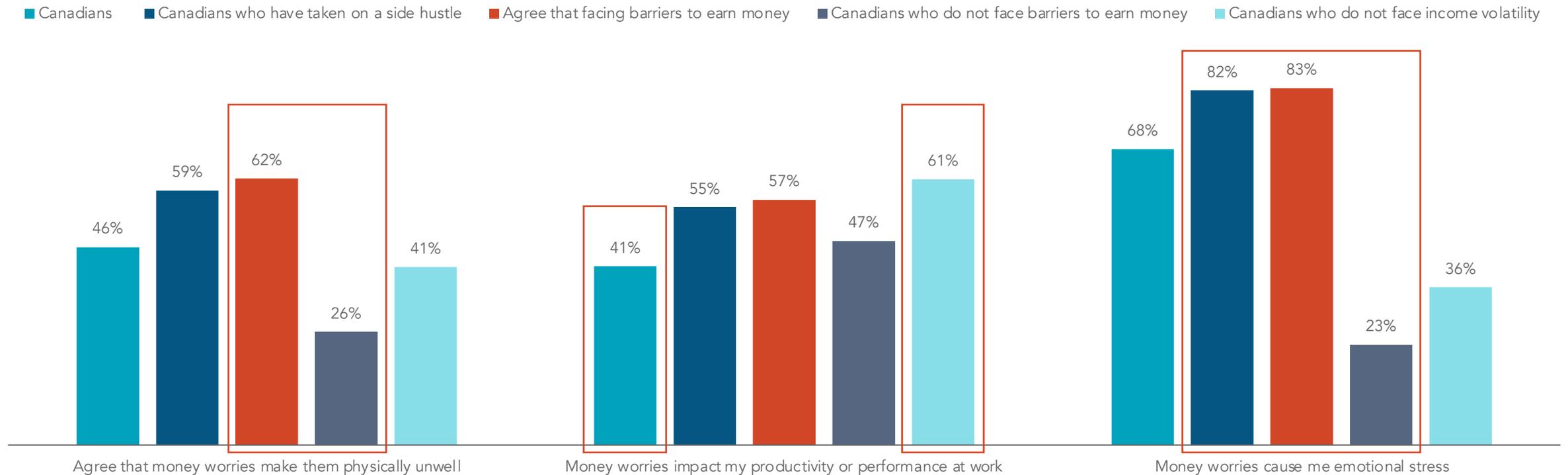
Financial stress and well-being impacts for those facing economic exclusion barriers and the proportion of households reporting employment related stressors



Economic exclusion barriers and income volatility are taking a toll on the productivity and performance at work and on the physical and emotional health of Canadians

For example, more than double (62%) the proportion of Canadians that report they are facing barriers impacting their ability to earn money agree money worries negatively impacts their physical health compared to only 26% of those not facing this barrier. 61% of households experiencing income volatility report money worries impact their productivity or performance at work, compared to 41% of Canadians overall.

Proportion of households that have taken on a side gig in the past year that report money worries make them physically unwell, impact their productivity or performance at work or cause them emotional stress (June 2024)



Source: Financial Resilience Institute, June 2024 Financial Wellbeing Study

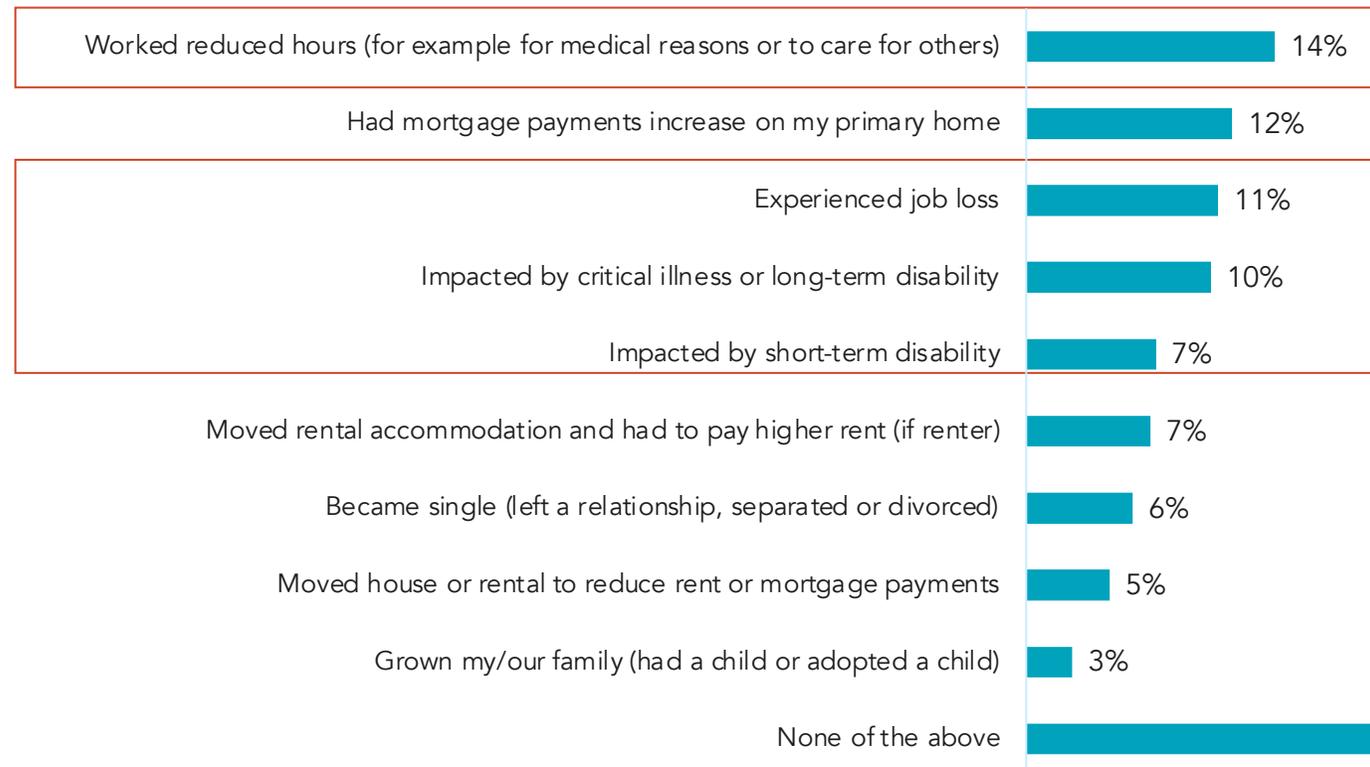
[1] Includes households that completely agree and agree they are facing barriers impact their ability to earn money, and/or are experiencing income volatility as of June 2024.

