

The Financial Wellbeing Index™ report

Canada | Spring 2021



Table of contents

1	Spring 2021 highlights	3	5	Change in Financial Situation	18
2	The Financial Wellbeing Index™	5	6	Change in Financial Concern	18
	Financial knowledge	8			
	Financial behaviour	10			
	Financial perception	12			
	Productivity impact	14			
3	Financial Wellbeing Index™		7	Spotlight	19
	(provincial)	16		Supports and barriers to financial knowledge	19
				Preferred modality to receive financial guidance	23
				Outlook	24
4	Financial Wellbeing Index™		8	Overview of the	
	(industry)	17		Financial Health Index™	25
				Methodology	25
				Calculations	25

Spring 2021 highlights

More than one year into the COVID-19 pandemic, there has been an increase in savings according to the [Mental Health Index™](#). Despite the improvement, more than half of employed people either have no emergency savings (28%) or limited savings that would cover less than two months of essential expenses (26%). Regardless of income, emergency savings is one of the strongest drivers of mental health.

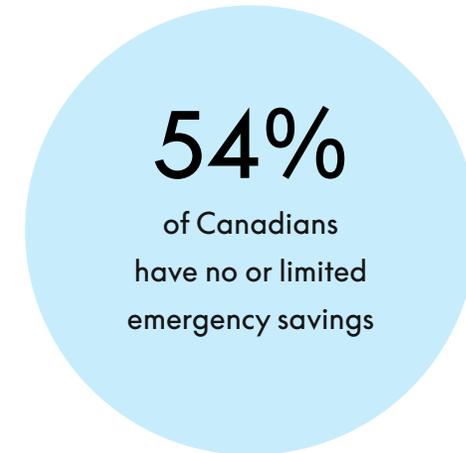
April highlights

- In terms of the location of residence, the lowest financial wellbeing is seen in the Maritimes, followed by Saskatchewan, Manitoba, and Alberta. While all provinces perform below the benchmark, Alberta, Newfoundland and Labrador, Ontario and British Columbia all showed improvements in April.
- Women have lower financial wellbeing, financial knowledge, financial behaviour, and financial perception scores than men.
- Financial wellbeing scores improve with age as do financial knowledge, financial behaviour, and financial perception scores. Workplace productivity is also more significantly impacted by finances among younger people.

- Full-time post-secondary students have the lowest financial wellbeing score. In addition, for the eleventh consecutive month, full-time post-secondary students have the lowest mental health score, and the most significant increase in mental stress.

Financial instability impacts work productivity

- Nearly 1 in 3 (30%) of Canadians indicate that their financial situation is currently impacting their work productivity.
- Younger people are struggling more across all areas of financial wellbeing and their work productivity is being negatively impacted.
- The productivity score for parents (-8.6) is nearly ten-points lower than for people without children (1.2).



Some reliance on sources of financial knowledge sources that may not be credible

- 40% rely on a financial advisor as their primary source of financial information and this group has the most favourable financial wellbeing score.
- Additional sources of financial information include, family (37%), traditional media (35%), friends (22%) and social media (11%).
- People reporting that their primary source of financial information is social media have the lowest financial wellbeing score, followed by those who rely on friends as their primary source of financial information.
- Individuals between 20 and 39 are more than twice as likely to use social media as a primary source of financial information than those 40 and over.
- Nearly two-thirds (61 per cent) of women below 30 report family as their primary source of financial information compared to nearly half (49 per cent) of men.

More than half of Canadians report some barrier to increasing their financial knowledge

- 56% report some barrier to increasing their financial knowledge.
- 24% report that gender is a barrier to increasing their financial knowledge and this group has the lowest financial wellbeing score.
- Other barriers to increased financial knowledge include, time (18%), confusion (14%), embarrassment (11%), and not knowing where to look (11%).

