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

Financial Resilience Institute

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

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

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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.

Financial Resilience Institute

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.

About this Report

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 [1]

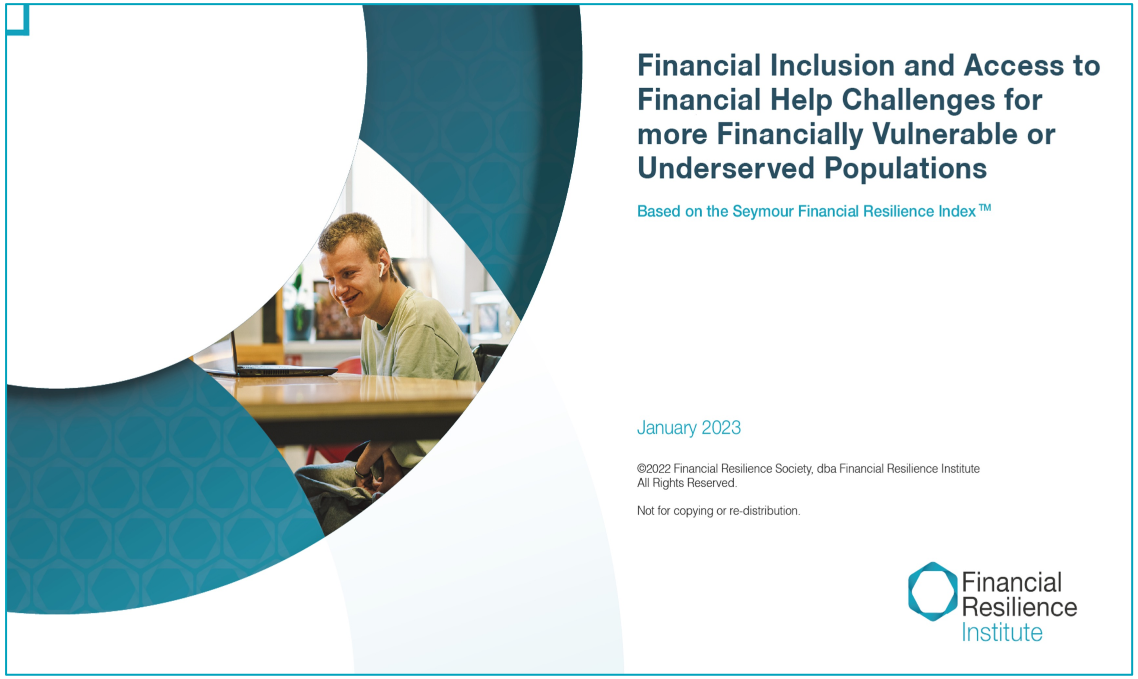
This Financial Resilience Institute report provides some insights on the financial resilience (and financial vulnerability) of some of Canada's most financially vulnerable populations. Findings from this report on the financial vulnerability, stressors and sample access challenges are based on the Seymour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

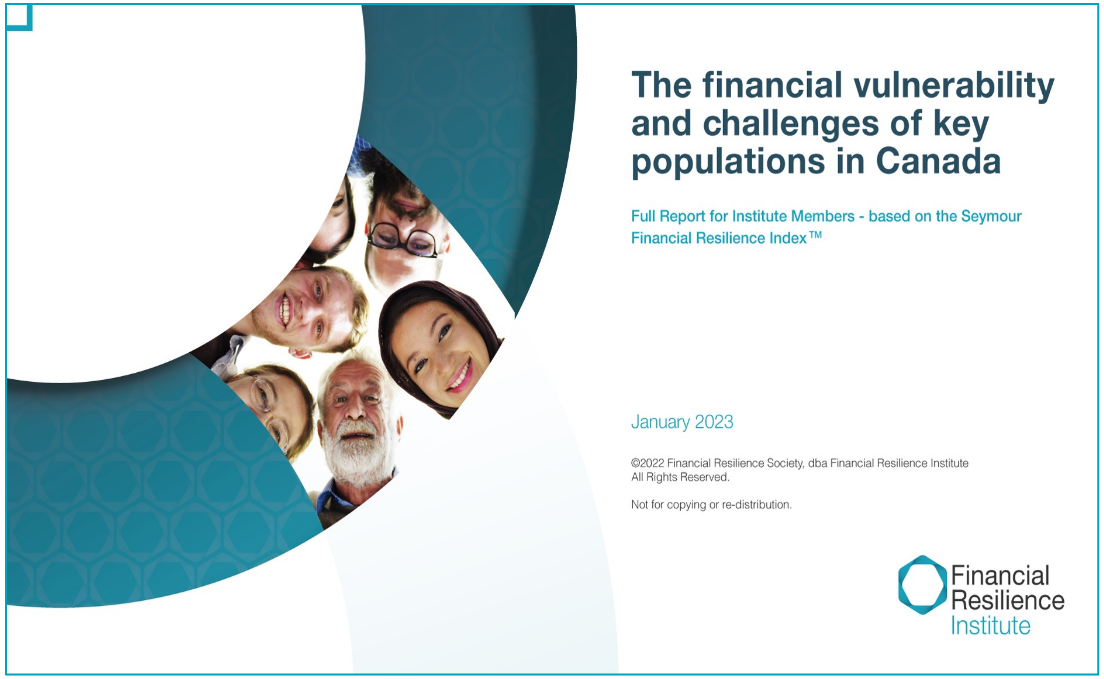
Context for this Report

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.

[1] The Index is being levered by Financial Resilience Institute (a non-profit organization) as a community asset for good. It was created in order to shine a light on the financial resilience (and financial vulnerability) of Canadians and those who are more vulnerable, so that Financial Institutions, Policymakers, Purpose-Driven Organizations, Community Organizations and other leaders can understand, measure and track the financial resilience and financial well-being of their stakeholders over time, while measuring their impact. In this way, these organizations they can in turn provide more targeted support for their customers, employees and communities, with financial resilience and financial well-being tracking contextualized with robust, independent longitudinal benchmark data. This report provides data for the ecosystem, with customized data and analytics available for clients and partners working with Institute, along with strategy and program development to help spark financial health innovation and ultimately, help improve the overall resilience and well-being of Canadians and key populations.

This report is complemented with the free 'Financial Vulnerability and Challenges of Key Populations in Canada' report.





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

Financial Resilience Institute

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 (2017-2022)

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 (2017-2022)

[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.

Financial Well-Being Framework, developed in 2016.

Financial Resilience Institute

Consumer Financial Well-Being

- Solutions & products
- Customer Experience
- Information & Planning
- Tools & Advice

Financial Resilience and Capability

- Knowledge & Skills
- Confidence
- Behaviours

Consumer and Financial Behaviours

- Daily Financial Management
- Borrowing and Debt Management
- Save, Plan and Invest
- Protect against the unexpected

Seymour Financial Resilience Index ™

Financial Health

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

Financial Resilience

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

Financial Wellness

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

The national Financial Well-Being Study (2017 to 2023 onwards)
A complementary instrument to the Seymour Financial Resilience Index TM

Financial Resilience Institute

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 TM

About the Seymour Financial Resilience Index TM

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.***

Household ousehold financial resilience is tracked at the national, provincial, segment and individual household level

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.

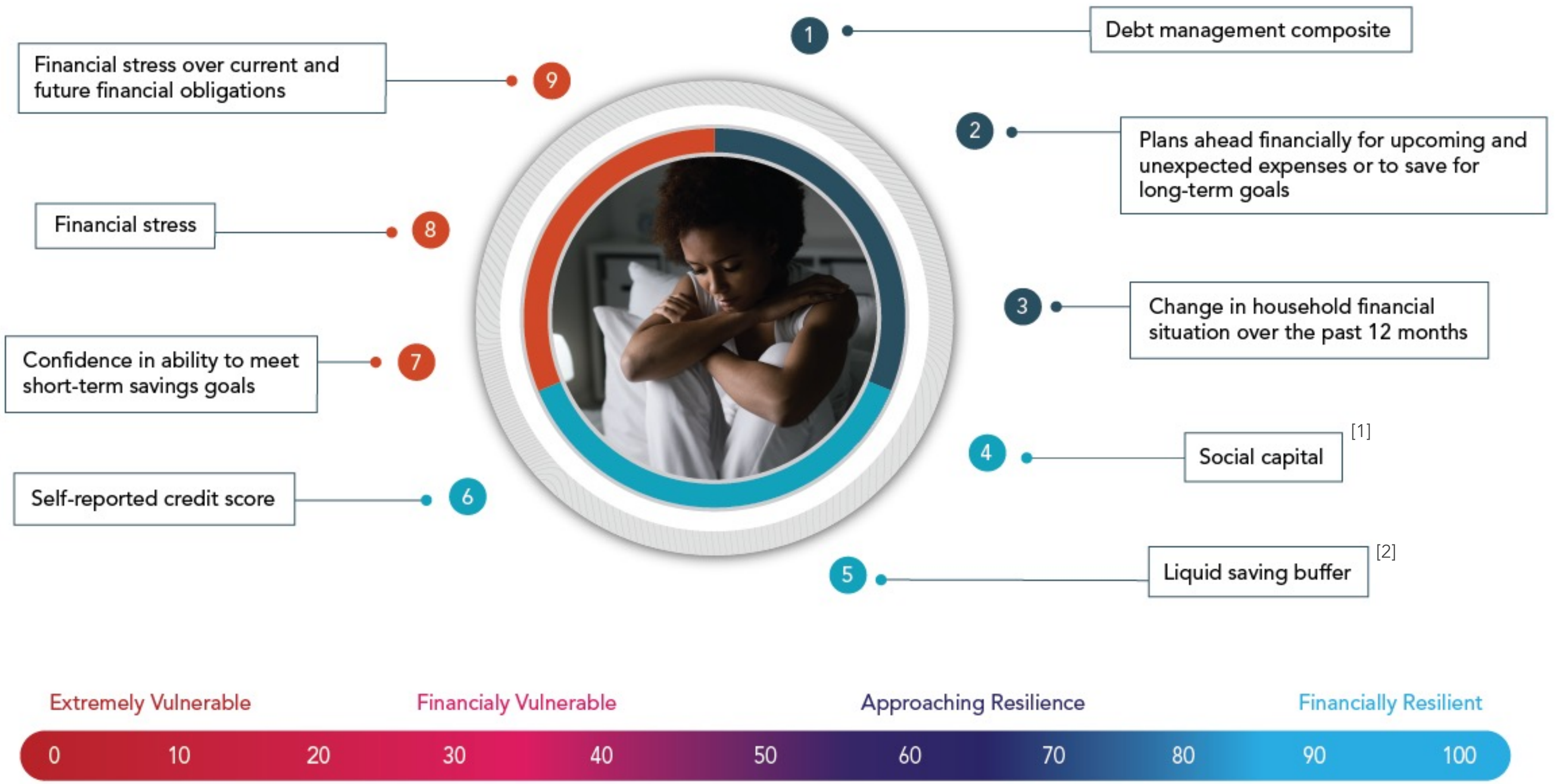
Emotional peace of mind in terms of our financial situation, and current and future financial obligations. The opposite is financial stress.

[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, UN-PRB 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. The Index also measures and tracks the financial resilience of tier-one bank customers and the extent to which their customers rate their bank for helping to improve their financial wellness. More information on the Index development and methodology processis available at https://www.finresilienceinstitute.org/why-we-created-the-index/

Seymour Financial Resilience Index TM 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.

Index Scoring Model

Financial Resilience Institute

0 10 20 30 40 50 60 70 80 90 100

Extremely Vulnerable	Financially Vulnerable	Approaching Resilience	Financially Resilient
Financial resilience scores between **0 and 30** represent individuals and households that are most vulnerable and unable to survive financial stressors or shocks. These people report financially resilient outcomes across none of the nine indicators.	Financial resilience scores between **30.01 and 50** represent individuals and households that are financially vulnerable to large financial stressors or shocks yet subsisting under normal conditions. These people report financially resilient outcomes across few of the nine indicators.	Financial resilience scores between **50.01 and 70** represent individuals and households building their financial resilience in the absence of financial shocks. These people report financially resilient outcomes across some of the nine indicators.	Financial resilience scores between **70.01 and 100** represent individuals and households that can endure financial shocks with little effect to their overall financial resilience. These people report financially resilient outcomes across nearly all (or all) of the nine indicators.
0 - 30	30.01 - 50	50.01 - 70	70.01 - 100

'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.

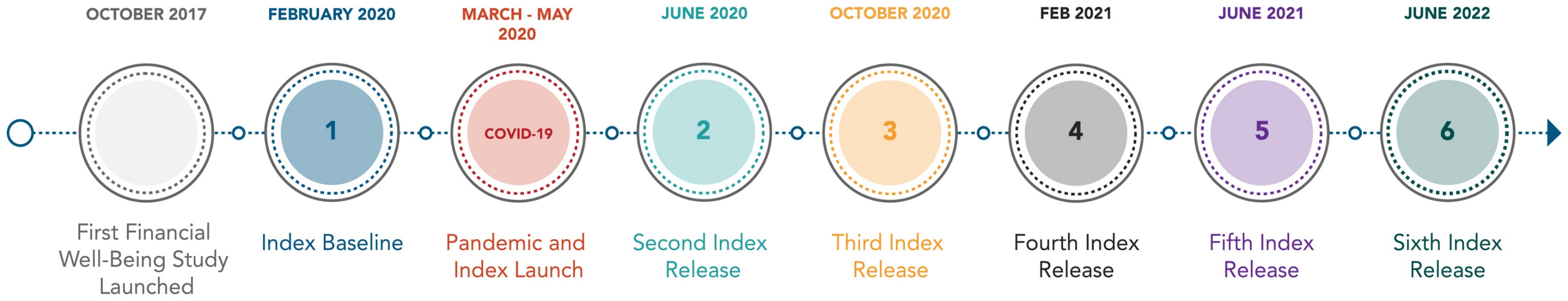
Index Development Methodology and Roadmap: Summary

Financial Resilience Institute

- **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 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.
- Model validated against all years of Financial Well-being studies data between 2017 and 2022. 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.

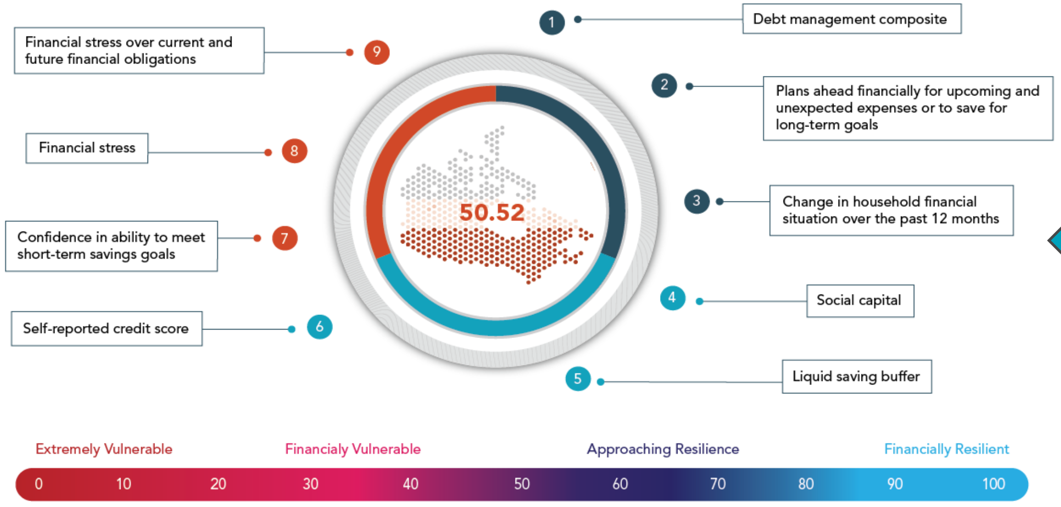


The Index and Financial Well-Being Studies are complementary instruments

Financial Resilience Institute

1

Seymour Financial Resilience Index TM



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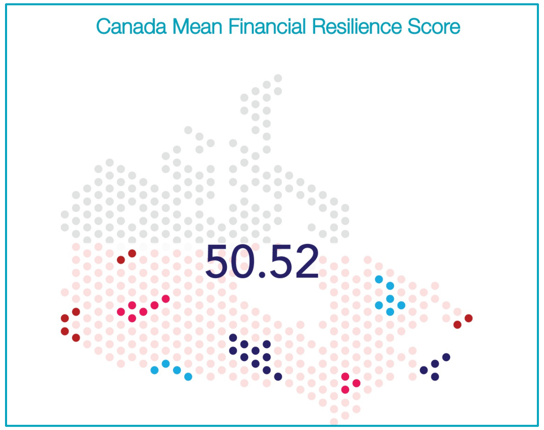
Longitudinal Financial Well-Being study

(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.