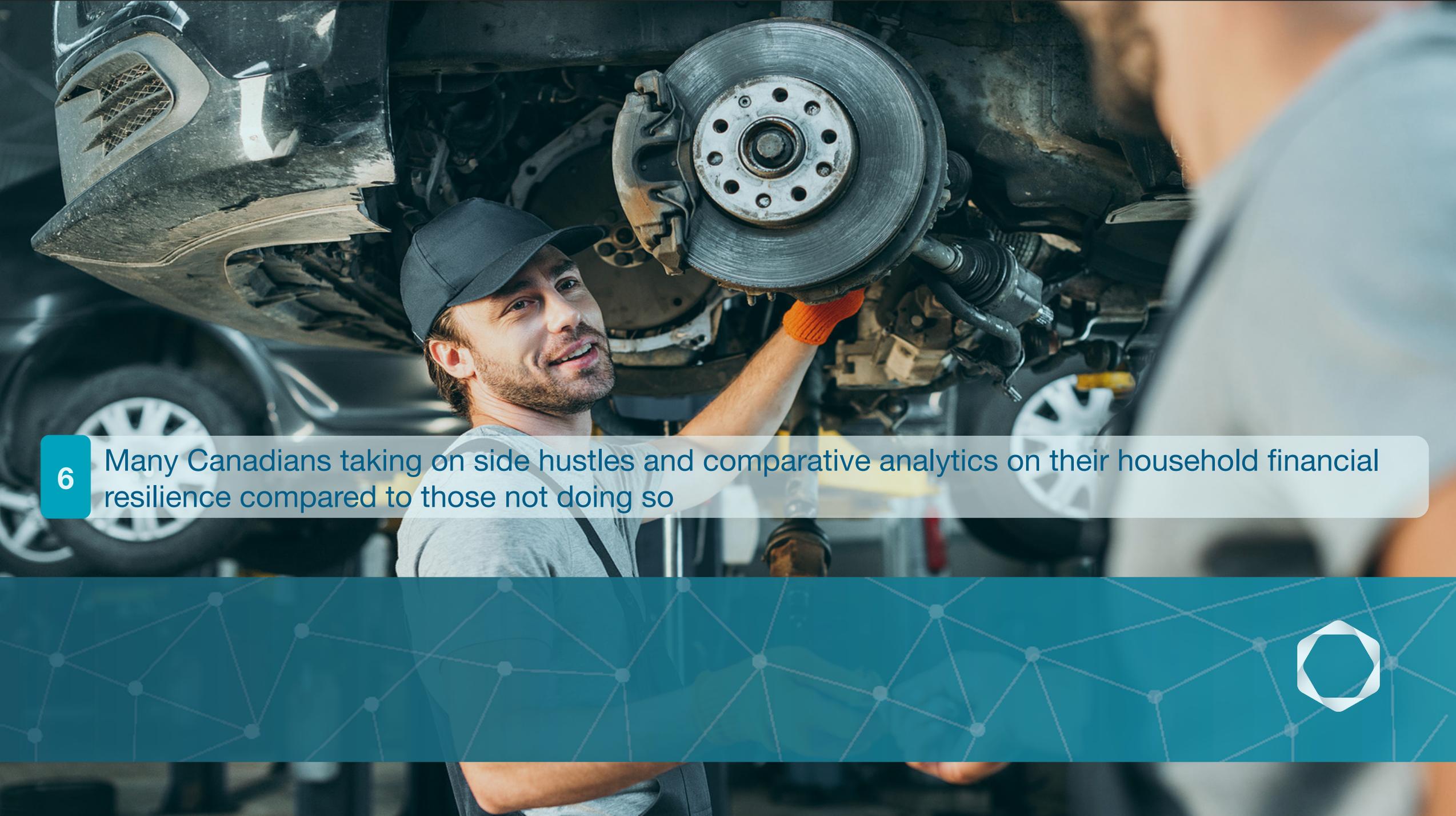
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Work-related financial stressors such as job loss or reduced work impact many Canadian households, with this having knock-on effect on peoples' financial resilience, their financial and overall health and well-being

While 11% of households report that they or their partner or spouse have worked reduced hours in the past 12 to 18 months (for example for medical reasons or to care for others), 10% report they or their partner have been impacted by critical illness or long-term disability and 7% by short-term disability. Work-related financial stressors and challenges take a toll on Canadians and key populations, with these unplanned life events causing disruptions for individuals, families and businesses alike.