Digital financial guidance preferred among younger Canadians

- People under 30 are more likely to prefer using a personalised digital program/app for financial guidance.
- Individuals under 40 are more than twice as likely to prefer group learning (in-person or digital).
- Parents are 40% more likely to prefer one-on-one virtual/online financial guidance.

Nearly
1 in 3

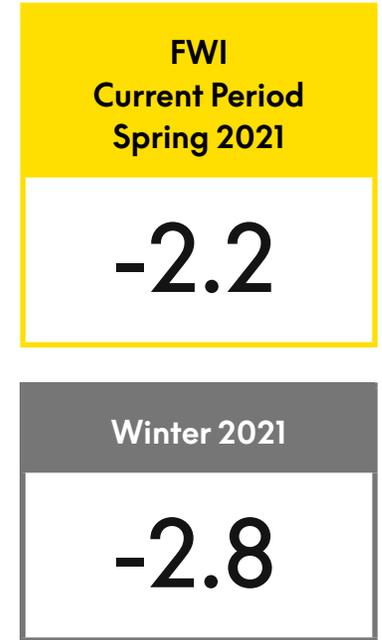
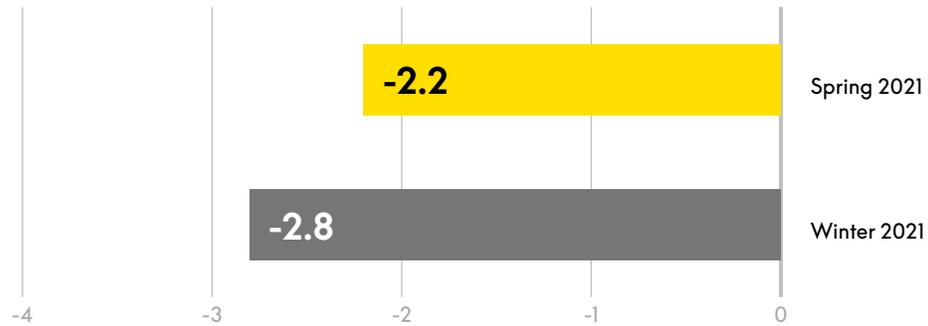
Canadians indicate that their financial situation is currently impacting their work productivity

56%

report some barrier to increasing their financial knowledge

The Financial Wellbeing Index™

The Financial Wellbeing Index™ (FWI) is a measure of deviation from the benchmark¹ of the financial wellbeing of the population. **The overall Financial Wellbeing Index™ for Spring 2021 is -2.2 points.** This Index represents the deviation below the pre-2020 benchmark. A negative score indicates poorer financial wellbeing relative to the benchmark, and a positive score indicates better financial wellbeing. A slight improvement (+0.6 points) is seen compared to the prior period.