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

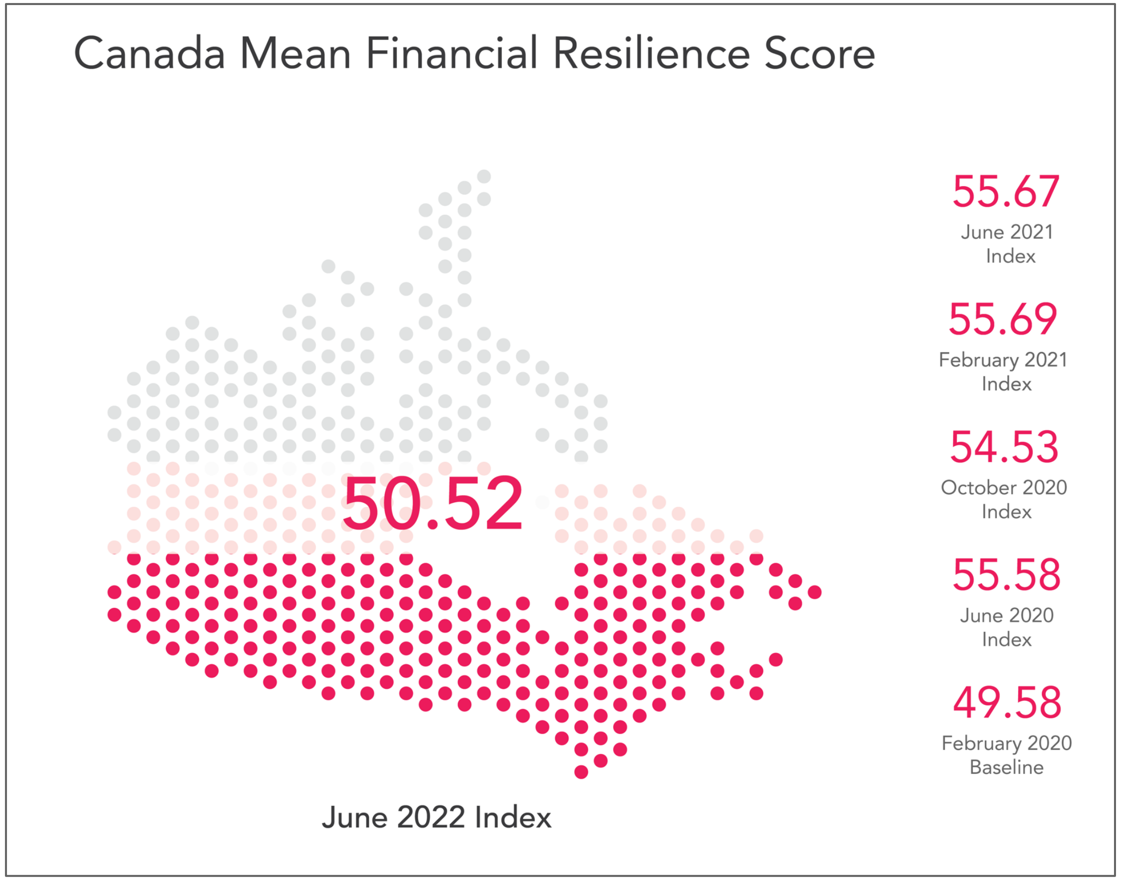
Segment

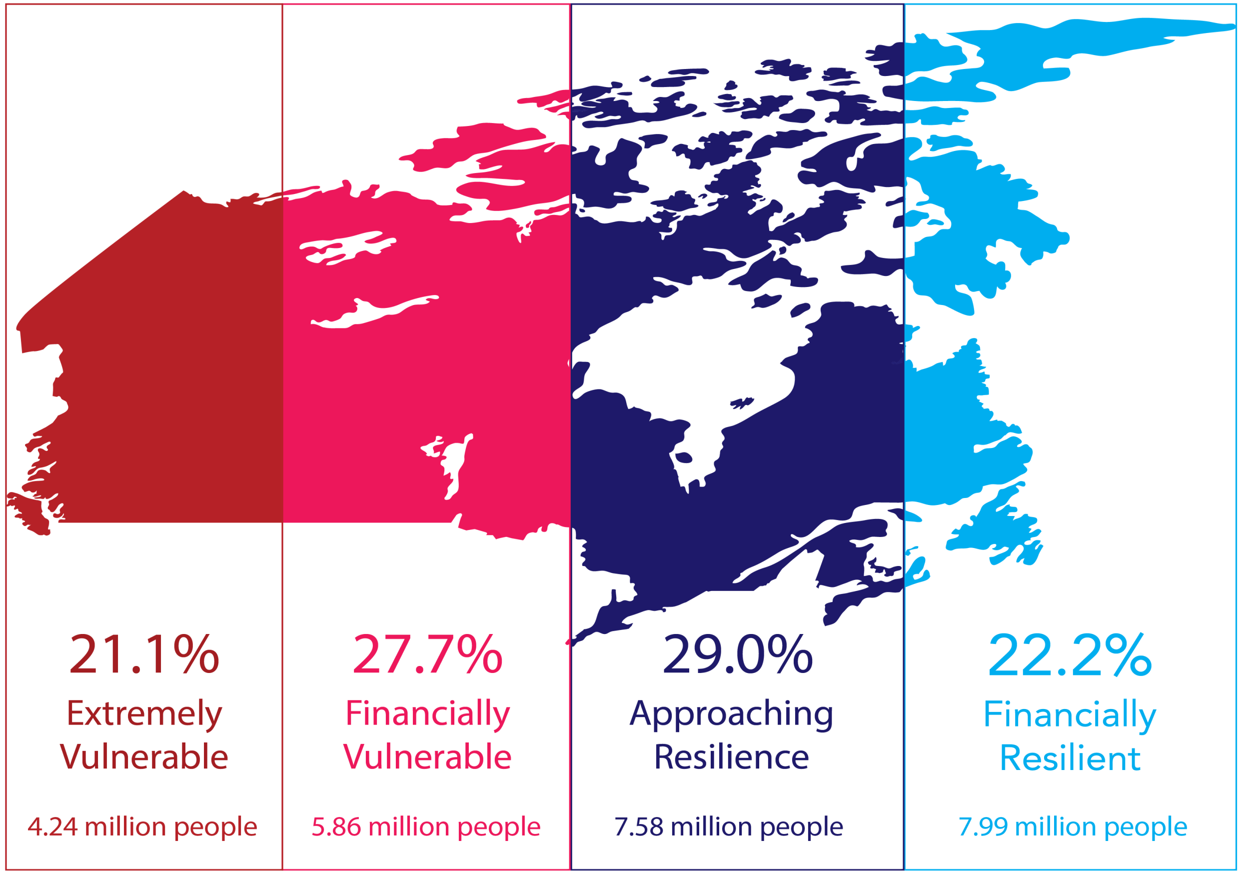
Organization

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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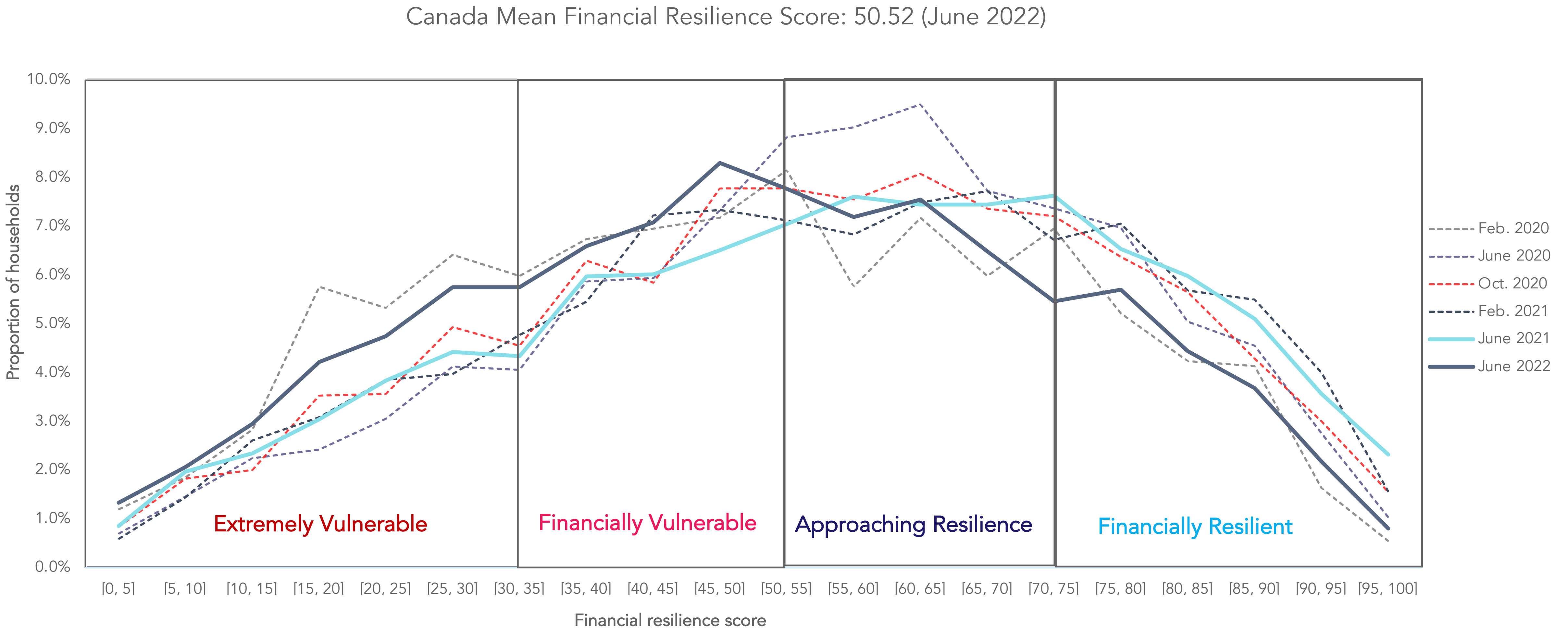
Seymour Financial Resilience Index TM Distribution

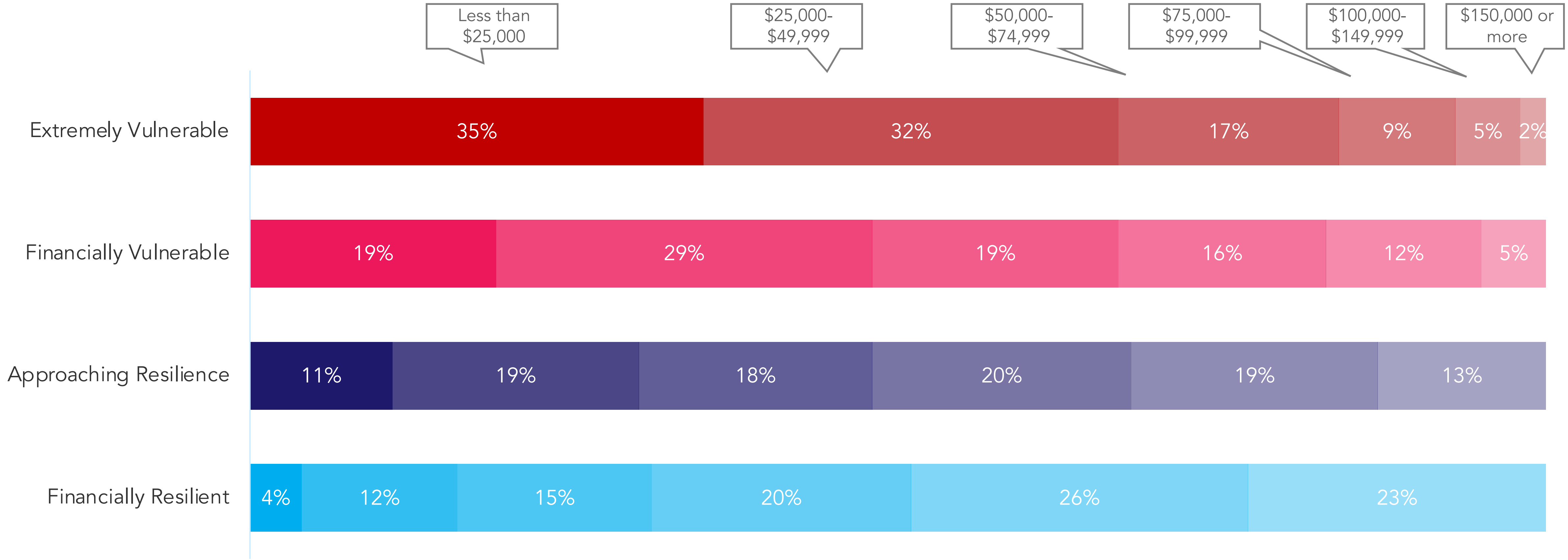
From February 2020 (pre-pandemic) to June 2022



Source: Seymour Financial Resilience Index TM. Seymour Financial Resilience Index ™ is a trademark used under license.
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.

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.

Source: June 2022 Seymour Financial Resilience Index ™

2

Executive Summary, Key Insights and the ‘Financial Resilience Gap’

Executive Summary

Financial Resilience Institute

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 TM 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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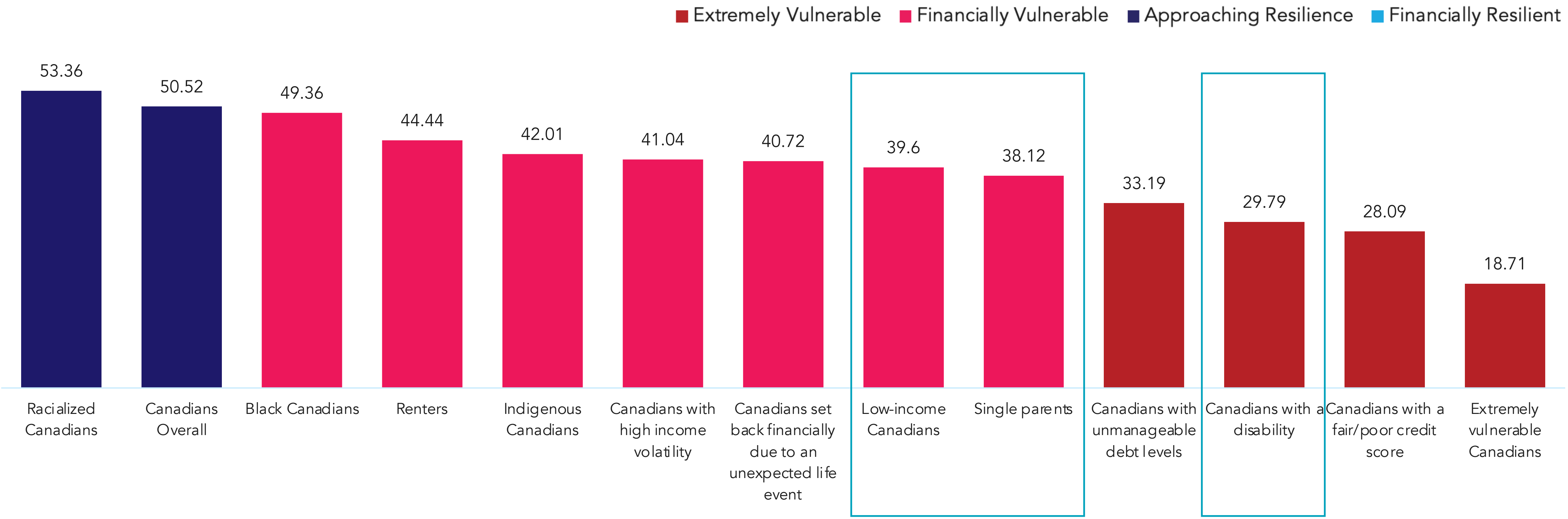
Comparison of key populations that are more financially vulnerable as of June 2022 [1]

Financial Resilience Institute

'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



'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] Racialized Canadians (and other population samples) include people from all household income demographics, with this segments' mean financial resilience score higher than for Canadians nationally --perhaps as a result of more financially resilient populations (including new immigrant professionals earning higher incomes) being included. A boost sample of Racialized and Black Canadians would enable deeper-dive analytics and created nuanced insights or the ecosystem.

Source: June 2022 Seymour Financial Resilience Index ™ Seymour Financial Resilience Index ™ is a trademark used under license.

Key Insights

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.