Proportion of Canadians that report that they or their partner or spouse have been impacted by the following life and work-related events in the past 12 to 18 months as of June 2024





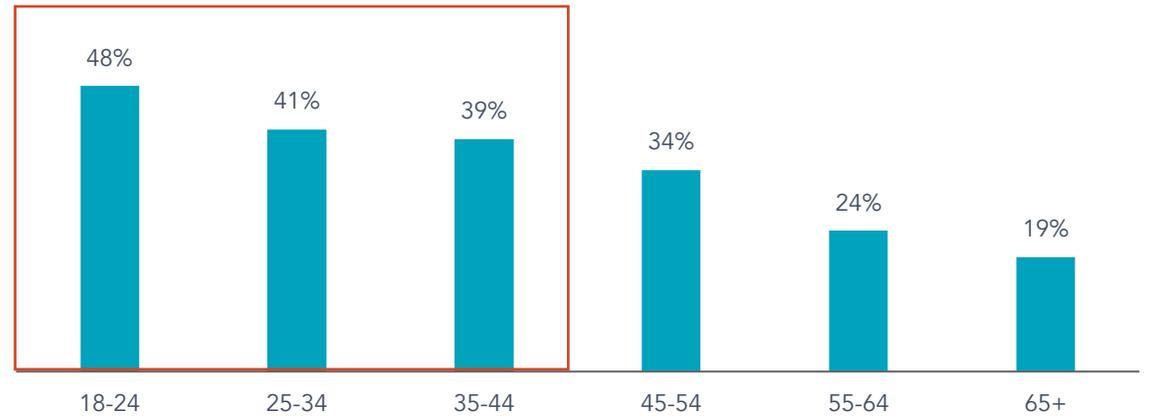
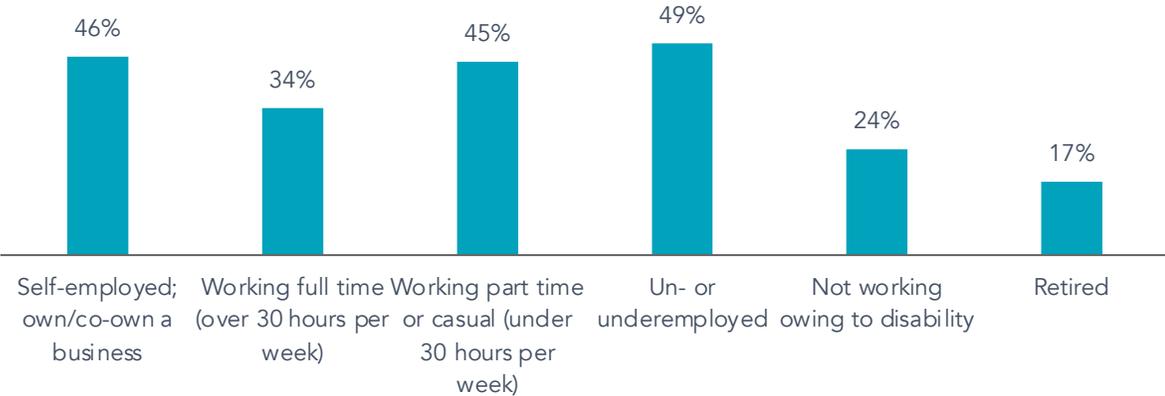
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Many Canadians taking on side hustles and comparative analytics on their household financial resilience compared to those not doing so



Just over a third (34%) of Canadian households report they have taken on a side hustle or additional in the past year to boost their incomes: with this a key trend.

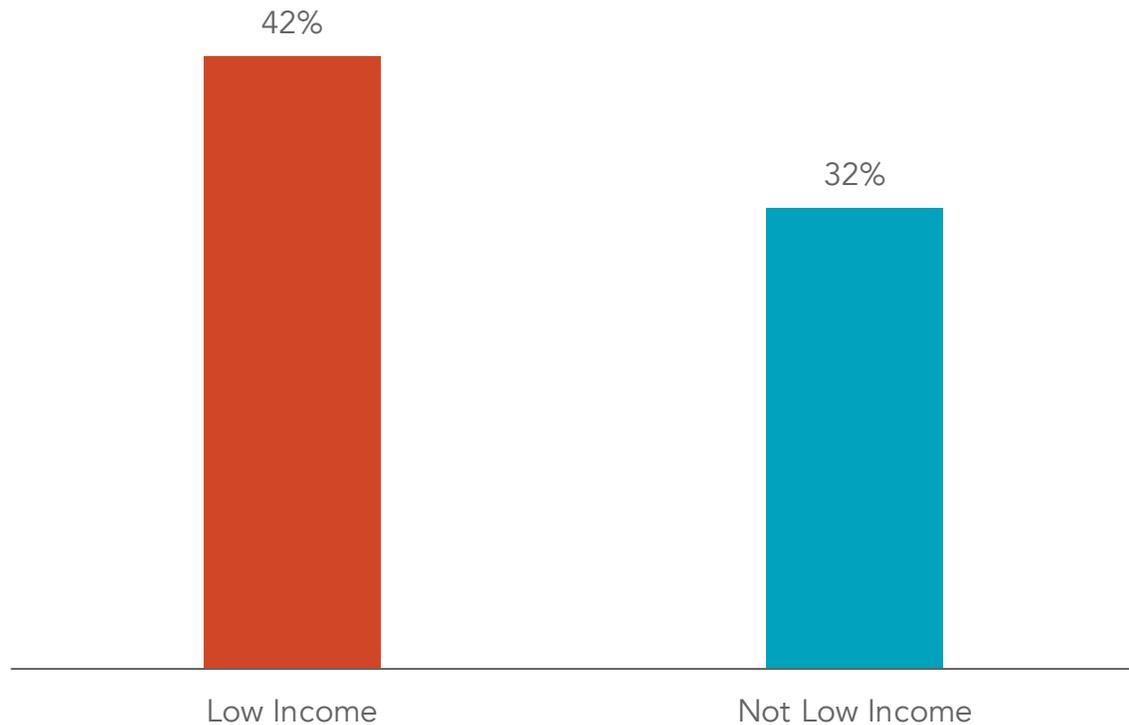
Interestingly, Canadians from all household income demographics have taken on additional work or a side hustle in the past 12 months to earn additional income with this the case for 1 in 6 retired Canadians and 1 in 5 Canadians with household income over \$200,000. Slightly more women than men, and younger Canadians have taken on side gigs. This is a 'positive' economic inclusion factor being tracked by the Institute, along with other consumer behaviours that help people move forward, such as moving provinces or homes to save on their cost of living.