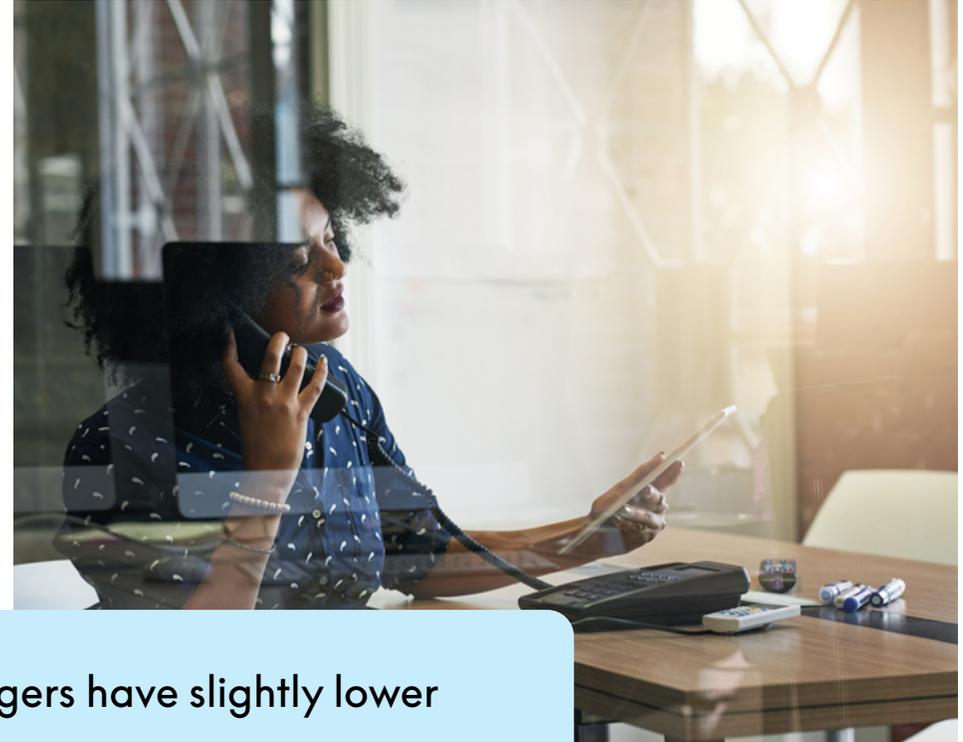
¹ The benchmark reflects data collected in 2017, 2018 and 2019.

Demographics

- Women have a significantly lower financial wellbeing score (-3.6) than men (-0.7).
- Financial wellbeing scores improve with age; the least favourable financial score is among 20–29-year-olds (-11.0) while the most favourable score is among 70–79-year-olds (7.1).
- Household income is strongly correlated with financial wellbeing; households reporting an annual income of up to \$30,000 have the lowest financial wellbeing score (-12.6), more than ten-points lower than the overall average.
- The difference in the financial wellbeing score between people with and without children is significant; a lower score is observed among people with at least one child (-5.6) than those without children (-0.8).

Employment

- Individuals reporting reduced salaries or fewer hours compared to the prior month have the lowest financial wellbeing score (-11.1), followed by those not currently employed (-10.1).
- Managers have slightly lower financial wellbeing (-2.1) than non-managers (-1.7).
- Individuals working for organizations with more than 10,000 employees have the most favourable financial wellbeing score (2.3).



Managers have slightly lower financial wellbeing (-2.1) than non-managers (-1.7).

Financial Wellbeing Index™

Employment status	Spring 2021	Winter 2021
Employed (no change in hours/salary)	-0.2	-0.5
Employed (fewer hours compared to last month)	-11.1	-10.6
Employed (reduced salary compared to last month)	-11.1	-18.0
Not currently employed	-10.1	-4.6

Age group	Spring 2021	Winter 2021
Age 20-29	-11.0	-10.5
Age 30-39	-6.6	-6.9
Age 40-49	-3.4	-4.4
Age 50-59	1.0	-0.1
Age 60-69	3.5	3.6
Age 70-79	7.1	3.5

Number of children	Spring 2021	Winter 2021
No children in household	-0.8	-1.2
1 child	-5.4	-7.0
2 children	-6.1	-6.1
3 children or more	-4.2	-4.6

Province	Spring 2021	Winter 2021
Alberta	-3.6	-6.2
British Columbia	-1.9	-2.4
Manitoba	-3.6	-3.4
Newfoundland	-2.1	-3.9
The Maritimes	-6.4	-4.9
Ontario	-1.0	-2.4
Quebec	-1.4	-0.9
Saskatchewan	-4.9	-1.5

Gender	Spring 2021	Winter 2021
Men	-0.7	-0.6
Women	-3.6	-5.1

Income	Spring 2021	Winter 2021
Household income <\$30K/annum	-12.6	-13.4
\$30K to <\$60K/annum	-9.0	-9.4
\$60K to <\$100K	-3.0	-3.7
\$100K to <\$150K	2.2	1.3
\$150K or more	8.3	7.7

