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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** for more information.
 - A full analytical release of results and findings will follow in 2010