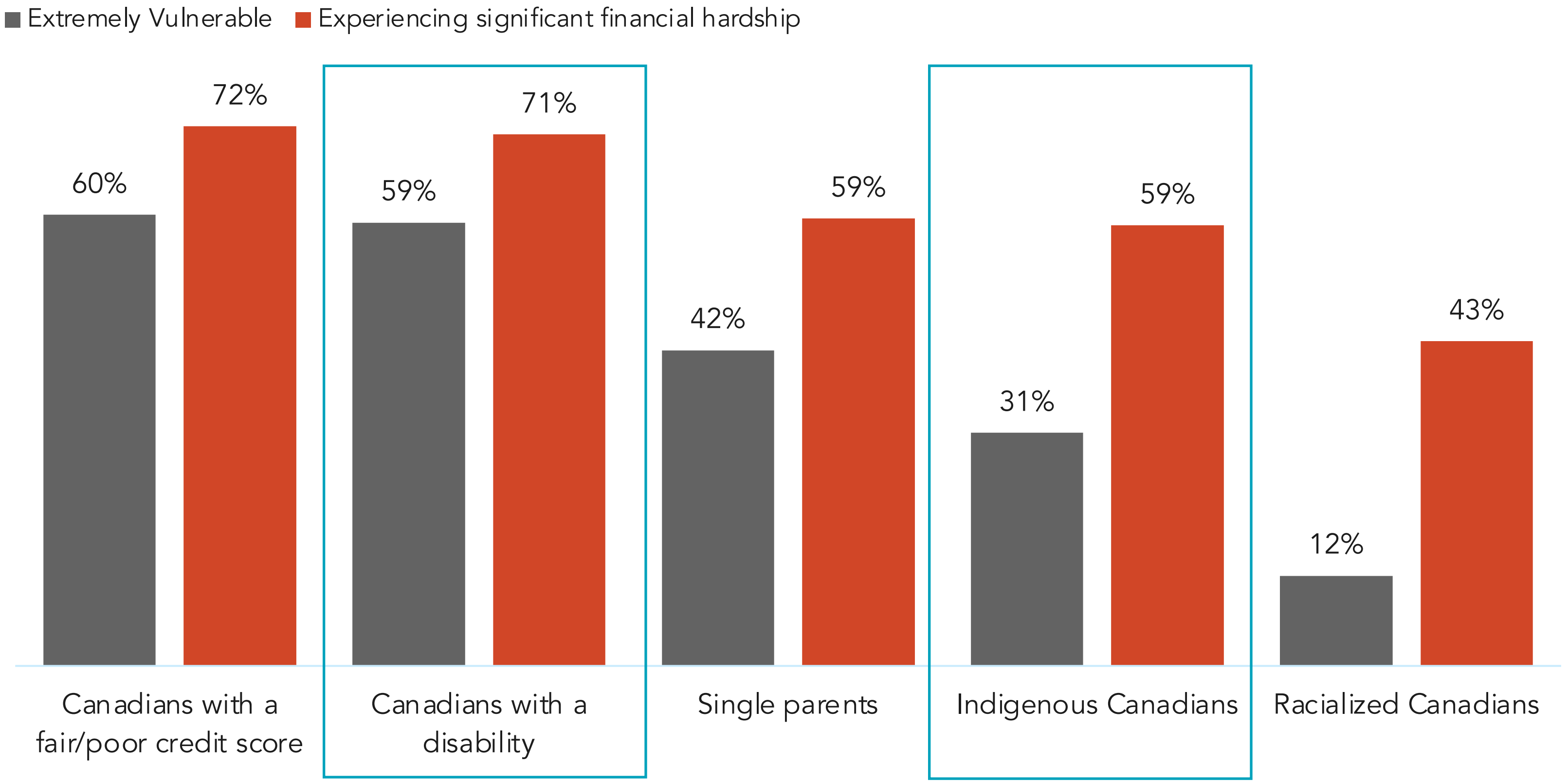
- Financial Resilience Institute report provides some insights on the financial resilience (and financial vulnerability) of some of Canada's most financially vulnerable populations. Findings from this report on the financial vulnerability, stressors and sample access challenges are based on the Seymour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

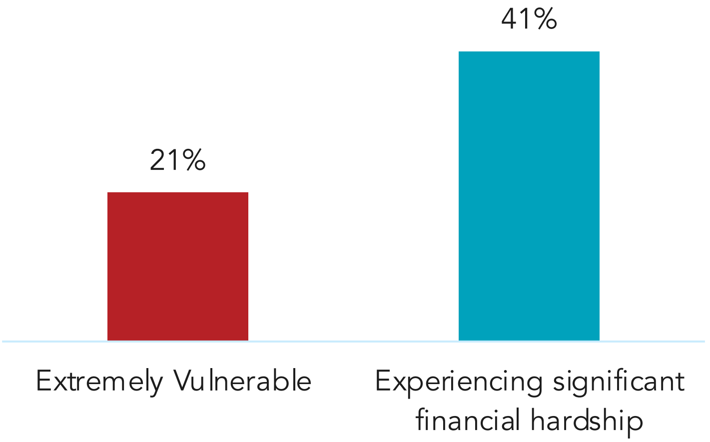
More financially vulnerable populations are much more likely to experience significant financial hardship or to be 'Extremely Vulnerable' [1]

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



Percentage of Canadians overall that are 'Extremely Vulnerable' or experiencing significant financial hardship (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.

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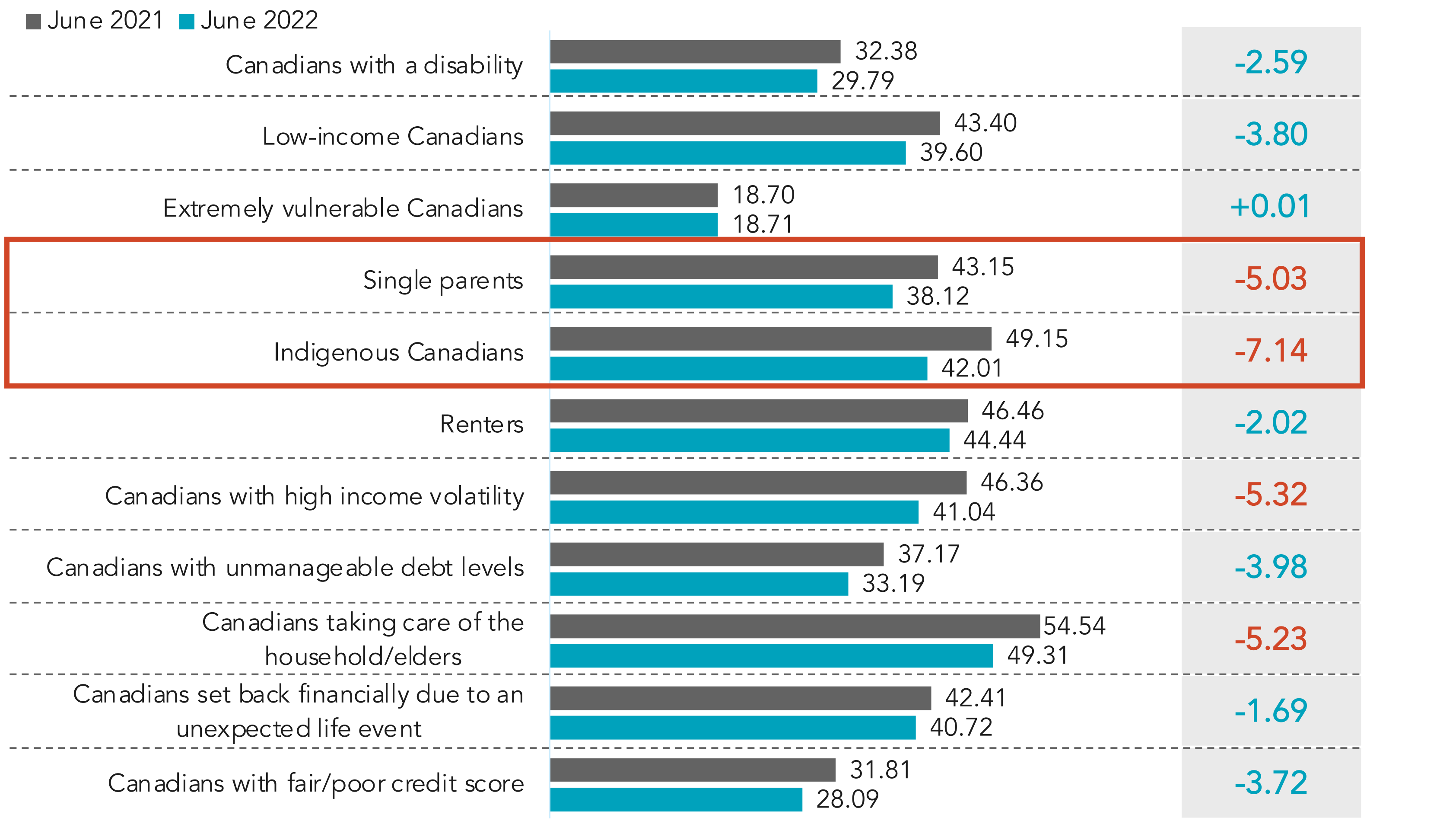
Mean financial resilience score for populations

Mean score change June 2021 to June 2022







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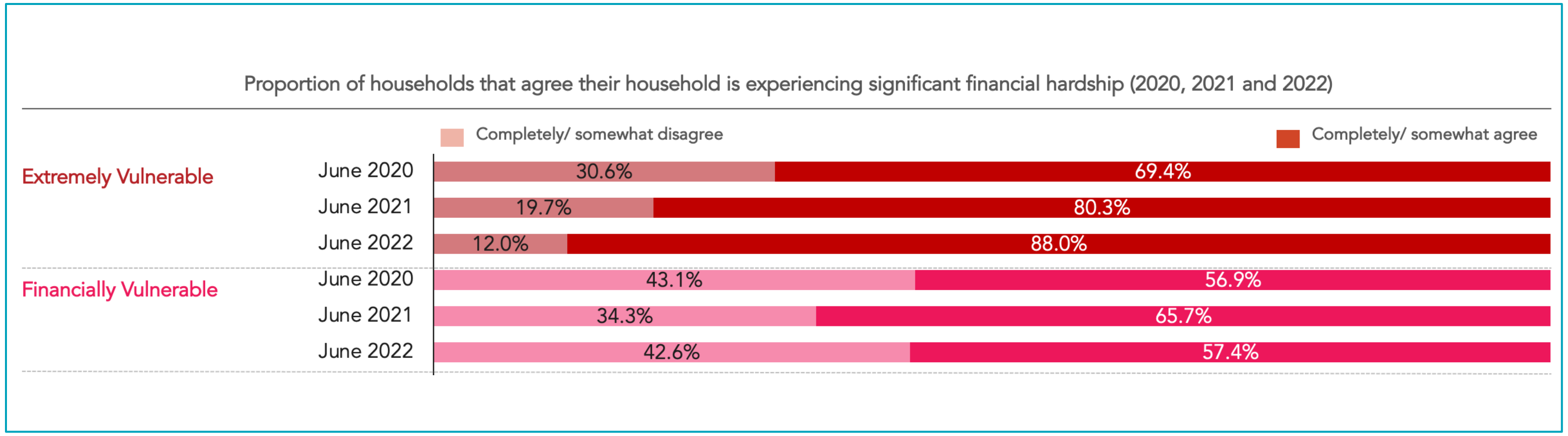
The Financial Resilience gap: With 88% of 'Extremely Vulnerable' Canadians experiencing significant financial hardship compared to 2% of 'Financially Resilient' households.

Financial Resilience Institute

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 TM, 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. 22.5% of 'Approaching Resilience' 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].



[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. Population estimates are based on a total population of 25.70 million adult Canadians aged 18 to 70 years old as of July 2021 (Statistics Canada)

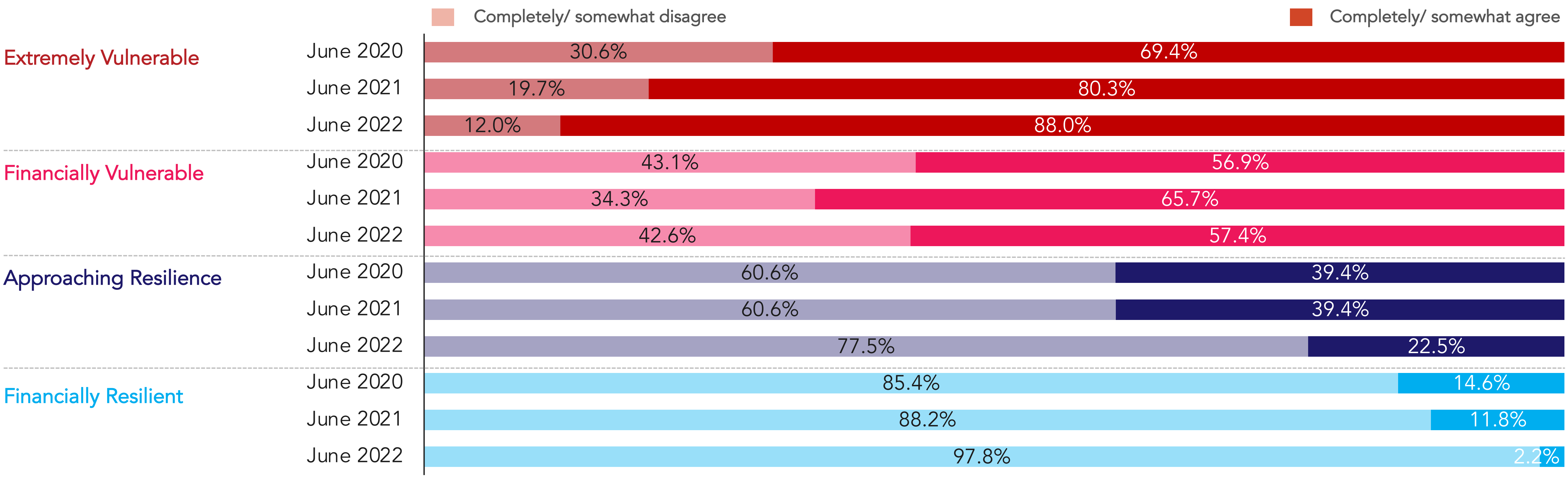
Source: Seymour Financial Resilience Index ™ Seymour Financial Resilience Index ™ is a trademark used under license.

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

Financial Resilience Institute

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.

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

Financial Resilience Institute

For example:

36% of households with a disability and 25% of low-income Canadians havee 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

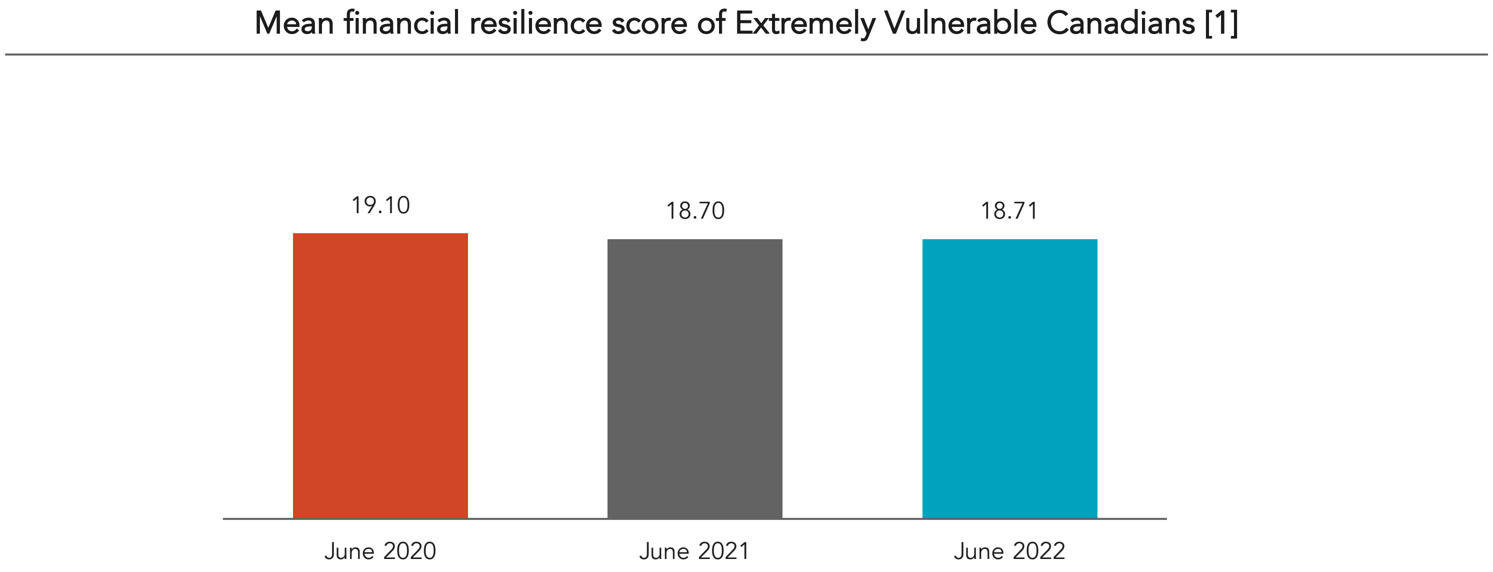
13% of Indigenous Canadians have taken out a payday loan and 27% an installment loan in the last 12 months as of June 2022, with challenges evident across a many debt and financial stress indicators.

'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.

3

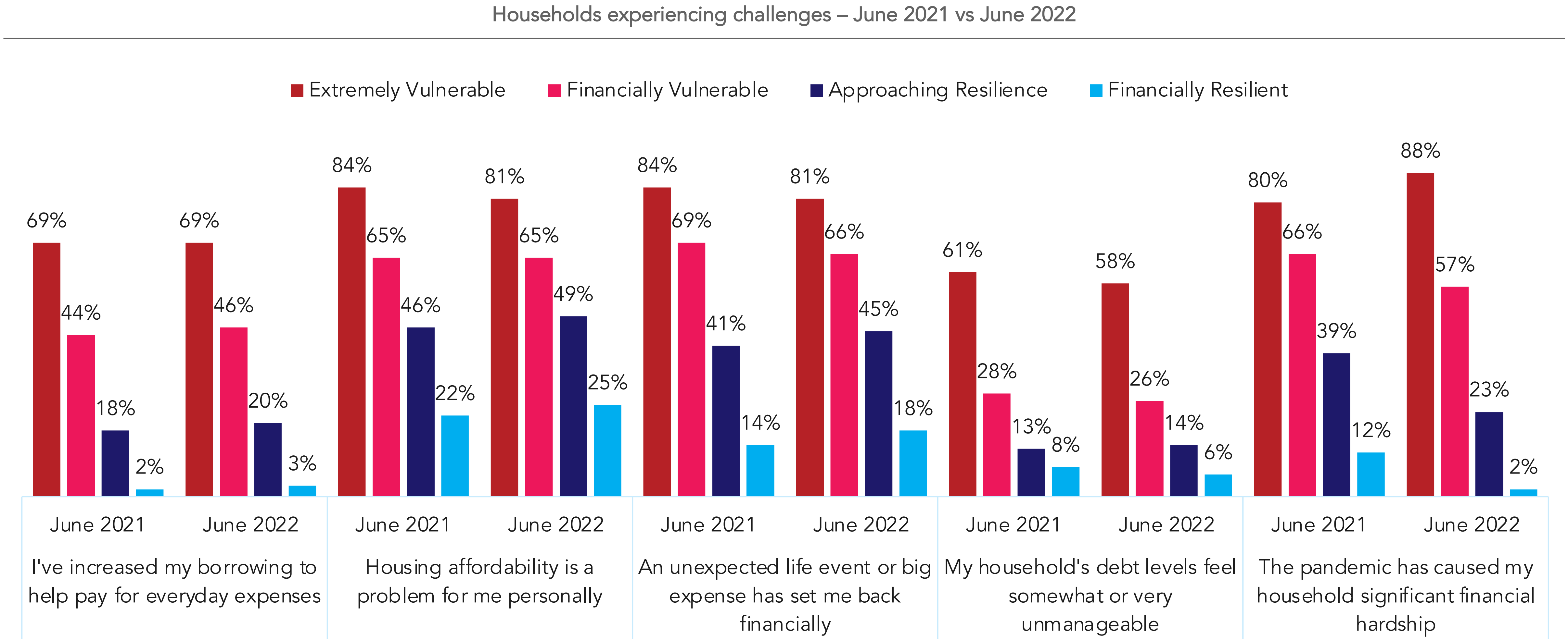
Sample insights on the financial resilience of some of Canada's most financially vulnerable or underserved populations

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



[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.
Source: Seymour Financial Resilience Index TM Seymour Financial Resilience Index TM is a trademark used under license.

