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# Canadian Financial Capability Survey

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# Overview

- Survey Objectives
- Methodology
- Challenges
- Lessons Learned
- Survey Results

# Survey objectives

- The Canadian Financial Capability Survey (CFCS) was designed to explore Canadians' knowledge, abilities and behaviour concerning financial decision-making including:
  - Planning and saving for important goals and life events, such as their children's education
  - Choosing appropriate financial products
  - Seeking help when needed in making decisions or dealing with poor choices

# Survey objectives

- The CFCS was also designed to allow Canada to increase its ability to undertake evidence-based policy and meet the following objectives:
  - Learn more about target groups
  - Improve communications and outreach
  - Examine programs and policies from a financial capability perspective
  - Support the development of a national strategy on financial literacy

# Survey objectives

- More specifically, the CFCS also provides information on Canadians' interactions with some Government of Canada program areas, for example:
  - Retirement savings
  - Education savings
  - Student loans

# Methodology

- The survey was conducted by Statistics Canada
- It used a cross-sectional design based on a sample from a Random Digit Dialling (RDD) frame
- The unit of analysis was the person most knowledgeable (PMK) about household finances, 18 years of age or older living in private households in the 10 provinces

# Methodology

- The anticipated sample size was approximately 20,000 individuals
- Responses to the survey were voluntary and confidential, collected by computer assisted telephone interview
- Data collection occurred from February 9 to May 9, 2009
  - This corresponds to the Canadian “tax season” when households are most engaged with financial matters

# Methodology

- In addition to sections that provide important data on context, the survey includes a series of questions designed to provide an objective measure of respondents' financial capability
- These practical questions provide a starting point in the development of future benchmark surveys and act as a complement to subjective personal assessment questions

# Challenges

- Financial capability and related concepts were not defined in advance of the survey's design
- The economic downturn has likely had an impact on survey participation rates, which will restrict the depth of thematic analyses
- Rising use of wireless or alternative telephone services could lead to decreases in participation rates when using telephone interviews as a collection tool

# Lessons Learned

- Due to the nature of the survey, stakeholders' expectations of data must be closely managed
- A longitudinal survey would provide a better understanding of Canadians' financial capabilities over time
- Further discussions on lessons learned will take place after the public release of the CFCS

# Survey Results

## Canada's Task Force on Financial Literacy

- The CFCS will enhance the work of the task force in developing a national strategy on financial literacy in Canada
- The survey will also complement the task force's consultations on financial literacy

# Survey Results

- Analysis plans of federal departments include the following themes:
  - a) Financial capability amongst vulnerable populations (for example, Canadians with low to modest income, lone parents, recent immigrants)
  - b) Post-secondary education savings behaviour and funding
  - c) Financial planning for retirement and ageing
  - d) Household and personal finances management

# Survey Results

- Survey results to be released in two stages:
  - Preliminary results from Statistics Canada anticipated by mid-December, 2009
    - Participation rates and related data quality information will be available at this time
    - See **[www.statcan.gc.ca](http://www.statcan.gc.ca)** for more information.
  - A full analytical release of results and findings will follow in 2010