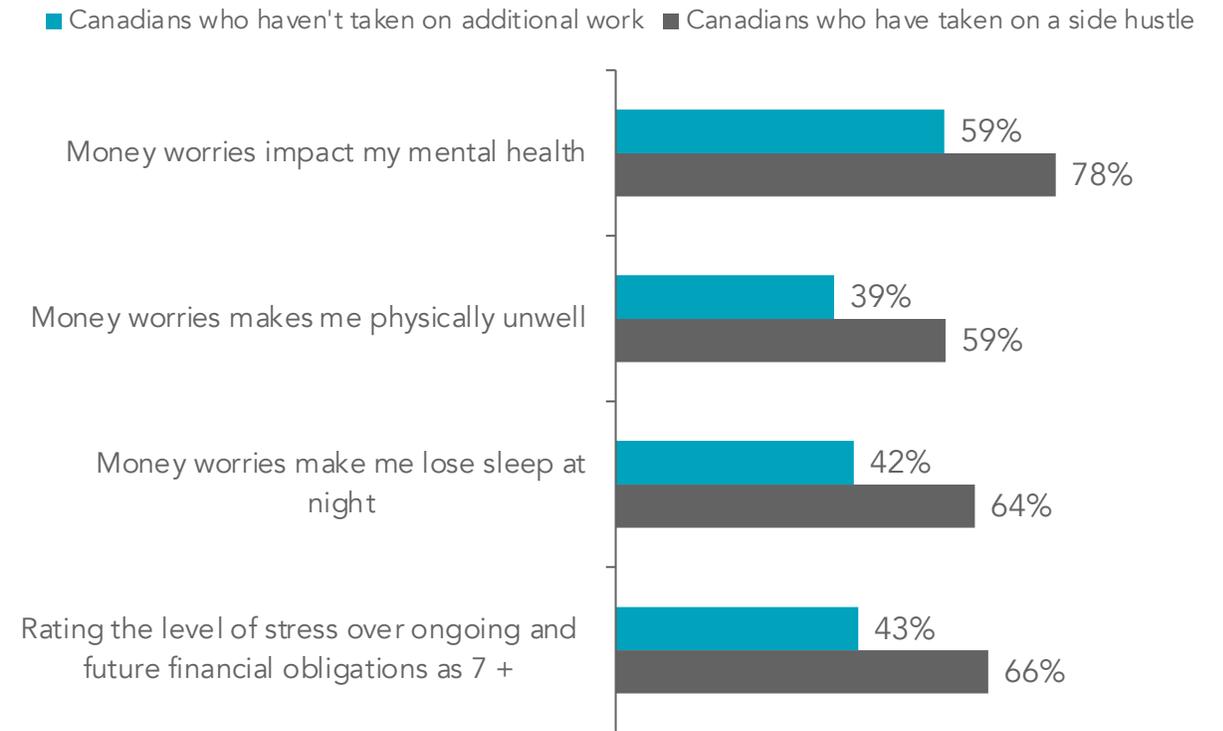
Source: June 2024 Financial Well-Being study conducted by Financial Resilience Institute © 2024 Financial Resilience Society dba Financial Resilience Institute. All rights reserved.

Canadians living with low incomes are working particularly hard from a side-hustle perspective, with 42% of them reporting they have taken on a side hustle in the last year compared to 32% of households earning medium to high incomes [1]

The proportion of Canadian households living with low incomes and not living with low incomes that have taken on a side hustle as of (June 2024)



Canadians who completely or somewhat agree they are unable to meet their essential expenses (June 2024)



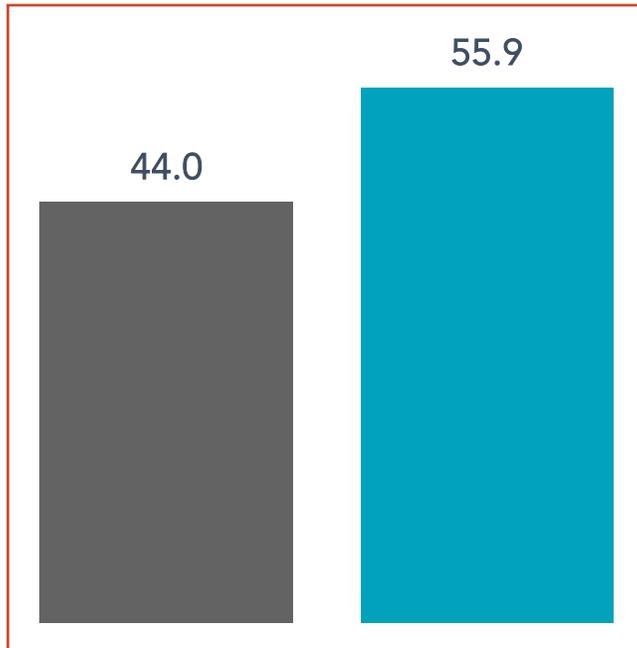
Source: June 2024 Financial Well-being study. Seymour Financial Resilience Index® is a trademark used under license.

[1] Households with income for this analytics are defined as those who have a household income under \$50,000 per annum, excluding single person household with income between \$25,000 and \$49,999 per year.
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More financially vulnerable Canadians are more likely to have taken on additional work in the past twelve months as of June 2024, with these households more financially challenged compared to their counterparts who have not taken on a side gig.