Housing affordability is a challenge for 84% of 'Extremely Vulnerable' households with 69% having increased their borrowing to pay for everyday expenses, compared to just 3% for 'Financially Resilient' households.

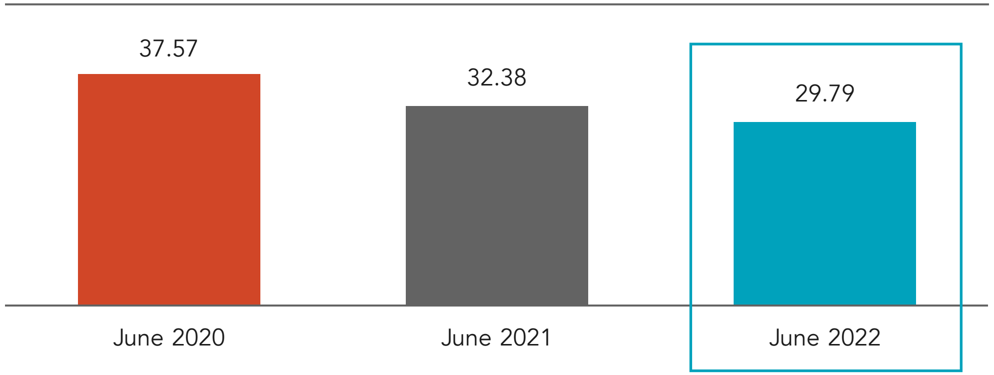


'Extremely Vulnerable' households have a financial resilience score of 0 to 30; 'Financially Vulnerable' a score of 30.01 to 50; 'Approaching Resilience' a score of 50.01 to 70, and 'Financially Resilient' a score of 70.01 to 100.
Source: Seymour Financial Resilience Index ™ Seymour Financial Resilience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

Canadians not working owing to a disability are one of the most financially vulnerable populations in Canada. Over the past two years, their financial vulnerability has increased.

The mean financial resilience score of Canadians with a disability was 29.8 as of June 2022, which is 19% lower than I in June 2020 during the pandemic.

Mean financial resilience score of Canadians not working owing to a disability [1]



- 82% of households with a disability are 'Extremely Vulnerable' or 'Financially Vulnerable' as of June 2022, compared to 48% of households generally.
- Nearly 1 in 2 Canadians with a disability are unable to get or afford the food they need, with 17% not paying their bills on time and 69% lacking access to affordable credit.

'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.

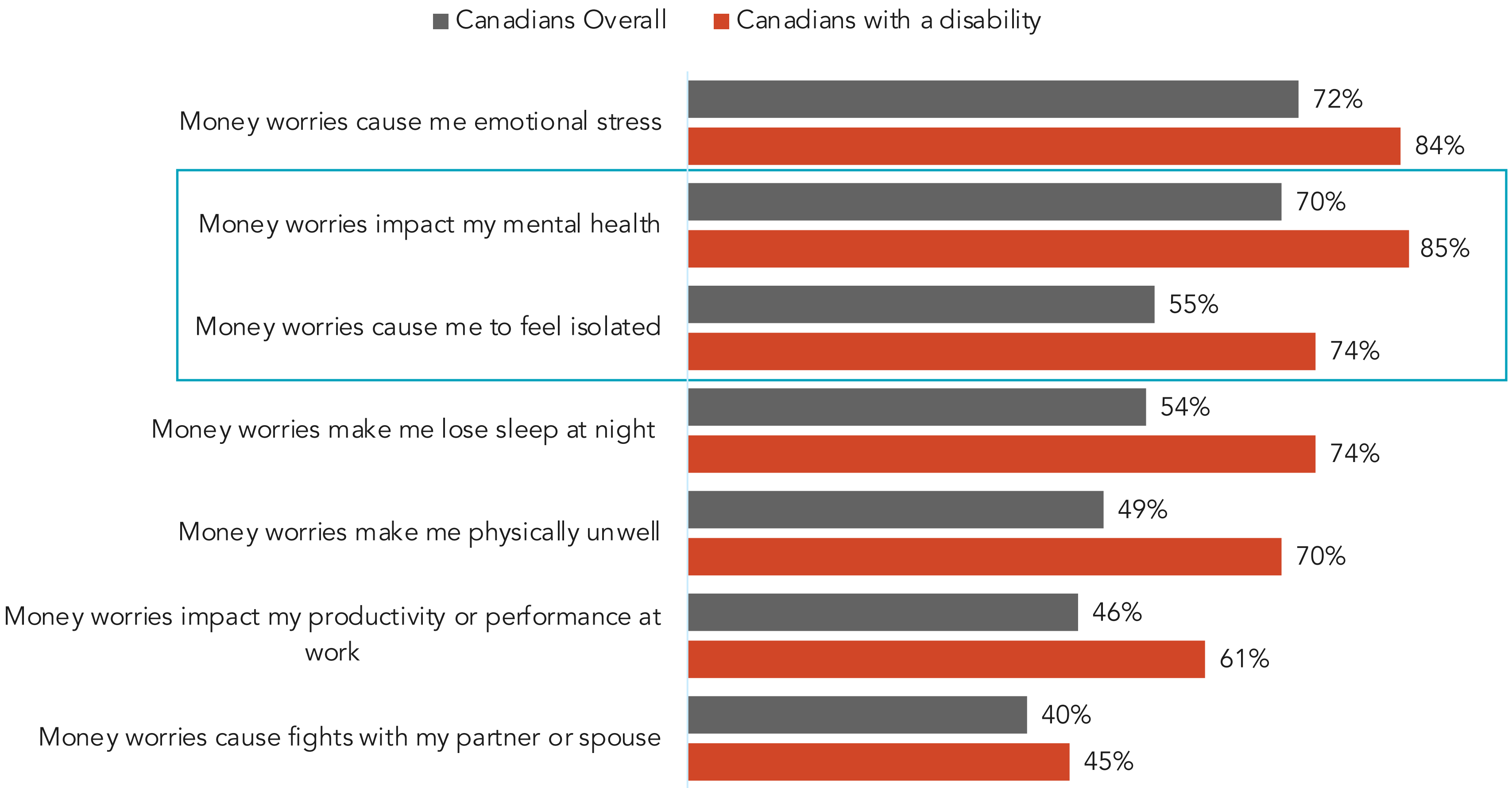
[1] Sample sizes for respondents not working owing to a disability are 256 for June 2020, 323 for June 2021 and 339 for June 2022.

Source: June 2022 Seymour Financial Resilience Index ™ Seymour Financial Resilience Index ™ is a trademark used under license.

Canadians with a disability are much more affected by financial stress, which in turn has negative impacts on their physical and emotional health and well-being.

Financial Resilience Institute

85% of Canadians not working owing to a disability report that money worries negatively impacts their mental health, 70% their physical health and for 74% causes them to feel isolated.

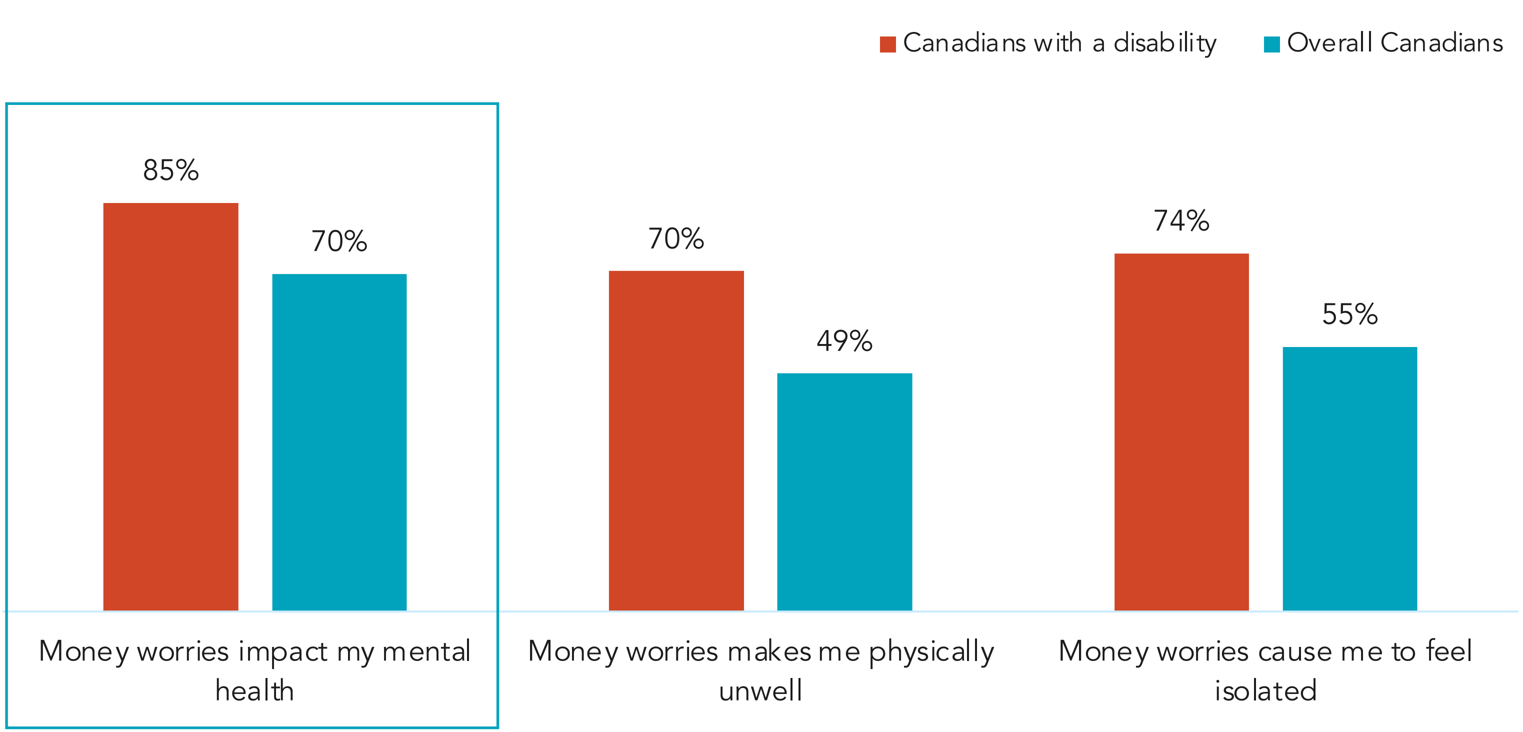


Source: June 2022 Seymour Financial Resilience Index ™ Seymour Financial Resilience Index ™ is a trademark used under license.

73% of Canadians with a disability want to better understand their household financial situation and how they can improve it.

Yet many are financially vulnerable and financially stressed, with financial stress negatively impacting the mental health of 85% of Canadians with a disability and the physical health of 70% of these households. It is also causing isolation for nearly 3 in 4 families.

Percentage of households not working owing to a disability that report financial stress negatively impacts their mental health, physical health or causes isolation (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.

[1] Sample sizes for respondents with a disability are 256 for June 2020, 323 for June 2021 and 339 for June 2022.

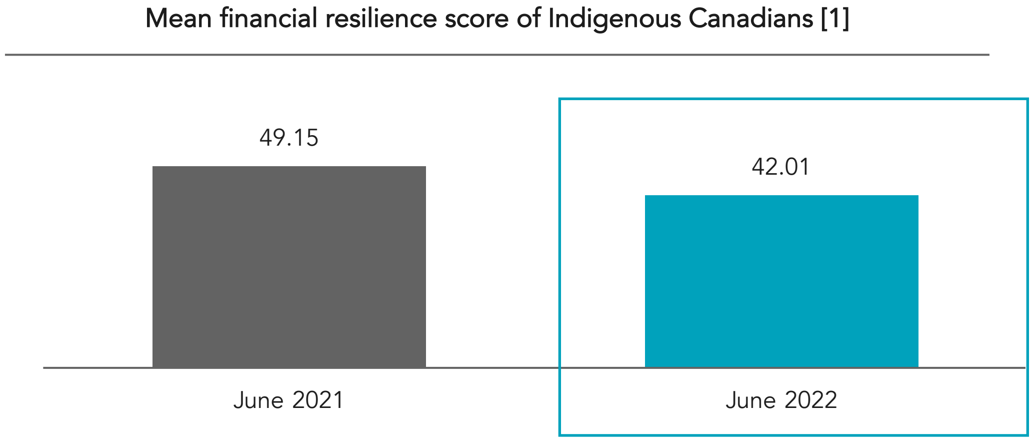
Source: June 2022 Seymour Financial Resilience Index ™ Seymour Financial Resilience Index ™ is a trademark used under license.

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

Financial Resilience Institute

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]



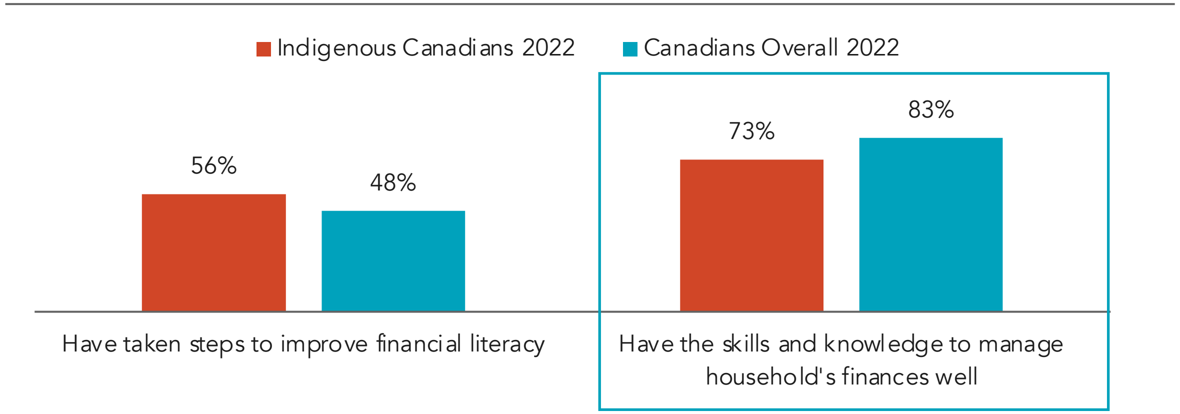
- A third of Indigenous Canadians have a liquid savings buffer of less than 3 weeks, while 48% have a negative or zero savings rate based on the June 2022 Index.
- 59% of Indigenous Canadians report experiencing significant financial hardship.

[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.
Source: Seymour Financial Resilience Index ™ Seymour Financial Resilience Index ™ is a trademark used under license.

56% of Indigenous Canadians report they have taken steps to improve their financial literacy in the past 12 months, however 27% also report they do not have the financial literacy (skills and knowledge) to manage their household finances well.

This is higher than for Canadians overall and highlights the potential value of relevant financial literacy and financial resilience programs, tools and support based on the unique needs of Indigenous Canadians.

Percentage of Indigenous households that report they have the skills and knowledge to manage their households' finances well and have taken steps to improve their financial literacy (June 2022)



[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.

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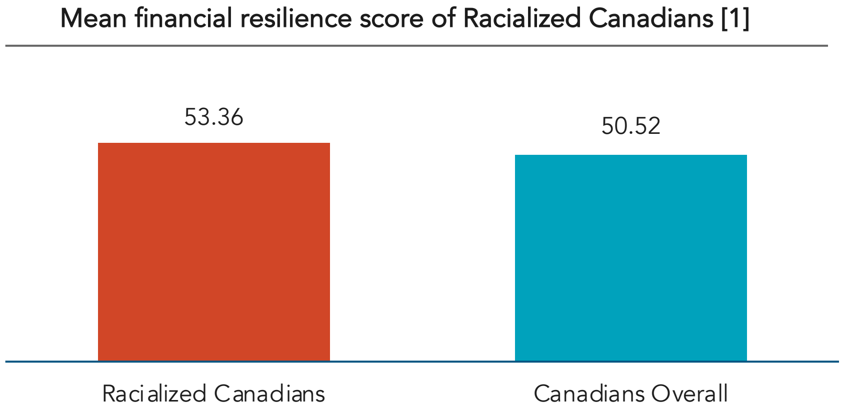
The financial resilience of Racialized Canadians is higher than for Canadians overall, with them having a mean financial resilience score of 53.36 in June 2022 [1]

That said, 28% of the survey sample of Racialized Canadians includes higher-income people with a household income over $100,000. 'Extremely Vulnerable' and 'Financially Vulnerable' Racialized Canadians are much more challenged. [2]



[1] Racialized Canadians do not self identify as Caucasian. They self identify as one or more of the following: South Asian, Chinese, Black, Filipino, Arab, Latin American, Southeast Asian, West Asian, Korean, Japanese or 'other.' Based on a sample size of 4505 Canadians overall scored via the June 2022 Seymour Financial Resilience Index TM, 700 Racialized Canadians and 84 Black Canadians (with results for Black Canadians indicative only).