Employer size	Spring 2021	Winter 2021
Self-employed/ sole proprietor	0.3	-1.0
2-50 employees	-2.9	-3.4
51-100 employees	-7.0	-7.2
101-500 employees	-3.0	-4.4
501-1,000 employees	-4.3	-2.1
1,001-5,000 employees	-0.2	-1.1
5,001-10,000 employees	-1.1	-1.6
More than 10,000 employees	2.3	-0.3

Manager	Spring 2021	Winter 2021
Manager	-2.1	-3.2
Non-manager	-1.7	-2.4

Numbers highlighted in orange are the most negative scores in the group.

Numbers highlighted in green are the least negative scores in the group.

Available upon request:
Specific cross-correlational and custom analyses

Financial knowledge

The financial knowledge sub-scale is a measure of deviation from the benchmark² of the overall self-reported financial knowledge and literacy of the population. **The financial knowledge sub-score for Spring 2021 is -1.7 points.** This score represents a slight improvement over the prior month.

- Women have a considerably lower financial knowledge score (-5.1) than men (1.5).
- Financial knowledge scores improve with age; there is an eighteen-point difference between the least favourable financial knowledge score, among 20–29-year-olds (-9.3), and the most favourable knowledge score, among people 70 and older (8.8).

- Households reporting an annual income of up to \$60,000 have the lowest financial knowledge score (-7.2), when compared to households with annual income of \$150,000 or more (5.7).
- Managers have better financial knowledge (2.9) when compared to non-managers (-3.9).
- Sole proprietors/self-employed individuals have the most favourable financial knowledge score (2.8).



2 The benchmark reflects data collected in 2019.

Financial knowledge
Current Period
Spring 2021

-1.7

Winter 2021

-1.8

Financial knowledge

Employment status	Spring 2021	Winter 2021
Employed (no change in hours/salary)	-0.7	-1.3
Employed (fewer hours compared to last month)	-7.3	-3.0
Employed (reduced salary compared to last month)	-2.2	-3.9
Not currently employed	-5.3	-4.5
Age group	Spring 2021	Winter 2021
Age 20-29	-9.3	-7.5
Age 30-39	-4.1	-3.8
Age 40-49	-0.9	-2.7
Age 50-59	-0.6	-0.8
Age 60-69	1.2	2.4
Age 70-79	8.8	7.6
Number of children	Spring 2021	Winter 2021
No children in household	-2.2	-2.3
1 child	0.1	-0.2
2 children	-1.1	-0.8
3 children or more	-1.9	-3.6

Province	Spring 2021	Winter 2021
Alberta	-1.9	-2.1
British Columbia	-3.4	-2.7
Manitoba	-3.7	-0.9
Newfoundland	0.2	-2.2
The Maritimes	-5.0	-4.1
Ontario	-0.7	-1.3
Quebec	-1.2	-1.5
Saskatchewan	-1.9	-1.0
Gender	Spring 2021	Winter 2021
Men	1.5	1.9
Women	-5.1	-5.6
Income	Spring 2021	Winter 2021
Household income <\$30K/annum	-7.2	-9.0
\$30K to <\$60K/annum	-7.2	-6.2
\$60K to <\$100K	-2.1	-2.7
\$100K to <\$150K	1.2	1.7
\$150K or more	5.7	5.4

Employer size	Spring 2021	Winter 2021
Self-employed/ sole proprietor	2.8	2.9
2-50 employees	-1.8	-2.6
51-100 employees	-4.3	-3.8
101-500 employees	-2.2	-2.3
501-1,000 employees	-1.7	-0.6
1,001-5,000 employees	-3.3	-2.0
5,001-10,000 employees	-1.9	-1.7
More than 10,000 employees	0.3	-1.7
Manager	Spring 2021	Winter 2021
Manager	2.9	3.1
Non-manager	-3.9	-4.4

Numbers highlighted in orange are the most negative scores in the group.