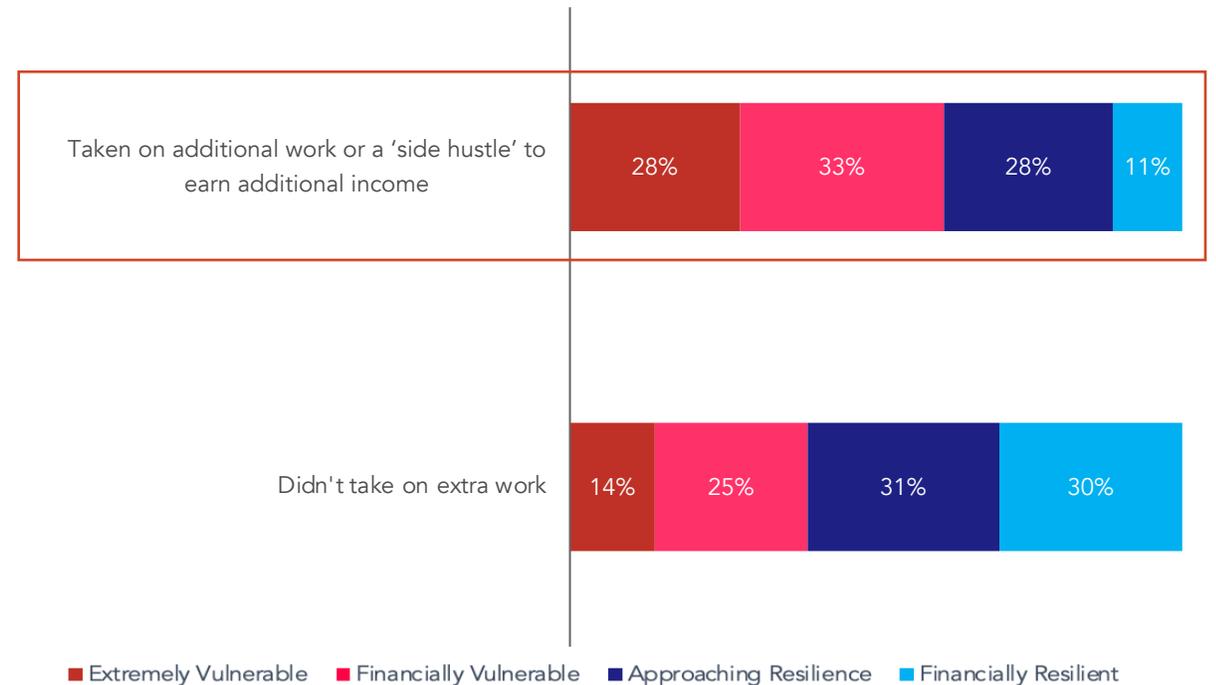
61% of Canadians who have taken on a side hustle are 'Extremely Vulnerable' or 'Financially Vulnerable' as of June 2024 based on the Seymour Financial Resilience Index ® compared to 39% of Canadians who have not taken on a side hustle and 19% of Canadians overall. There is not an association between people taking on a side gig or additional work and improved financial resilience outcomes.

Mean financial resilience score of Canadians that have taken on a side hustle in the past year compared to those who are have not (June 2024)



■ Taken on additional work or a 'side hustle' to earn additional income
 ■ Didn't take on a side hustle

Distribution of Canadians that have taken on additional work or a side hustle to earn additional income by financial resilience segment compared to Canadians that have not (June 2024)



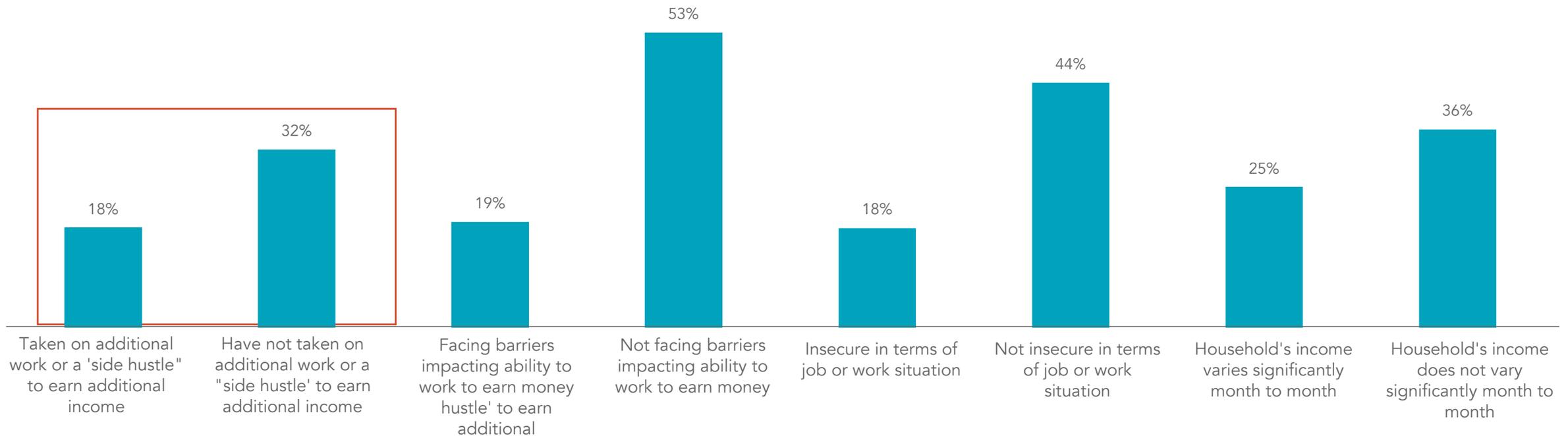
■ Extremely Vulnerable ■ Financially Vulnerable ■ Approaching Resilience ■ Financially Resilient

Source: June 2024 Seymour Financial Resilience Index ® and Financial Well-Being Study conducted by Financial Resilience Institute
 '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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While Canadians taking on a side gig may not be more financially resilient, taking on this additional work to boost their incomes is expected to be helping them and their families financially.