[2] More data and analytics on Racialized Canadians are available in the Full Subscribers Report.

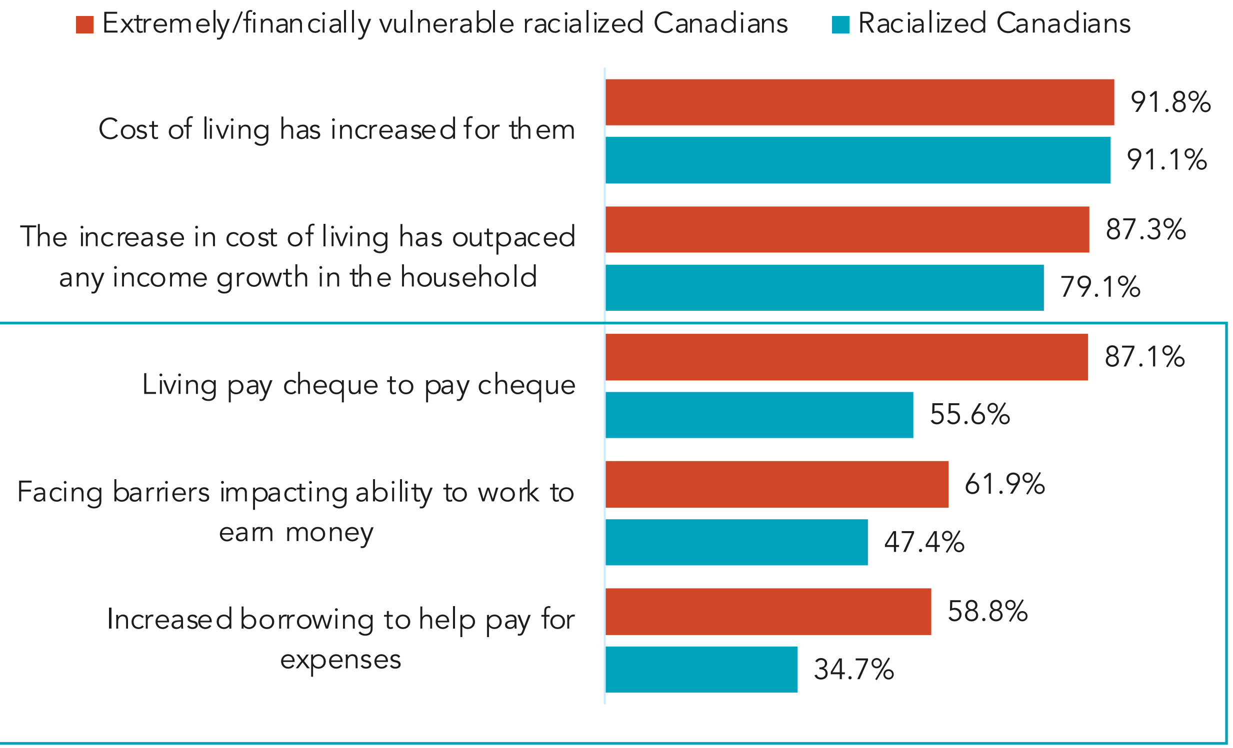
Source: June 2022 Seymour Financial Resilience Index TM Seymour Financial Resilience Index TM is a trademark used under license.

'Extremely Vulnerable' and 'Financially Vulnerable' Racialized Canadians are more challenged than Racialized Canadians overall.

Financial Resilience Institute

With 87% living pay cheque to pay cheque, 62% facing barriers impacting their ability to earn money and 59% having increased their borrowing to help pay for everyday expenses.

Financial Stressors of 'Extremely Vulnerable' and 'Financially Vulnerable' Racialized Canadians compared to Racialized Canadians overall (June 2022)

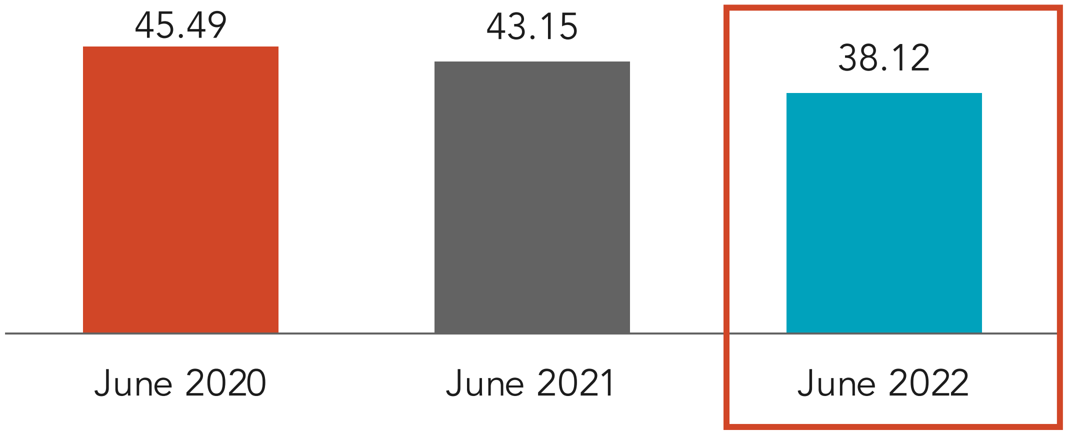


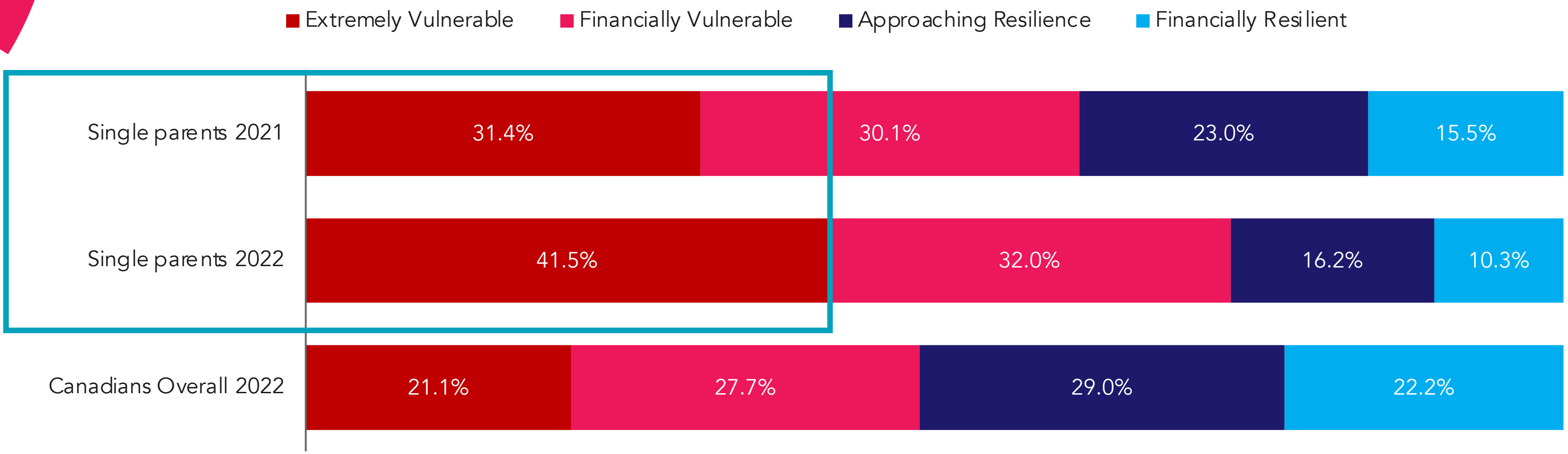
[1] Racialized Canadians do not self identify as Caucasian. They self identify as one or more of the following: South Asian, Chinese, Black, Filipino, Arab, Latin American, Southeast Asian, West Asian, Korean, Japanese or 'other.'
Based on a sample size of 168 low-income racialized Canadians.
Source: June 2022 Seymour Financial Resilience Index ™ Seymour Financial Resilience Index ™ is a trademark used under license.

The financial resilience of single parents is 38.12 as of June 2022

This has decreased from 45.49 in June 2021 with 41% of these households ‘Extremely Vulnerable’ as of June 2022

Financial Resilience Institute



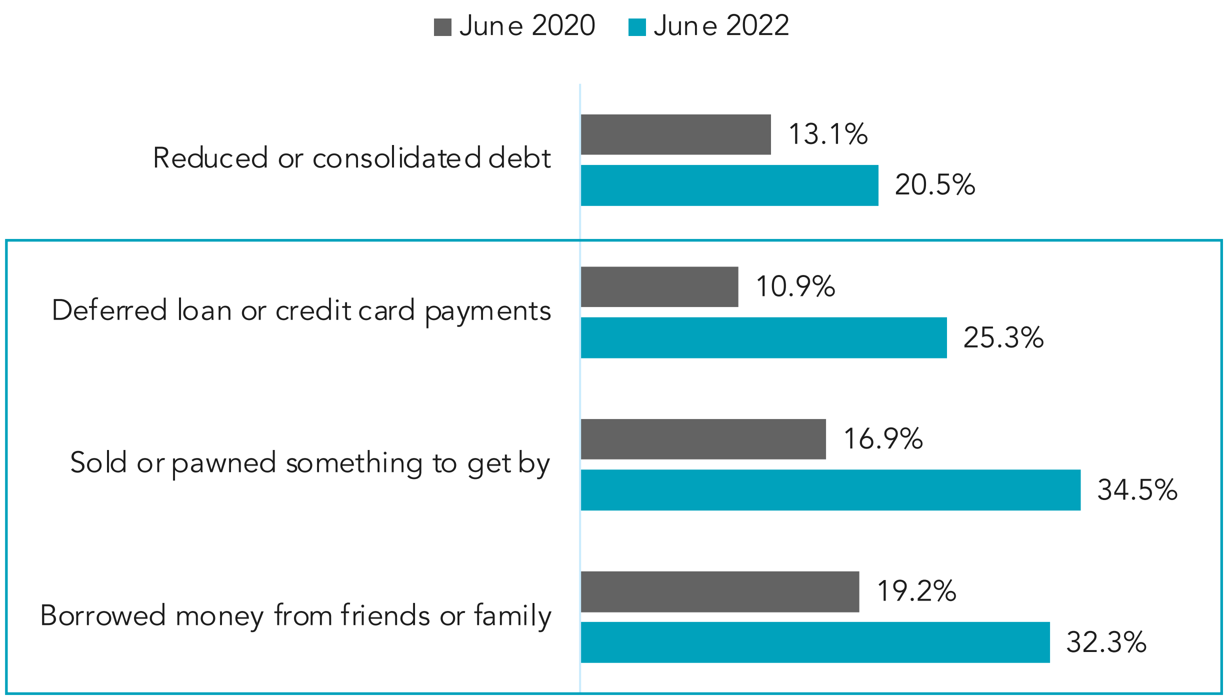


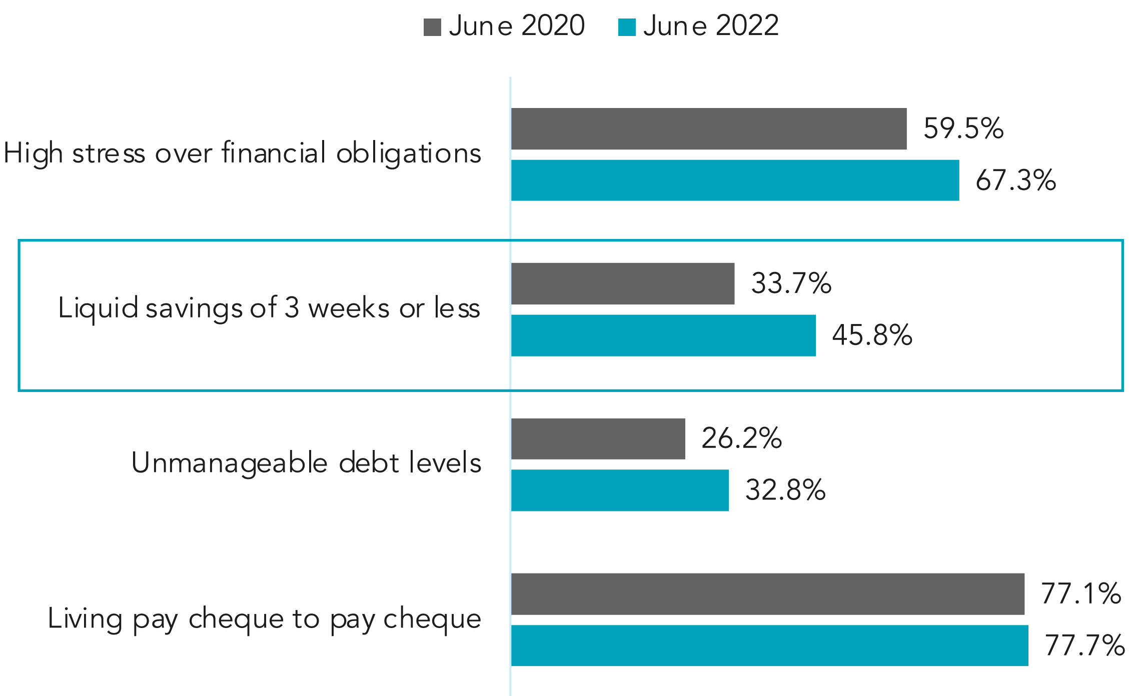
[1] Sample sizes for single parents are 312 for June 2020, 344 for June 2021 and 297 for June 2022.
In 2022, about 1.84 million single parent families were living in Canada, compared to 1.56 million in 2010.(Statistica Research Department November 15, 2022)
Source: Seymour Financial Resilience Index ™ Seymour Financial Resilience Index ™ is a trademark used under license.

More single parents have borrowed money from friends or family, sold or pawned something or deferred loan or credit card payments as of June 2022 compared to two years ago during the pandemic.

This has in turn impacted debt ability to manage their debt, levels of financial stress over current and future financial obligations and their liquid savings buffers, with 46% of single parents having a buffer of three weeks or less, compared to 34% in June 2020.

Sample financial and consumer behaviours and financial resilience and financial wellness indicators of Single Parents: comparisons between June 2020 and June 2022





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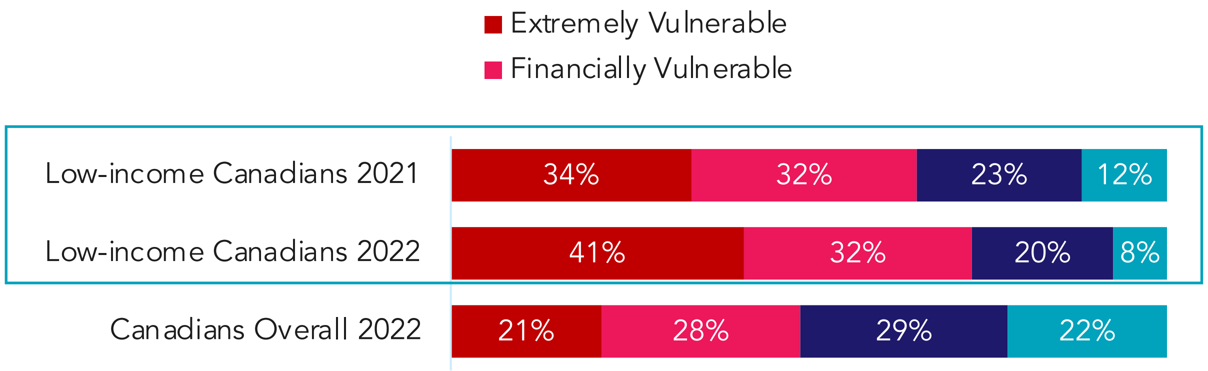
In June 2022, the financial resilience score of Canadians with low incomes was 37.4 with this significantly lower than during the pandemic in June 2020 [1]

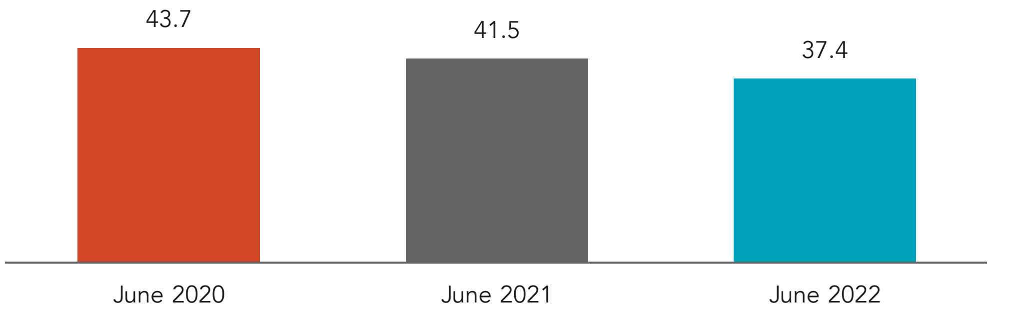
Financial Resilience Institute

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

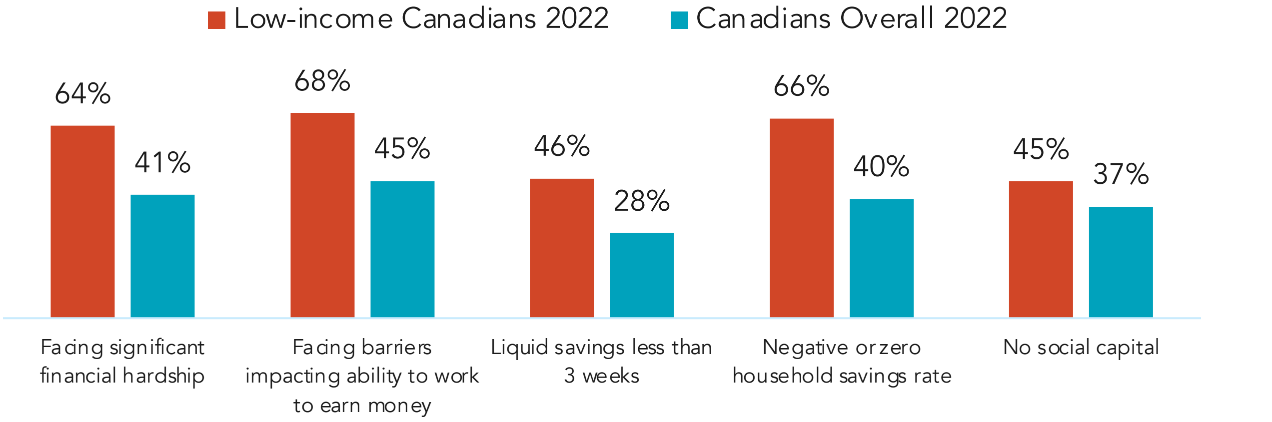
Percentage of households represented in each financial resilience segment as of June 2022 compared to June 2021: with comparison to Canadians overall in June 2022



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



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.
Source: Seymour Financial Resilience Index ™ Seymour Financial Resilience Index ™ is a trademark used under license.