Numbers highlighted in green are the least negative scores in the group.

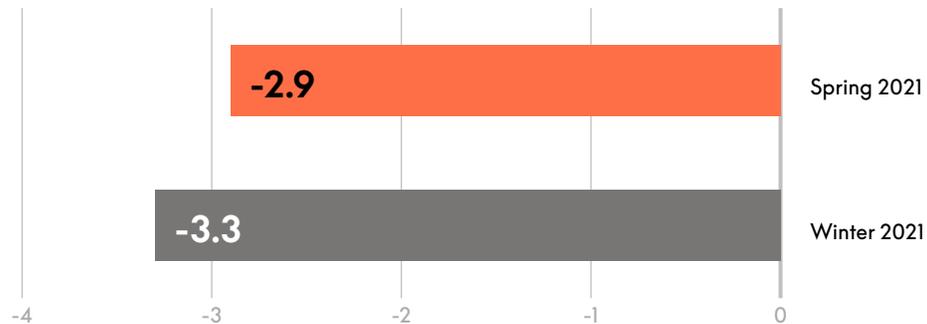
Available upon request:
Specific cross-correlational and custom analyses

Financial behaviour

The financial behaviour sub-scale measures the deviation from the benchmark³ of financial behaviours such as the existence of emergency savings, approach to credit and bill payments, savings behaviours, and overall debt load. **The financial behaviour sub-score for Spring 2021 is -2.9 points.** The current score represents a modest improvement in behaviour since the prior period.

- Women have a lower financial behaviour score than men (-3.7) than men (-2.1).
- Financial behaviour scores improve with age; there is a fifteen-point difference between the least favourable financial knowledge score, among 20–29-year-olds (-11.9), and the most favourable knowledge score, among 60–69-year-olds (3.1).

- Households reporting an annual income of up to \$30,000 have the lowest financial behaviour score (-14.2), twenty-two points lower than households with an annual income of \$150,000 or more (8.2).
- Managers have slightly lower financial behaviour score (-2.7) than non-managers (-2.5).
- Respondents working in organizations with more than 10,000 employees have the most favourable financial behaviour score (2.3).



3 The benchmark reflects data collected in 2019.

Financial behaviour
Current Period
Spring 2021

-2.9

Winter 2021

-3.3

Financial behaviour

Employment status	Spring 2021	Winter 2021
Employed (no change in hours/salary)	-1.0	-1.0
Employed (fewer hours compared to last month)	-10.8	-10.2
Employed (reduced salary compared to last month)	-11.2	-19.7
Not currently employed	-12.4	-6.7
Age group	Spring 2021	Winter 2021
Age 20-29	-11.9	-10.4
Age 30-39	-6.6	-6.6
Age 40-49	-4.6	-5.1
Age 50-59	0.5	-0.8
Age 60-69	3.1	2.7
Age 70-79	0.5	-0.2
Number of children	Spring 2021	Winter 2021
No children in household	-1.3	-1.4
1 child	-6.9	-8.4
2 children	-7.5	-6.9
3 children or more	-4.9	-6.3

Province	Spring 2021	Winter 2021
Alberta	-4.2	-5.2
British Columbia	-1.0	-1.0
Manitoba	-3.7	-4.0
Newfoundland	-6.6	-8.7
The Maritimes	-9.5	-8.0
Ontario	-1.4	-2.7
Quebec	-3.1	-3.2
Saskatchewan	-6.8	-0.8
Gender	Spring 2021	Winter 2021
Men	-2.1	-1.9
Women	-3.7	-4.7
Income	Spring 2021	Winter 2021
Household income <\$30K/annum	-14.2	-15.2
\$30K to <\$60K/annum	-10.4	-10.4
\$60K to <\$100K	-3.9	-4.8
\$100K to <\$150K	2.0	1.7
\$150K or more	8.2	8.0

Employer size	Spring 2021	Winter 2021
Self-employed/ sole proprietor	-1.8	-2.7
2-50 employees	-3.7	-4.1
51-100 employees	-8.0	-7.9
101-500 employees	-3.8	-5.0
501-1,000 employees	-5.1	-2.3
1,001-5,000 employees	-0.5	-0.8
5,001-10,000 employees	-1.6	-1.5
More than 10,000 employees	2.3	-0.4
Manager	Spring 2021	Winter 2021
Manager	-2.7	-3.9
Non-manager	-2.5	-2.7

Numbers highlighted in orange are the most negative scores in the group.