That said, only 18% of households that have taken on a side gig report they are satisfied with their current financial situation as of June 2024, with this significantly lower than those who have not had to take on a side hustle.

Percentage of Canadians facing different economic barriers that report they are satisfied with their current financial situation (June 2024)



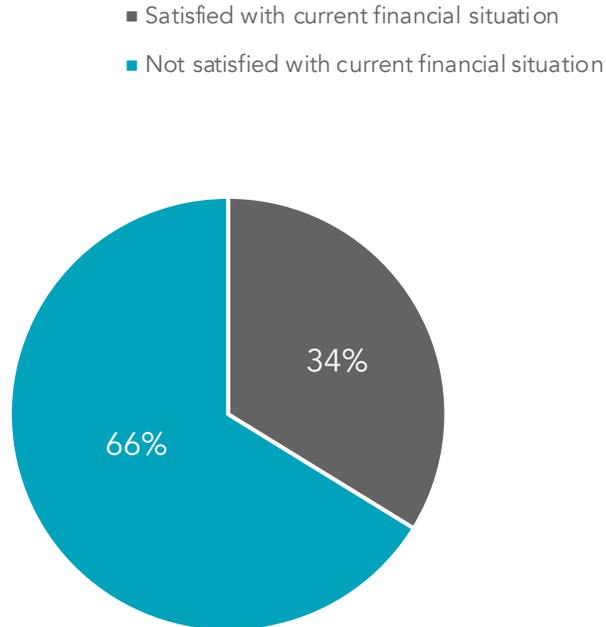
Source: Financial Resilience Institute, June 2024 Financial Well-Being study

[1] Survey respondents rate their level of satisfaction with their financial situation on a scale of 1 to 10, where 1 = not satisfied at all and 10 = extremely satisfied.

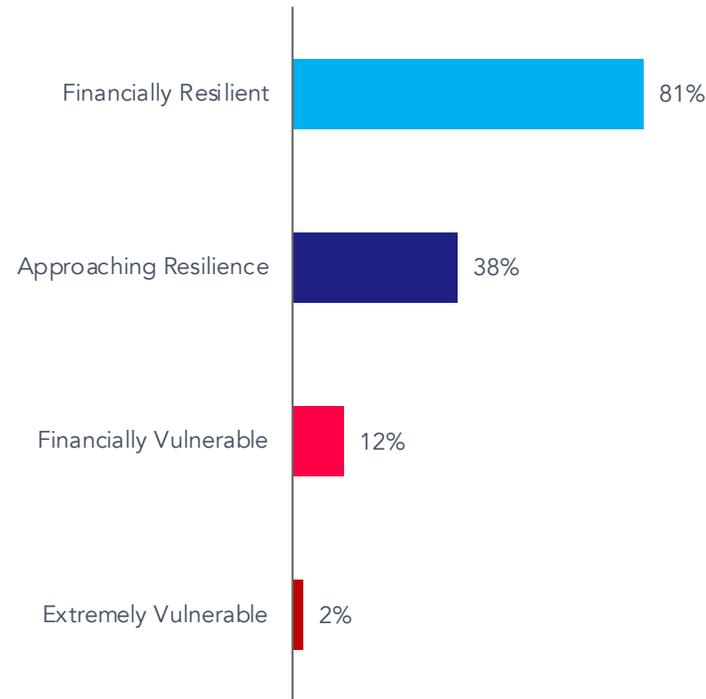
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Canadians that are more financially resilient are more satisfied with their current financial situation and have a mean financial resilience score that is nearly double those who are not satisfied with their financial situation

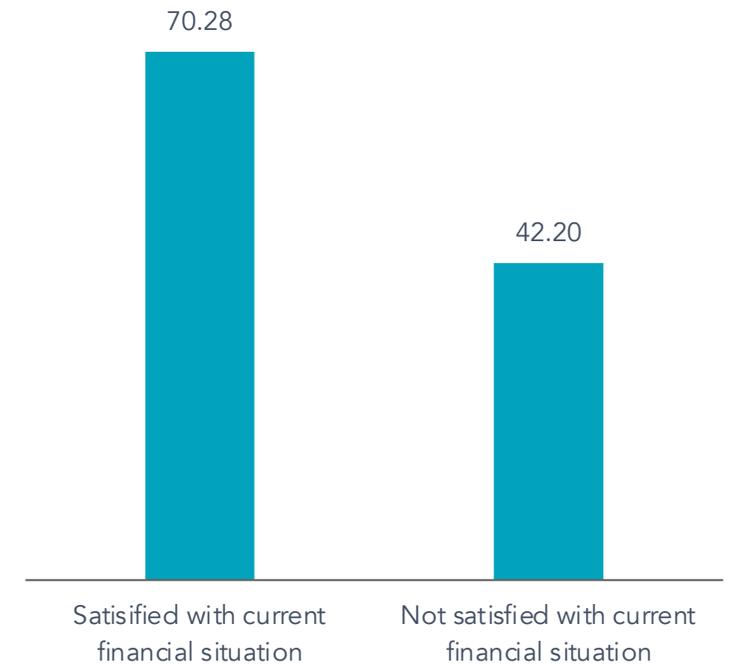
Proportion of Canadians that are and are not satisfied with their financial situation (June 2024)



Proportion of Canadians by financial resilience segment that are satisfied with their financial situation (June 2024)



Mean financial resilience score of Canadians that are and are not satisfied with their financial situation (June 2024)



Source: June 2024 Seymour Financial Resilience Index ® and Financial Well-Being study conducted by Financial Resilience Institute
 '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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7

Emerging Conclusions



Everyone has the right to access economic opportunities that support financial health, resilience, and well-being. Economic and financial inclusion are vital for a thriving society, empowering individuals to earn a living that reflects their talents, skills, and ambitions.