Many Canadians are negatively impacted by unplanned life events, stressors and shocks, such as job loss, divorce, disability or death of a spouse, with can cause increased financial vulnerability.

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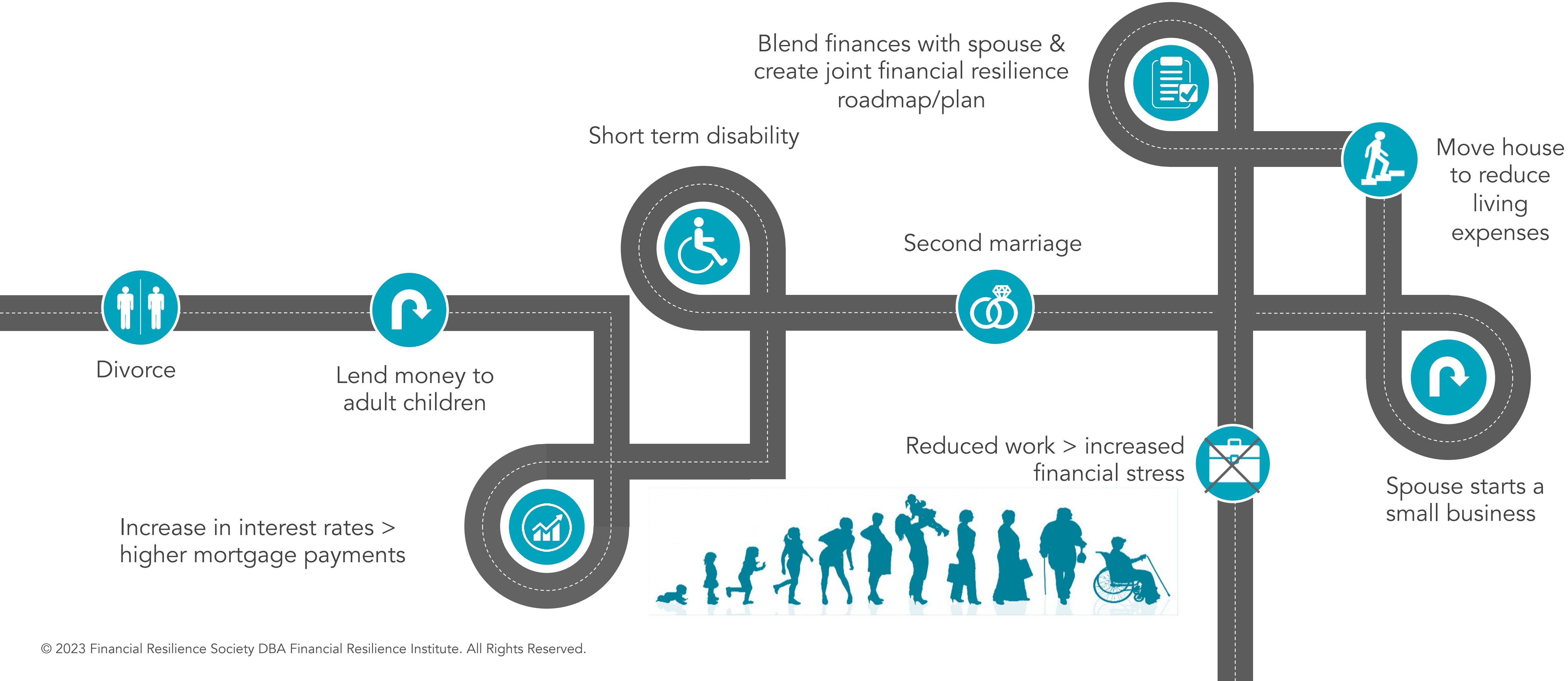
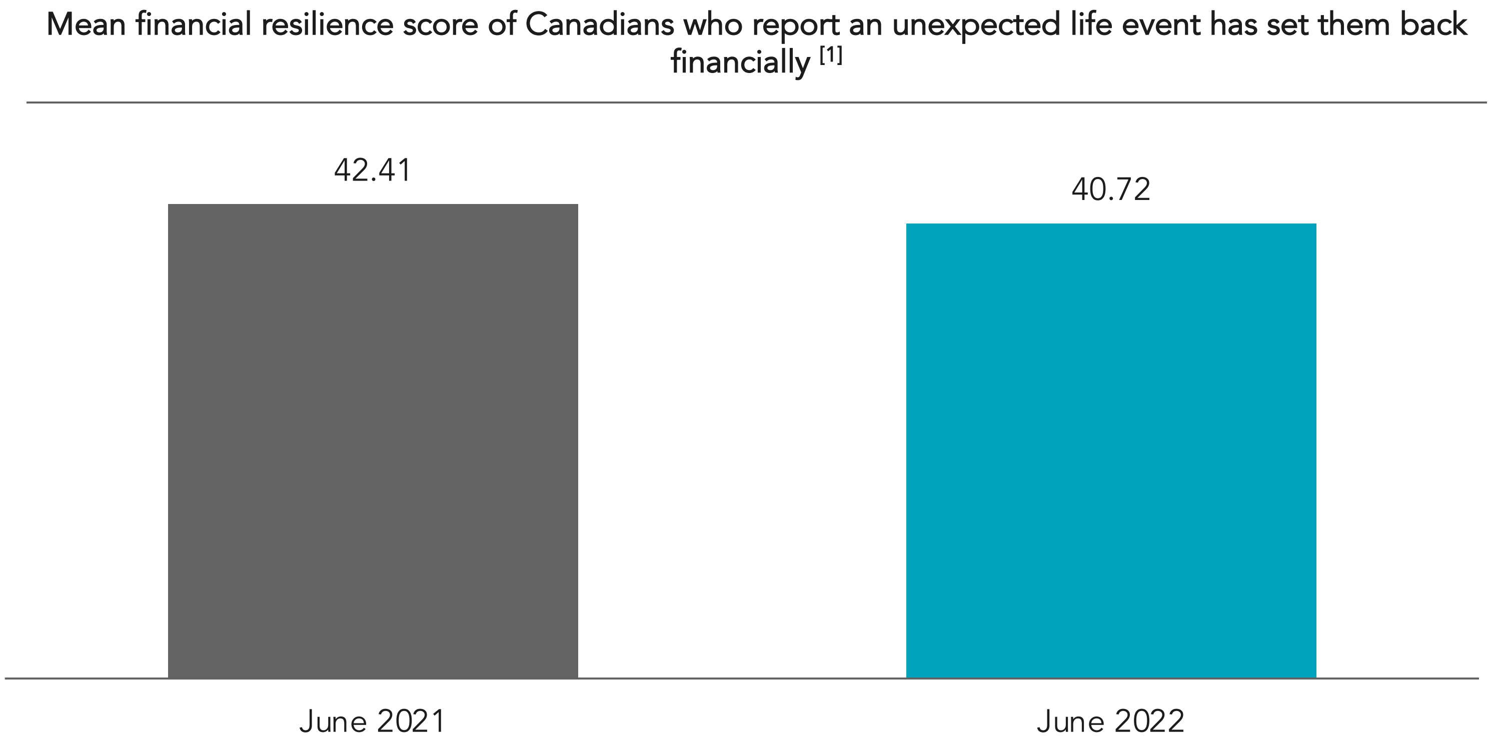
Just as some life events, such as marriage or moving house to reduce living expenses, can improve ones' financial resilience.



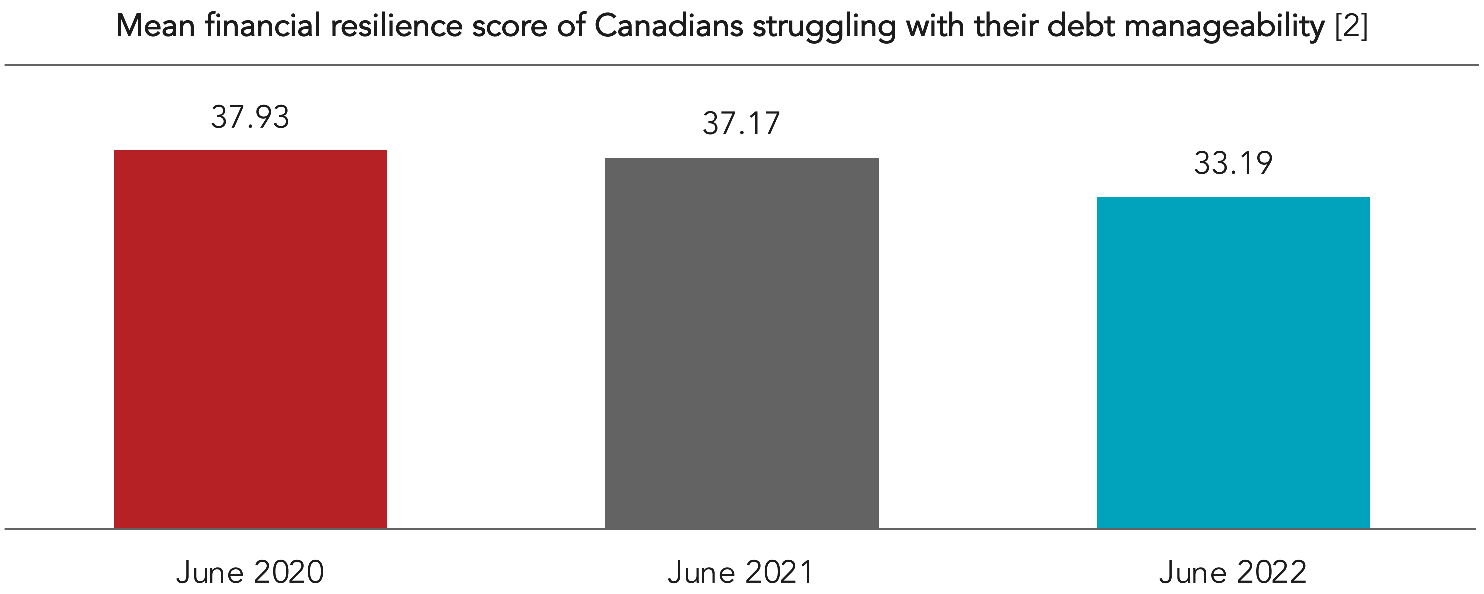
The financial resilience of people who report an unexpected life event has set them back financially is 40.72 as of June 2022.

Financial Resilience Institute



[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.
Source: Seymour Financial Resilience Index ™ Seymour Financial Resilience Index ™ is a trademark used under license.

The financial resilience of those struggling with their debt manageability is 33.19 with these households particularly challenged in the inflationary and current rising interest rate environment.



[1] Sample sizes for respondents struggling with their debt manageability are 1149 for June 2020, 1131 for June 2021 and 1204 for June 2022.
[2] More data and analytics on this population households with poor or fair self-reported credit scores are available in the Members Report.
Source: Seymour Financial Resilience Index ™ Seymour Financial Resilience Index ™ is a trademark used under license.

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.

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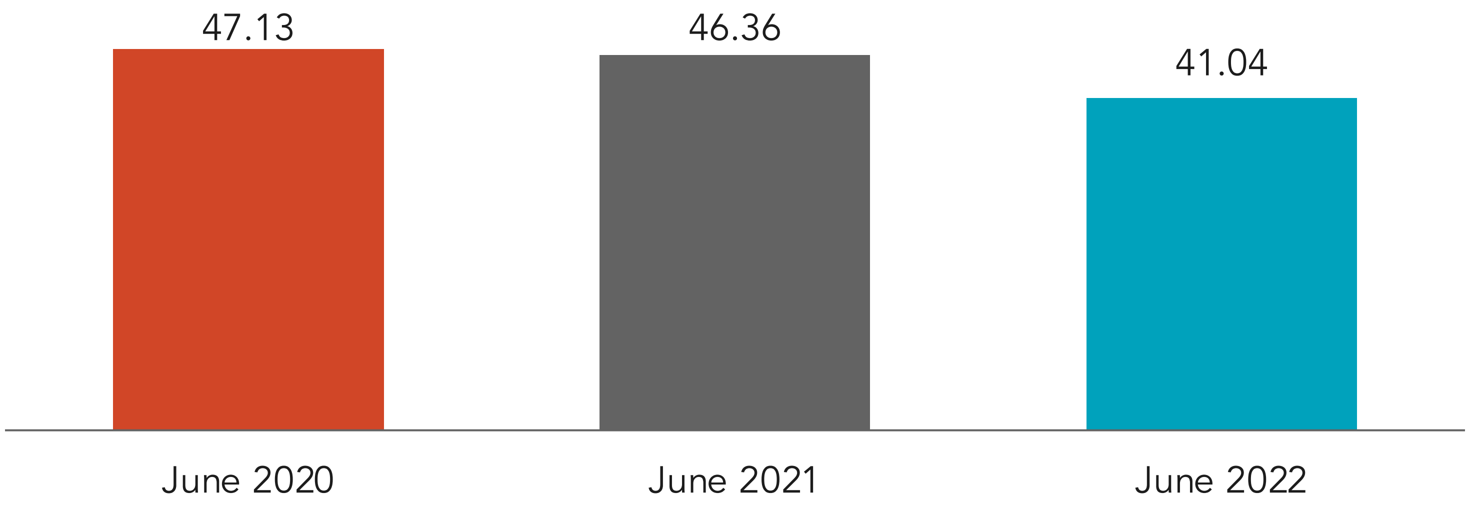
Mean financial resilience score of Canadians experiencing significant income volatility [1]



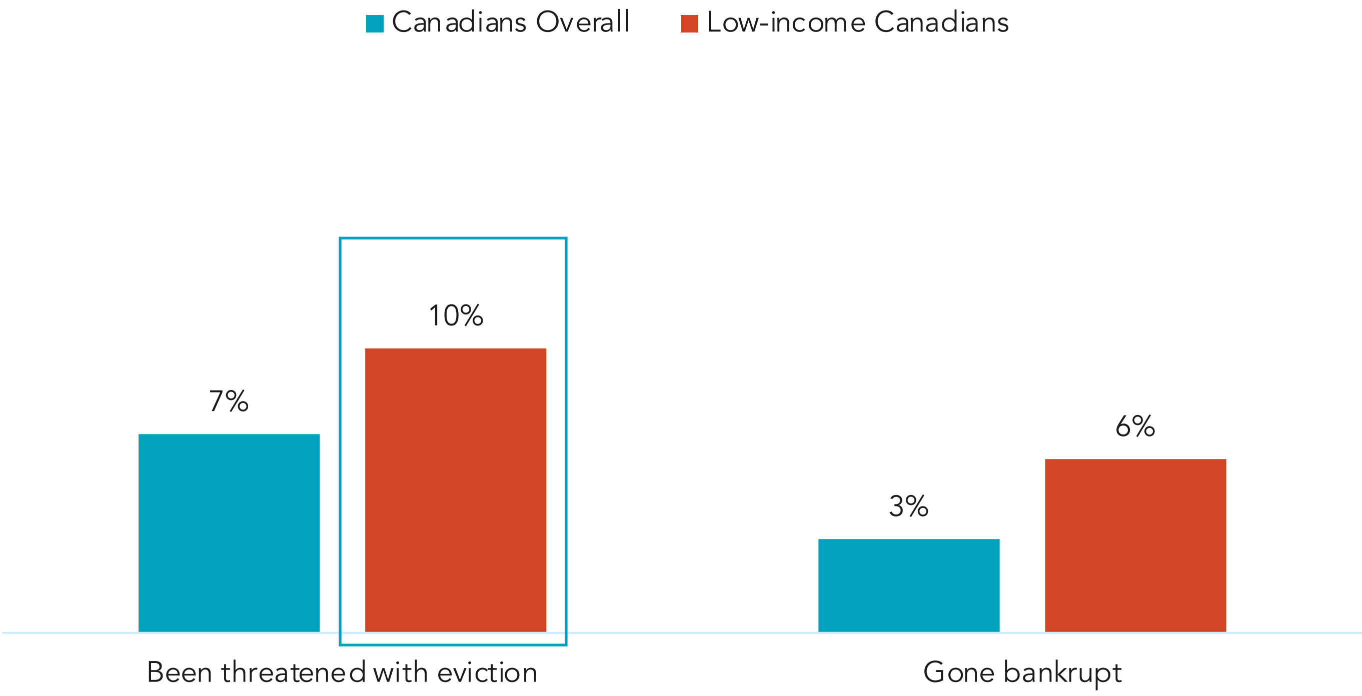
- 91% of households experiencing high income volatility report the increase in the cost of living has outpaced their any income growth they've seen in their household, compared to 86% of Canadians generally.
- 43% of households experiencing high income volatility are unable to meet their essential expenses (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.
Source: Seymour Financial Resilience Index ™ Seymour Financial Resilience Index ™ is a trademark used under license.

