

CANADA FINANCIAL SECURITY MONITOR™ MAY 2024



A POLL OF CANADIANS' FINANCIAL MOOD

Primerica Canada's Financial Security Monitor™ found that while a majority (65%) of middle-income Canadians report feeling good about their own personal finances, three-quarters (75%) rate the economic health of their province as not so good or poor.

Overall, a majority (54%) say their financial situation has worsened in the past 12 months, and about a quarter (26%) believe they will be worse off in the next year. Those with higher incomes and financial preparedness skills are more positive, while those with lower incomes and financial knowledge are more pessimistic – a trend that held for much of the survey.



HOW ARE FAMILIES DOING FINANCIALLY?

- **Inflation and health are top worries.** Most middle-income Canadians are concerned about inflation (61%) and physical health (61%). Additional financial pressures come from grocery costs (39%) and challenges in saving for retirement (36%).
- **More families are saving for the future.** A majority have a savings account (72%) or a self-funded, tax-free savings account (58%), an increase over previous surveys. In addition, nearly half (47%) have a self-funded, registered retirement account.
- **However, emergency savings still lacking.** More than one-third (35%) of middle-income Canadians do not have an emergency fund. While this marks a slight improvement over previous years, it also highlights an ongoing financial vulnerability.



ARE FAMILIES EQUIPPED WITH THE FINANCIAL INFORMATION THEY NEED?

- **Majority say financial education failed them.** A sizeable majority (68%) of middle-income Canadians feel schools did not prepare them well for managing their personal finances in adulthood, indicating a substantial gap in financial education.
- **Basic financial tasks especially undertaught.** A majority report that schools did not properly teach them basic financial tasks, including doing taxes (85%), taking out and paying back loans (81%), paying back student loans (78%) or setting a household budget (77%).



WHAT ARE FAMILIES' VIEWS ON SEEKING FINANCIAL ADVICE?

- **Financial advice is seen as essential.** Most middle-income Canadians (72%) agree that everyone should have access to a financial professional. However, just two-fifths (38%) believe they can afford it, highlighting a misconception that financial advice is out of reach for families with lower incomes.
- **Many prefer guidance on financial investments.** Overall, families are comfortable buying life insurance and determining retirement savings needs without outside help. However, they express less comfort in making financial investments in stocks, bonds or mutual funds online without the help of a financial professional.

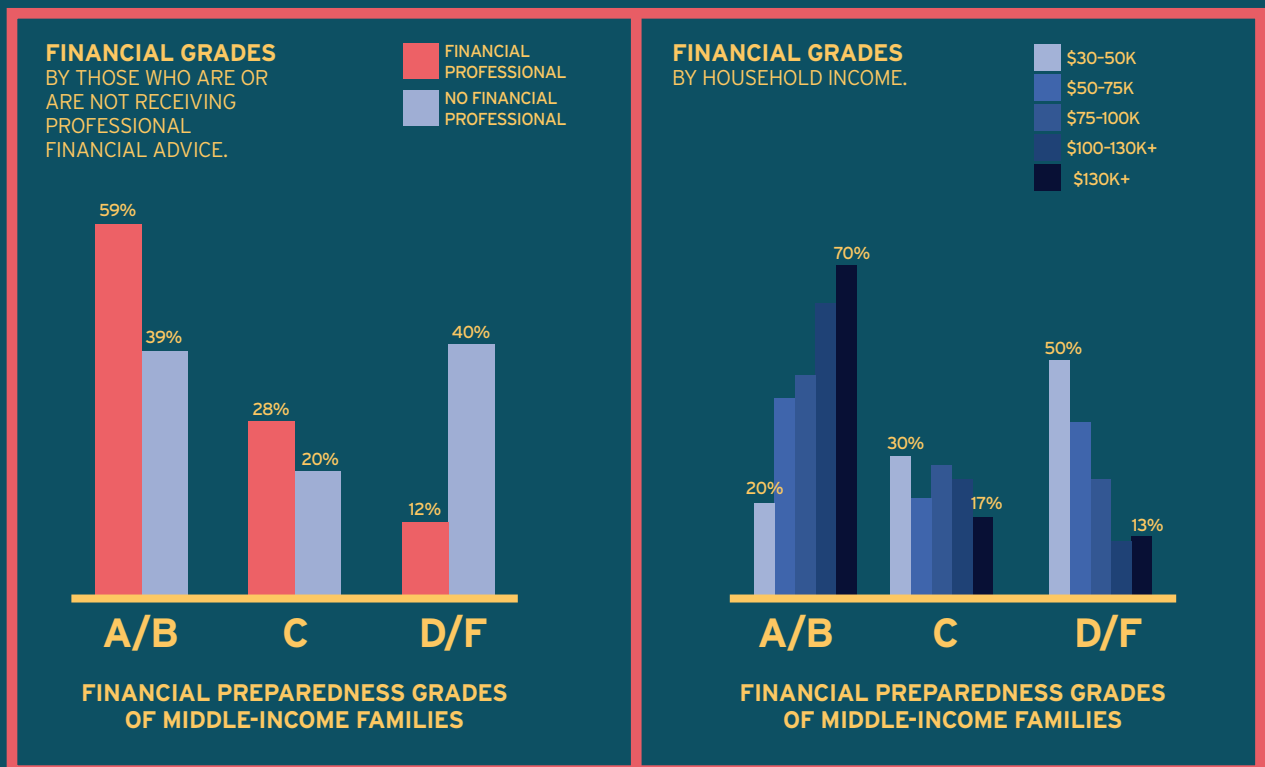


SCORECARD SHOWS THE VALUE OF PROFESSIONAL FINANCIAL ADVICE

Primerica's Monitor assigned grades to study participants based on their volunteered level of engagement in five financial preparedness fundamentals, including saving for their future and protecting what they have through life insurance. The average grade was between B and C. The scorecard found that 31% of those who work with a financial professional earned a B or better, compared to just 25% of those who did not.

FINANCIAL SECURITY SCORECARD RESPONSES

CANADIANS WHO WORKED WITH A FINANCIAL PROFESSIONAL DEMONSTRATED MORE SKILL AND CONFIDENCE ACROSS FIVE BASIC FINANCIAL TASKS.



* PERCENTAGES ROUNDED TO NEAREST WHOLE NUMBER.



ABOUT PRIMERICA CANADA'S FINANCIAL SECURITY MONITOR™

Since 2020, the Canadian Financial Security Monitor™ has surveyed middle-income households across Canada to gain a clear picture of their financial situation. Using Dynamic Online Sampling, Change Research polled 833 adults nationwide in Canada, from April 10-17, 2024. Post-stratification weights were made on gender, age and province/territory region to reflect the population of these adults based on the 2016 Canadian Census. Polling was done in both English and French. The margin of error is +/-3.4 percentage points.