The intersection between economic inclusion and financial resilience is complex, but the data and insights from Financial Resilience Institute in this report validate a clear association between economic inclusion (with the key indicator measured in this paper being the absence of barriers impacting a person's ability to earning money) and improved financial resilience, health, and well-being outcomes. Financial vulnerability affects all income demographics, but access to meaningful employment is crucial. Canadians with access to full-time work exhibit improved financial resilience outcomes compared to those unable to work due to disability, though nuances and unique challenges exist for different populations. Many households experience financial stressors like job loss, reduced hours, or disability, and households that face job insecurity and/or have income volatility are more financially challenged.

Despite over a third of Canadians working hard to maintain or improve their financial resilience, 76% still experience some level of financial vulnerability. This highlights a pressing need for policy interventions and support systems to help Canadians secure meaningful work and overcome systemic barriers. Policymakers, Employers, Financial Institutions, Non-Profit Organizations, and others have a role in fostering financial health, economic inclusion and financial resilience, especially for those disproportionately affected, such as people with disabilities and low-income households. The compounding effect of these barriers can be tracked through the Institute's Financial Resilience Index model and intersectional analysis. Policymakers, Employers and others can help unlock opportunities for more Canadians, and in particular people who face barriers or need help most, while recognizing that driving systems change requires cross-sector collaboration, evidence-based decision making, policy and program innovation and robust impact measurement.

We believe targeted, ongoing support for Canadians facing systemic barriers is essential to reduce financial and overall vulnerability, which impacts health, well-being, families, small businesses, and communities. Empowering Canadians to secure stable, meaningful employment will not only enhance their productivity but also foster intergenerational resilience, paving the way for a stronger, more resilient society.

Appendices



As the leading independent authority on financial well-being in Canada and a non-profit organization, our vision is for improved financial resilience, health and well-being for all.

Purpose

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

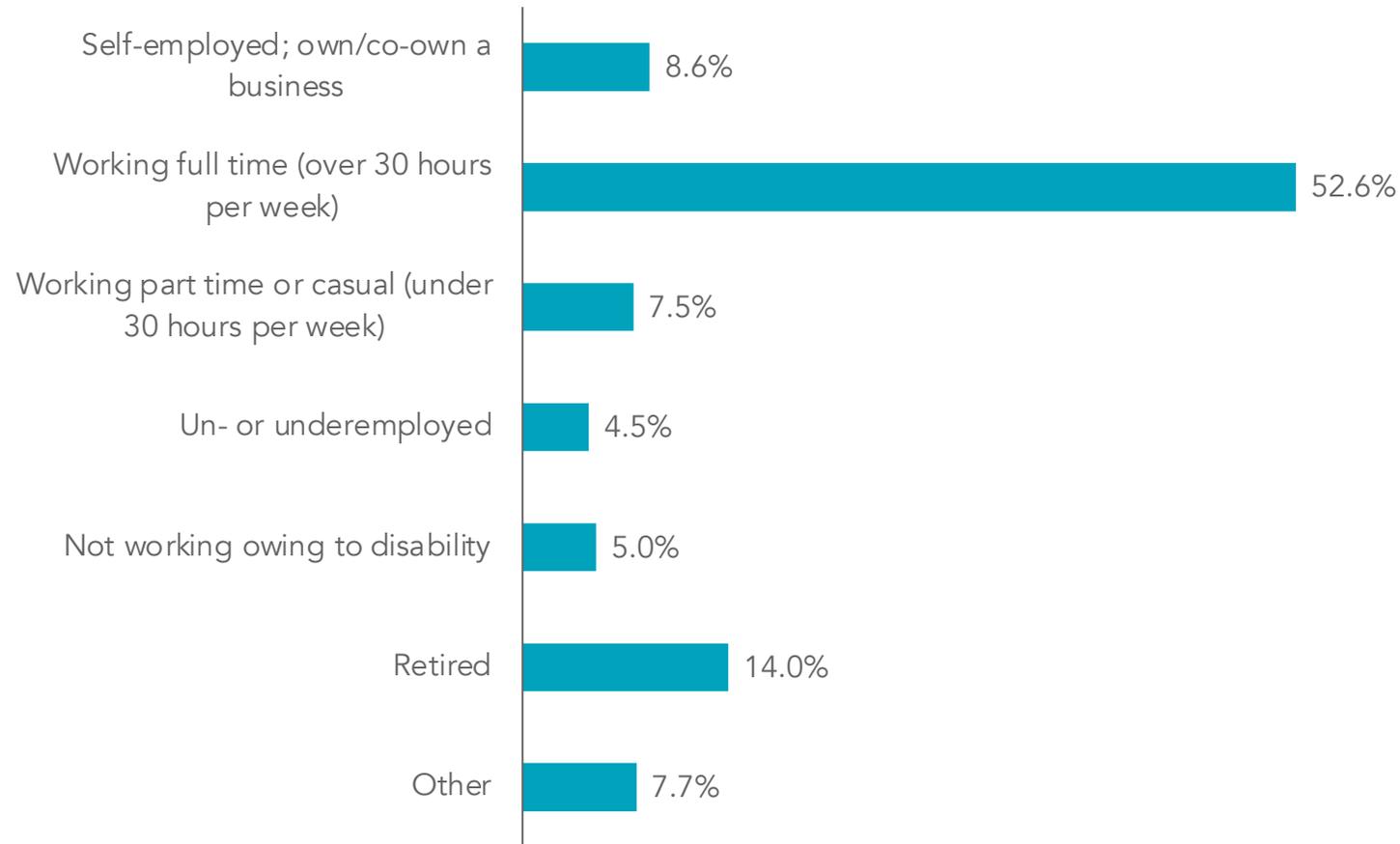
Vision

Improved Financial Resilience for All
Enabling individual and family well-being and resilient, thriving communities.

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 people, businesses and communities to thrive and prosper.