Housing insecurity and bankruptcy is more prevalent for low-income Canadians and other more financially vulnerable households.

10% of low-income renters have been threatened with eviction as of June 2022 while 6% report having gone bankrupt as of June 2022, with these rates higher than for Canadians overall.

Eviction and Bankruptcy rates for low-income Canadians and Canadians overall [1]



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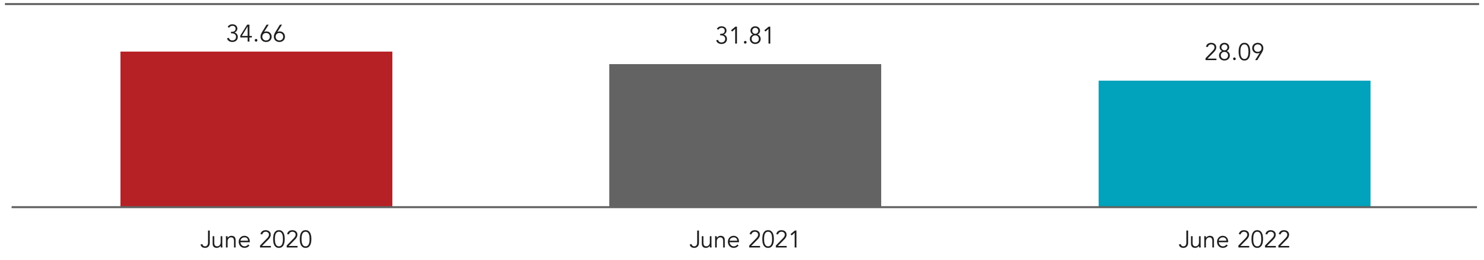
The financial resilience of households with a self-reported fair or poor credit score

These Canadians have a mean financial resilience score of 28.09 in June 2022, compared to 34.66 in June 2020.
83% of those with a self-reported fair or poor credit score reported they want to better understand their financial resilience and how they can improve it as of June 2022 [2]

Mean financial resilience score of Canadians with a self-reported fair or poor credit score [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.
[1] Sample sizes for respondents with a self-reported poor or fair credit score are 1073 for June 2020, 1160 for June 2021 and 1141 for June 2022.
Source: Seymour Financial Resilience Index ™Seymour Financial Resilience Index ™ is a trademark used under license.

4

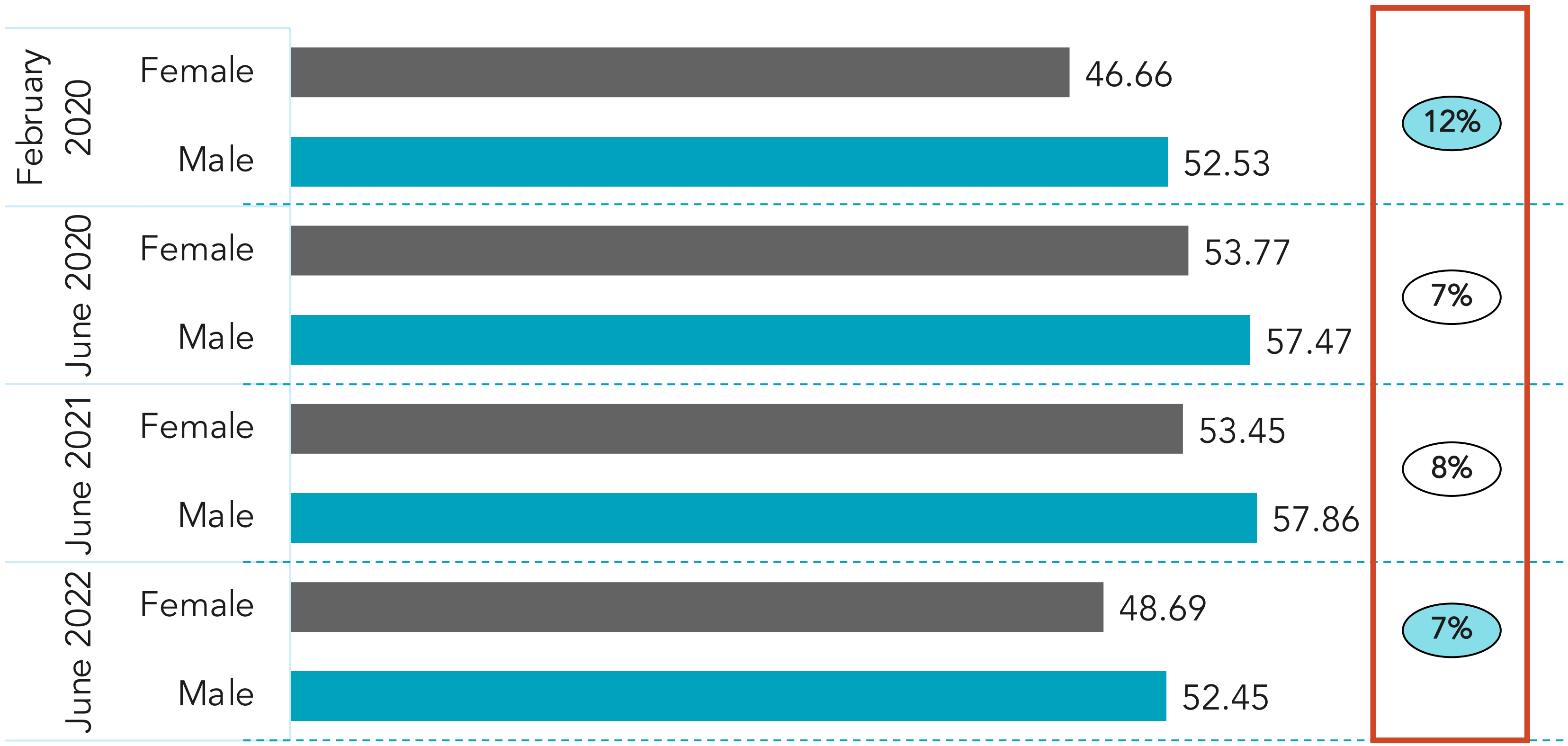
The financial resilience gender gap: a problem that persists

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 TM
[2] More data and analytics available in the Full Subscribers' Report.
Source: Seymour Financial Resilience Index TM. Seymour Financial Resilience Index TM is a trademark used under license.

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%

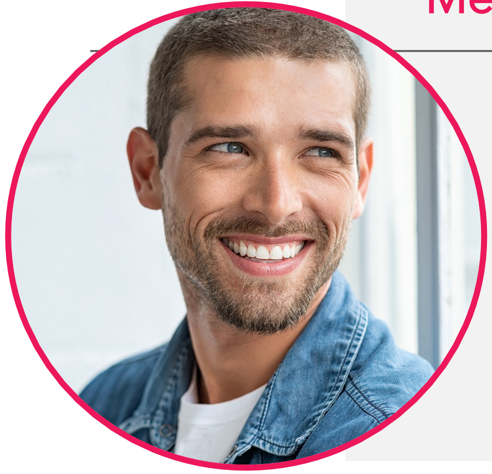
Female single parents with low incomes

Mean financial resilience score	30.28
% 'Extremely Vulnerable'	54%
% experiencing significant financial hardship	73%

Sample size of 1417 low income Canadians overall scored via the Index for June 2022 with 116 female single parents with low incomes based on the June 2022 Index and 145 female single parents with low incomes based on the June 2020 index.

Intersectional analysis shows male renters with low incomes struggling with their debt are more financially vulnerable compared to men with low incomes overall

Financial Resilience Institute



Men with low incomes [1]

Mean financial resilience score	37.9
% are 'Extremely Vulnerable'	41%
% experiencing significant financial hardship	64%

Male low-income renters struggling with their debt manageability

Mean financial resilience score	24.72
% are 'Extremely Vulnerable'	67%
% experiencing significant financial hardship	86%

[1] Sample size of 742 low-income males and 98 low-income males who are renters and struggling with their debt as based on the June 2022 Index and 97 based on the June 2020 Index.

6

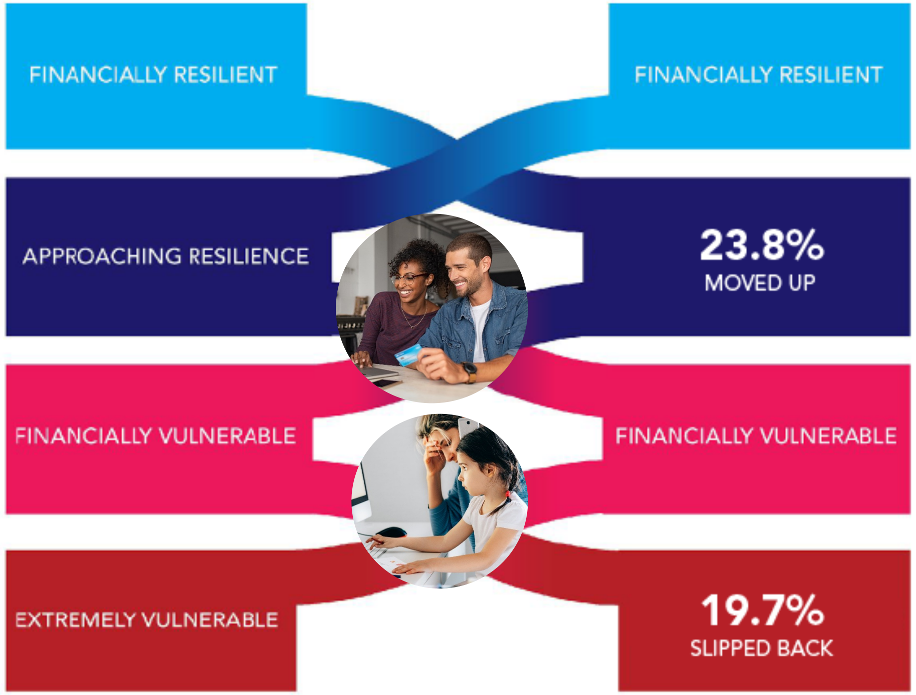
Sample insights from longitudinal research confirms individual households’ financial resilience can change and behaviours have an impact

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 Institute Members Report.

Financial Resilience Institute

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%



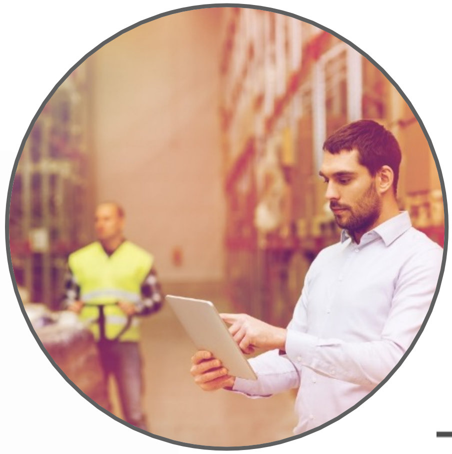
[1] Based on longitudinal analysis of 1082 the same survey respondents that were scored against the June 2021 and June 2022 based on the Seymour Financial Resilience Index TM.
[2] Longitudinal analysis was also conducted every four months through the pandemic with this also confirming households financial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

Appendices

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

Financial Resilience Institute

Individual financial resilience, health and well-being



Small business financial health resilience and growth

Family well-being

Financially thriving communities and economy

See ‘Why Financial Well-Being Matters’ insights at https://www.finresilienceinstitute.org/why-financial-health/

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 TM

Financial Resilience Institute

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 TM 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 incudes 1148 respondents from Quebec.

Sample sizes of survey respondents for the Financial Well-Being study overall and scored through the Seymour Financial Resilience Index TM (June 2022)

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Household Population	Sample size	Sample scored via the Index [3]	Margin of Error
Canadians set back financially due to an unexpected life event	2578	2324	1.9%
Renters	1886	1663	2.3%
Canadians with low incomes	1356	1184	2.7%
Canadians with unmanageable debt levels	1204	1107	2.8%
Canadians with a self-reported fair or poor credit score	1141	1033	2.9%
'Extremely Vulnerable' Canadians [1]	949	949	3.2%
Canadians with experiencing significant income volatility	842	754	3.4%
Racialized Canadians	598	517	4.0%
Canadians not working owing to a disability	339	282	5.3%
Single parents	297	273	5.7%
Indigenous Canadians	256	233	6.1%
Black Canadians [2]	91	84	10.3%

[1] 'Extremely Vulnerable' households have a financial resilience score of 0 to 30.
[2] Very small sample size for Black Canadians in the June 2022 sample of Racialized Canadians.
[3] Self-reported credit score is one of the Index indicators. A small proportion of households not responding to this indicator question are not scored via the Seymour Financial Resilience Index TM.

Summary highlights: Canada mean financial resilience score has dropped five points based on the June 2022 Index: with 78% of the population financially vulnerable [1]

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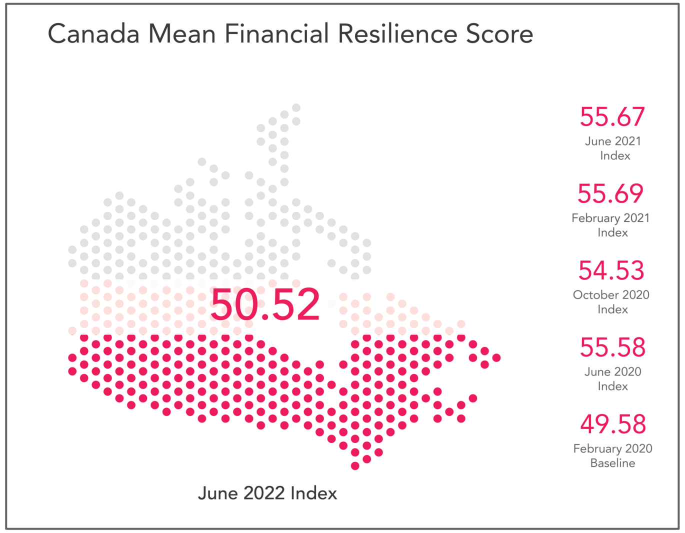
This report is a call to action for Financial Institutions, policymakers and the ecosystem to do more to help reduce Canadians' financial vulnerability: particularly for those who are more financially vulnerable or underserved [1]



Source: Seymour Financial Resilience Index ™

- Financial vulnerability and financial stress have been a mainstream issue in Canada since we started tracking this in 2017 through the Financial Well-Being study. This is we created the Seymour Financial Resilience Index TM ('The Index') to enable organizations and policymakers to understand, track and help measurably improve the financial resilience, health and well-being of their customers, employees and communities over time.
- The Canada mean financial resilience score increased from 49.58 in February 2020 (pre-pandemic) to 55.67 in June 2021 with insights published in a joint report with Statistics Canada in September 2021[2]
- Between 2021 and June 2022, the Canada mean financial resilience score has fallen five points from 55.67 to 50.52 [3]. This means at the national level, Canadians are 'Approaching Resilience' but are much closer to being 'Financially Vulnerable' compared to a year earlier.
- 78% of households are financially vulnerable as of June 2022 (and have a mean financial resilience score below 70.01). Quebec has the highest mean financial resilience score at the provincial level.
- Index data signals increased challenges and financial vulnerability for households and key populations, especially in context of the inflationary environment, rising interest rates and macro environment.
- This is evident despite people working hard to manage their spending, navigate complex financial trade-off decisions, save, plan and invest, put in place protection and pay down debt, in order to get through financial hardship stressors and shocks as a result of unplanned life events.

[1] Source: Seymour Financial Resilience Index TM. This is a summary from the wider national June 2022 Index report published on September 26, 2022. This is available at https://www.finresilienceinstitute.org/research-reports/. 'Financially Vulnerable' include households with a financial resilience score of under 70.01. These are represented by 'Extremely Vulnerable', 'Financially Vulnerable' and 'Approaching Resilience' segments.

[2] See report on the 'Financial Resilience and Financial Well-Being of Canadians during the Covid-19 pandemic', jointly published by Seymour Management Consulting Inc. and Statistics Canada in September 2021. https://www150.statcan.gc.ca/n1/pub/75f0002m/75f0002m2021008-eng.htm

[3] The longitudinal Financial Well-Being study is an online survey with a sample size of 5061 adult Canadians aged 18 to 70 years old from a representative sample of the population by age, province, gender and household income in June 2022 study. See slide 33 for survey samples for all other studies. Survey respondent are recruited from the Angus Reid Forum, with all survey design and analytics conducted by the Financial Resilience Institute The Index has been peer-reviewed by Statistics Canada, C.D. Howe Institute, UN-PRB, leading Financial Institutions and non-profit organizations. For more information on the Index: https://www.finresilienceinstitute.org/about-the-seymour-financial-financial-resilience-index/

Summary highlights from the June 2022 Index Release Continued

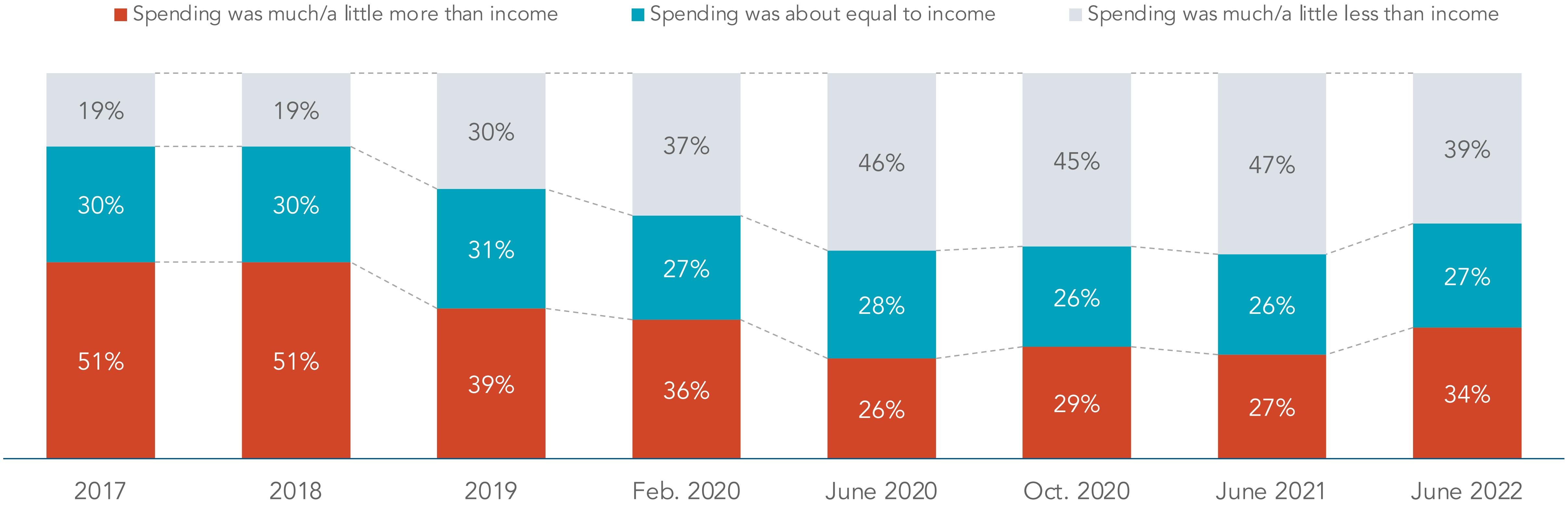
- During the pandemic, the Government provided swift and significant Covid-19 financial relief to many households. At this time, the Index showed how many Canadians worked hard to reduced their spending and adjust their financial behaviours to manage financially. This positively impacted the increase in the mean financial resilience score between 2020 and 2021 and the reduction in 'Extremely Vulnerable' households over the same period [1].
- Since 2021, with the current challenging macroeconomic environment, inflationary environment and phasing out of Covid-19 government benefits, the Index signals that most of gains during the pandemic have reduced or wiped out for many households, despite many of them still working hard from a financial behavioural perspective to reduce their financial vulnerability.
- The Index continues to highlight increased financial vulnerability, inequities and challenges in particularly for households who are 'Extremely Vulnerable' or 'Financially Vulnerable'. The pandemic, and now inflationary environment, has hit these households harder, and we see increased challenges from a financial stress, barrier and access to financial help perspective from their Financial Institutions. This in turn is having a significant impact on the physical, mental and overall well-being of individuals and families, also measured through the Index.
- In June 2022 there has been a significant increase in 'Extremely Vulnerable' households, with this increasing from 16.5% in June 2021 to 21.1% in June 2022 [1].
- There are many nuances in financial stressors, consumer and financial behaviours and challenges in terms of access to financial help and support across the four financial resilience segments and for different underserved and/or more vulnerable populations.
- There are significant opportunities for Financial Institutions to support the financial resilience and financial wellness of their customers, including those who are more financially vulnerable [2].

[1] Source: Seymour Financial Resilience Index TM. This is a summary from the wider national June 2022 Index report published on September 26, 2022. This is available at https://www.finresilienceinstitute.org/research-reports/. 'Financially Vulnerable' include households with a financial resilience score of under 70.01. These are represented by 'Extremely Vulnerable', 'Financially Vulnerable' and 'Approaching Resilience' segments.
Seymour Financial Resilience Index ™ is a trademark used under license. For more details on the Index development methodology: https://www.finresilienceinstitute.org/why-we-created-the-index/

June 2022 Index shows a notable increase in households that are are spending much or a little more than their household income.

34% of households report spending much or a little more than their household income over the past year as of June 2022, compared to 27% in June 2021 and 26% in June 2020. Longitudinal data shows continued financial discipline by Canadian households based on this and other indicators at the national level [1]

Reported household spending relative to household income over the past year; 2017 to 2022



Source: 2017 to 2022 longitudinal Financial Well-Being studies: see pages 47 and 48 for more details and robust sample sizes.

[1] In June 2022 59% of households are living pay cheque to pay cheque, compared to 52% in June 2021 and 61% in February 2020, pre-pandemic.
Please see 2017 – 2021 reports for more information at https://www.finresilienceinstitute.org/research-reports/

Liquid savings buffers are at all-time lows: with 28% of Canadians having a liquid savings buffer of under 3 weeks and another 26% having a buffer of 1 to 2 months.

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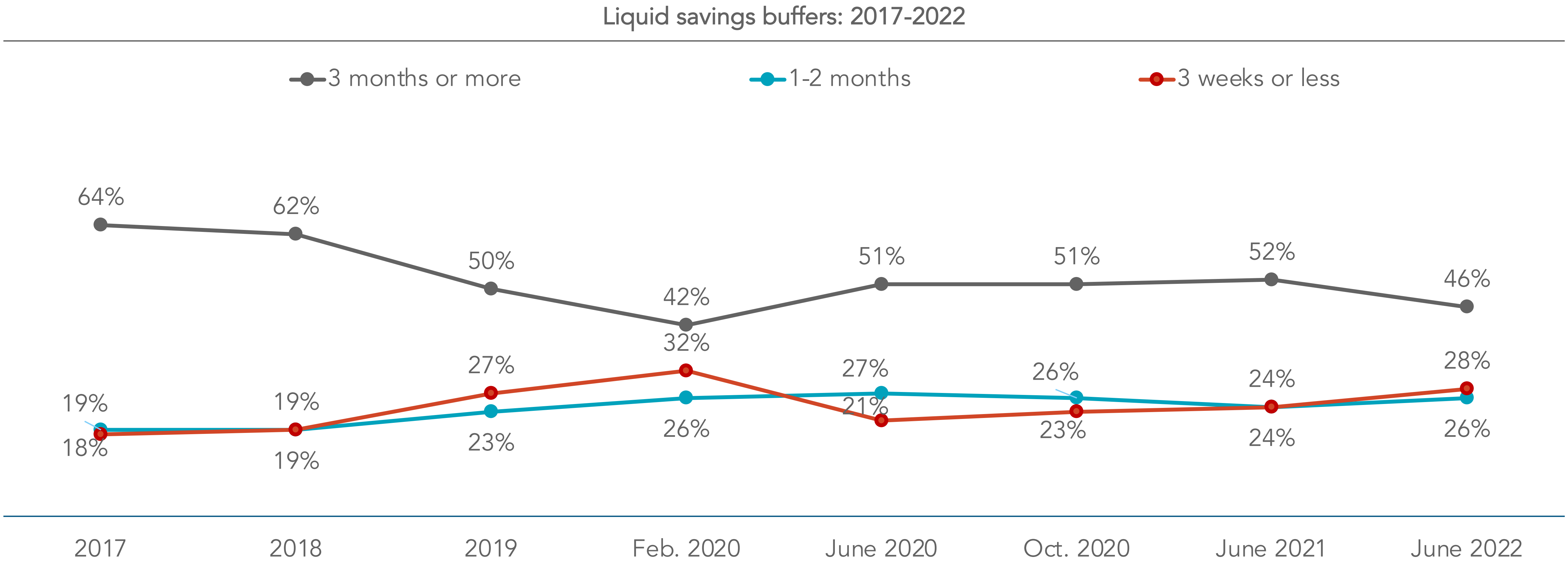
Liquid savings buffers built up during the pandemic lockdowns have now been eroded, with significantly more households financially vulnerable in this regard compared to 2017-2018 and during the pandemic.

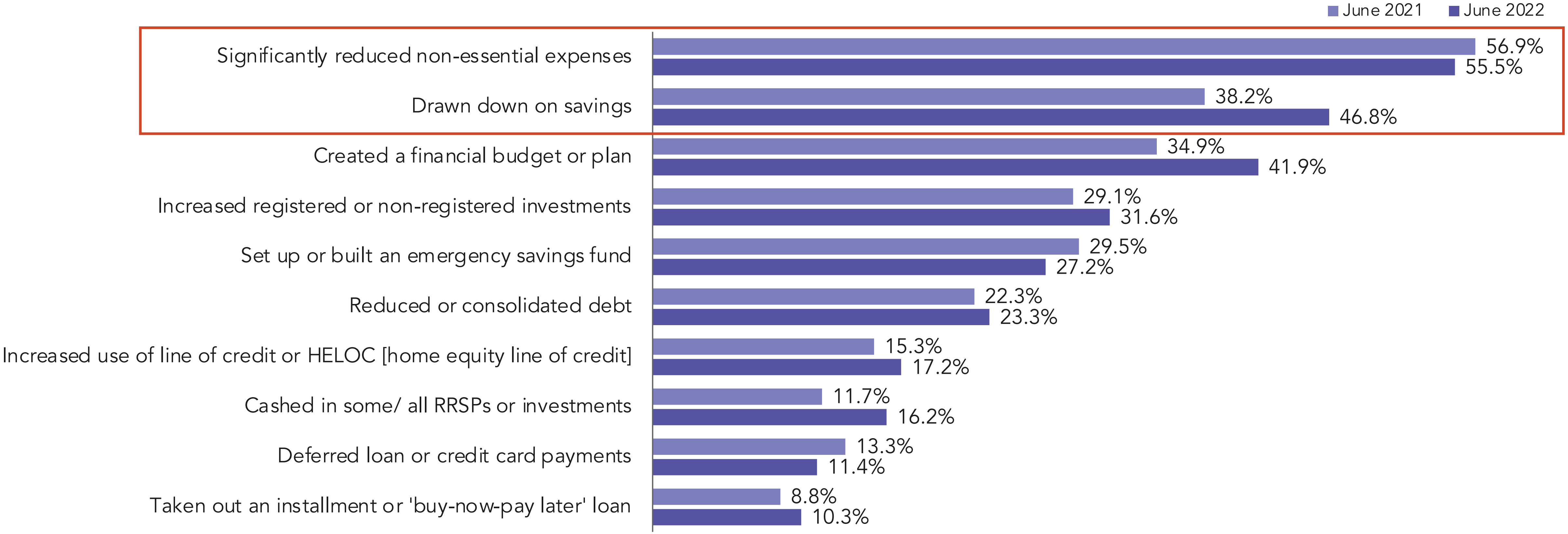


Source: 2017 to 2022 Financial Well-Being studies and Seymour Financial Resilience Index TM.

Reported financial behaviours of Canadians in June 2022 compared to June 2021

Canadians continue to work hard to maintain or improve their financial resilience at the national level, with 55.5% reporting they have significantly reduced their non-essential expenses over the past 12 months in June 2022 - similar to last year. Despite 41.9% of households having created a financial budget or plan, 46.8% have drawn down on their savings to manage. This is a significant increase over June 2021. The high cost of living, inflationary environment, rising interest rates, impact of unplanned life events and other barriers have impacted Canadians, with nuances by financial resilience segment and type of household.

Proportion of households compared to Canadians overall that report that over the past 12 months they have:



Source: June 2022 and June 2021 Financial Well-Being studies and Seymour Financial Resilience Index TM

Insights on Racialized Canadians and sample size information

With Chinese and South Asian Canadians making up a larger share of the sample compared to Black or Latin American Canadians [1]

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Statistics Canada Insights [2]

- In 2021, three racialized groups represented 16.1% of Canada's total population: South Asians (2.6 million people; 7.1%), Chinese (1.7 million; 4.7%) and Black people (1.5 million; 4.3%), with each population topping 1 million (Statistics Canada)
- The concept of racialized population is measured with the 'visible minority' variable in this release. 'Visible minority' refers to whether or not a person belongs to one of the visible minority groups defined by the *Employment Equity Act*. The *Employment Equity Act* defines visible minorities as "persons, other than Aboriginal peoples, who are non-Caucasian in race or non-white in colour"
- Based on Statistics Canada's recent study and report "Portrait of the social, political and economic participation of racialized groups" (May 2022) while the rates of civic participation of racialized Canadians are generally similar to the rest of the population, their representation in management positions is considerably lower.

Racialized Canadians	Sample size	Scored via the Index
Chinese Canadians	192	166
South Asian Canadians	160	142
Black Canadians	91	84
Latin American Canadians	78	69

[1] Racialized Canadians do not self identify as Caucasian. They self identify as one or more of the following: South Asian, Chinese, Black, Filipino, Arab, Latin American, Southeast Asian, West Asian, Korean, Japanese or 'other.' Based on a sample size of 4505 Canadians overall scored via the June 2022 Seymour Financial Resilience Index TM, 700 Racialized Canadians and 84 Black Canadians (with results for Black Canadians indicative only).

[2] Statistics Canada, 2021 Census Data

General Insights on Households with a Disability from Statistics Canada (2017)

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22% of Canadians live with some form of disability. Canadians reported on in this section represent Canadians reporting they are not working owing to a disability.

- 15% of the world identifies as having a disability worldwide: according to the World Health Organization, 15% of the world's population (an estimated 1.1 billion people) identify as having some form of disability. This represents the world's largest minority, and the only minority group that any of us can become a member of at any time. More than 6.2 million Canadians live with some form of disability that affects their level of freedom, independence of quality of life. This represents almost 22% of the population in this country. (Statistics Canada, 2017).
- 57% of Canadians with disabilities have a 'mild or moderate' disability and 43% have a 'more severe' disability (classified as having a severe or very severe disability (Statistics Canada, 2017) The 10 disability types identified by the in the Canadian Survey on Disability study are: seeing, hearing, mobility, flexibility, dexterity, pain-related, learning, developmental, mental-health related, and memory. Many disabilities are not visible.
- Living with disability is expensive: according to the 2017 Canadian Survey on Disability, 1.6 million Canadians with disabilities were unable to afford the aids, devices or prescription medication they require due to cost.
- There's a wage gap: Working aged adults without a disability make a higher median after-tax personal income ($39,000) than those with milder disabilities ($34,300) and those with more severe disabilities ($19,200). (Statistics Canada, 2017). Employment and income for persons with disabilities is dependent upon the type of disability. Individuals with mental-cognitive disabilities are found to have lower incomes than those individuals with fine motor and dexterity disabilities.
- More people with disabilities are underemployed: Approximately 59% of working-age adults with disabilities are employed compared with around 80% of those without disabilities.
- More people with disabilities live in poverty and/or face barriers to employment
- As of 2017, the highest rates of poverty (for those aged 15 to 64 years) were among those with more severe disabilities who were living alone or were lone parents. For those living alone, 6 in 10 were below the poverty line, as were 4 in 10 of lone parents.
- Regardless of disability, 8 in 10 lone parents were women (Statistics Canada, 2017).
- Households reported on for this report are Canadians who report now working owing to a disability.

'Source: Statistics Canada (2017) and World Health Organization

General Insights on Indigenous Canadians from Statistics Canada

- 1.807 million Canadians, representing 5% of the population are Indigenous Canadians (2021 Census).
- The population continues to grow and is much younger than the non-Indigenous population, although the pace of growth has slowed (September 2022 Statistics Canada).
- Indigenous peoples, their communities, cultures and languages have existed since time immemorial in the land now known as Canada. The term "Indigenous peoples" refers to three groups - First Nations people, Métis and Inuit - who are recognized in the *Constitution Act*. However, while these groups are representative of the Indigenous population as a whole, each is tremendously diverse. This diversity is reflected in over 70 Indigenous languages that were reported during the 2021 Census, over 600 First Nations who represent their people across the country, the plurality of groups representing Métis nationhood, and the four regions and 50 communities of Inuit Nunangat that Inuit call home.
- The Indigenous population grew by 9.4% from 2016 to 2021, surpassing the growth of the non-Indigenous population over the same period (+5.3%). However, this growth was not as rapid as in years past. For example, from 2011 to 2016, the Indigenous population grew by 18.9%—more than double the 2021 growth rate.
- For the first time, the Census of Population enumerated more than 1 million First Nations people living in Canada (1,048,405).
- In 2021, there were 624,220 Métis living in Canada, up 6.3% from 2016. There were also 70,545 Inuit living in Canada, with just over two-thirds (69.0%) living in Inuit Nunangat, the homeland of Inuit in Canada.
- The Indigenous population living in large urban centres (801,045 people) has grown by 12.5% from 2016 to 2021.
- The Indigenous population was 8.2 years younger, on average, than the non-Indigenous population overall. Just over one in six working-age Indigenous people (17.2%) were 'close to retirement' (55 to 64 years), compared with 22.0% of the non-Indigenous population.
- In 2021, almost one in five Indigenous people in Canada (18.8%) lived in a low-income household, using the low-income measure, after tax. This was down nearly 10 percentage points from 2016. The decline was likely driven by government transfers in response to the COVID-19 pandemic.
- Indigenous people are much more likely to live in low-income household than non-Indigenous population.
- Based on the 2021 Census, of the 1.8 million Indigenous people living in Canada, 18.8% lived in a low-income household, as defined using the low-income measure after tax compared with 10.7% of the non-Indigenous population.
- The share of Indigenous people living in a low-income household was much lower in 2021 than in 2016 (18.8% versus 28.1%). As the census release on income have shown, this downward trend in low income has been observed across Canada and was largely driven by government transfers in response to the COVID-19 pandemic.
- Nearly one-quarter (24.6%) of Indigenous children aged 14 years and younger lived in a low-income household in 2021, more than double the rate among non-Indigenous children (11.1%).

Source: Statistics Canada (2021)

Call to Action

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- ✓ 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.

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