Demographics of June 2024 Financial Well-Being study survey respondents by employment status



Women

- Women have historically been more financially vulnerable than men, and this continues to be the case, with female Canadians reporting a mean financial resilience score of 50.4, 3 points lower than men as of June 2024.
- When this gender gap is combined with additional economic hurdles, the impact on financial resilience is significant – for women who agree that they face barriers to earning money, the mean financial resilience score drops by 9.06 points compared to the average female Canadian, resulting in this population having a mean financial resilience score of 41.3.
- Exacerbated further by the compounding effect of other economic barriers, if these women are also facing income volatility, job insecurity and have needed to take on a side hustle, their mean financial resilience score drops further significantly, standing at 35.4, 15 points lower than female Canadians overall.



Canadians who are unable to work owing to a disability

- With a mean financial resilience score of 31.04, which is 20 points below the national average, Canadians who are not working due to a disability are by far the most challenged across different employment status categories as of June 2024.
- Despite challenges, 24% of Canadians not working due to a disability have taken on side-hustles to earn additional income. However, despite these efforts, this population reports a mean financial resilience score of 27.3, putting them in the 'Extremely Vulnerable' segment.

Robust Sample Size for the Financial Well-Being Studies (2017- 2024)

Canada's most robust and only 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 2024 study	6218	5433	1.24%
February 2024 study	6223	5449	1.24%
October 2023 study	5006	4462	1.20%
June 2023 study	5736	5038	1.09%
February 2023 study	5010	4304	1.20%
June 2022 study	5061	4505	1.19%
June 2021 study	5028	4504	1.20%
Feb. 2021 study	3018	2710	1.64%
Oct. 2020 study	3016	2635	1.64%
June 2020 study	4989	4462	1.20%
February 2020 study	1013	919	3.00%
June 2018 study	5067	N/A	1.19%
June 2017 study	5218	N/A	1.17%

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

[2] The Financial Well-Being studies, conducted by Financial Resilience Institute, are a 15-18 minute online survey with survey respondents recruited through the Angus Reid Forum, Canada's most engaged and respected online panel. All survey design and analysis are conducted by Financial Resilience Institute. The study has a representative sample of the population by household income, age, province and gender.

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The Financial Well-Being study conducted by the Institute is Canada's only and most robust, independent study on consumer well-being (2017 to 2024)

The Financial Well-Being study is conducted three times a year, with benchmark data and customized analytics provided to organizations. June 2024 study has a robust sample size of 6219 adult Canadians from a representative sample of the population by age, household income and province.



- The Financial Well-Being study is Canada's only and most robust national, independent investigation into consumer financial resilience/ financial vulnerability, financial stress/ financial wellness, financial well-being and the linkage between financial health and overall personal well-being.
- Most studies have a sample size of 5000 adult Canadians from a representative sample of the population by household income, age, gender and province
- The study is a 15-minute online survey, conducted annually in June 2017, 2018 and 2019, then three times a year pre-and post-pandemic (February 2020, June 2020, October 2020); annually in June 2021 and June 2022 and then three times a year starting from February 2023 to date.
- In 2023 and beyond, the Financial Well-Being study is being conducted in February, June and October of each year, with benchmark data provided for organizations working with the Institute and adopting the Index.
- The study provides independent longitudinal data and tracking on the the extent to which tier-one bank Financial Institutions, Employers and others are supporting their customers or employees' financial wellness for customers overall, those who are more financially vulnerable and key segments. The Institute also measures plus business and social benefits, financial inclusion and access to help challenges and more for Canadians and the customers or employees of organizations working with the Institute.

Primary or joint financial decision makers, aged 18 to 70 years from a representative sample of the population by province, age, gender and household income.

5000 survey respondents recruited through the Angus Reid Forum, Canada's most respected and engaged online panel, with all study design, analysis, Index reporting and end-to-end deliverables led by Financial Resilience Institute.

Highly robust Index and longitudinal dataset, with Quebec data included as of June 2020.

Seymour Financial Resilience Index ® Development Methodology

As of June 2024, the Index model is stronger than ever, with indicators accounting for 65 percent in the variance in the financial resilience construct. All indicators are significant at a 95% confidence interval, with p-values less than 0.05.

- The Seymour Financial Resilience Index ® is a proprietary regression model developed over 5 years based on an iterative process to regress 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 65 per cent of the variance in the financial resilience construct as of June 2024 and February 2024, with the Index model stronger than ever. The nine indicators accounted for 60 per cent of the variance in the financial resilience construct as of October 2023; 63 percent as of June 2023, 62 percent as of February 2023 and June 2022, and 64 percent 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 leveraging multiple linear regression model technique.
- 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 [1].

The Index has been peer-reviewed by Statistics Canada, UN-PRB, C.D. Howe Institute. Haver Analytics and leading Financial Institutions and other organizations using it. It was developed building on over seven years of national Financial Well-Being studies data, with a pre-pandemic baseline of February 2020. The Index is complemented with the Financial Well-Being studies instrument, with longitudinal research and analytics being conducted with around 1500 of the same households (from the total sample of 5000 households) over time. The Index is being used by financial institutions and other organizations to measure and track the financial resilience and financial well-being of their customers and stakeholders over time and other aspects such as the extent to which their customers rate them for helping to improve their financial wellness; financial inclusion challenges, financial stressors, financial behaviours and more.

[1] The 8 unchanged indicators account for 93% of the predictability of household financial resilience as of February 2023 and 90% as of June 2022.

Financial health, stress and vulnerability data are available dating back to 2017 with mean financial resilience score data based on the Index available from 2020. The Index is complemented with financial health, stress and vulnerability data available by household income and for key populations dating back to 2017 based on the national Financial Well-Being studies dataset.

More information on the Index is available in the at: <https://www.finresilienceinstitute.org/why-we-created-the-index/>

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Recognition and thanks to our funder Coast Capital for supporting us in publishing this report as together we work to help improve financial resilience and financial well-being for all

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