Numbers highlighted in green are the least negative scores in the group.

Available upon request:
Specific cross-correlational and custom analyses

Financial perception

The financial perception sub-scale measures the deviation from the benchmark⁴ of an individual's perceived financial situation, stress caused by finances, and comparison to peers who earn the same income.

The financial perception sub-score for Spring 2021 is -1.5 points.

This score represents an improvement of 1-point over the prior period.

- Women have a significantly lower financial perception score (-3.2) than men (0.1).
- Younger respondents have less favourable financial perception than older respondents; nearly 24-points between the financial perception score of 20–29-year-olds (-10.6) and 70–79-year-olds (13.2).

- Respondents with children (-5.5) have a lower financial perception score than those without children (0.1).
- Households reporting an annual income of up to \$30,000 have the lowest financial perception score (-12.3), than households with an annual income of \$150,000 or more (9.2).
- Managers have a lower financial perception score (-2.7) than non-managers (-0.3).
- Respondents who report working for organizations with more than 10,000 employees have the most favourable financial perception score (2.8).



Financial perception
Current Period
Spring 2021

-1.5

Winter 2021

-2.5

⁴ The benchmark reflects data collected in 2019.

Financial perception

Employment status	Spring 2021	Winter 2021
Employed (no change in hours/salary)	0.8	0.1
Employed (fewer hours compared to last month)	-12.2	-12.8
Employed (reduced salary compared to last month)	-13.3	-19.8
Not currently employed	-9.0	-2.4
Age group	Spring 2021	Winter 2021
Age 20-29	-10.6	-11.3
Age 30-39	-7.2	-8.0
Age 40-49	-2.7	-4.2
Age 50-59	1.9	0.7
Age 60-69	4.6	4.8
Age 70-79	13.2	6.1
Number of children	Spring 2021	Winter 2021
No children in household	0.1	-0.7
1 child	-5.4	-7.2
2 children	-6.0	-6.5
3 children or more	-4.1	-3.2

Province	Spring 2021	Winter 2021
Alberta	-3.4	-8.2
British Columbia	-2.4	-3.7
Manitoba	-3.5	-3.5
Newfoundland	1.7	0.5
The Maritimes	-3.7	-2.0
Ontario	-0.8	-2.4
Quebec	0.3	1.6
Saskatchewan	-3.8	-2.3
Gender	Spring 2021	Winter 2021
Men	0.1	0.2
Women	-3.2	-5.3
Income	Spring 2021	Winter 2021
Household income <\$30K/annum	-12.3	-12.8
\$30K to <\$60K/annum	-8.2	-9.3
\$60K to <\$100K	-2.4	-2.9
\$100K to <\$150K	2.8	0.7
\$150K or more	9.2	8.1

Employer size	Spring 2021	Winter 2021
Self-employed/ sole proprietor	1.7	-0.3
2-50 employees	-2.3	-2.8
51-100 employees	-6.6	-7.3
101-500 employees	-2.3	-4.2
501-1,000 employees	-4.1	-2.2
1,001-5,000 employees	1.0	-1.1
5,001-10,000 employees	-0.5	-1.8
More than 10,000 employees	2.8	0.1
Manager	Spring 2021	Winter 2021
Manager	-2.7	-4.1
Non-manager	-0.3	-1.6

Numbers highlighted in orange are the most negative scores in the group.

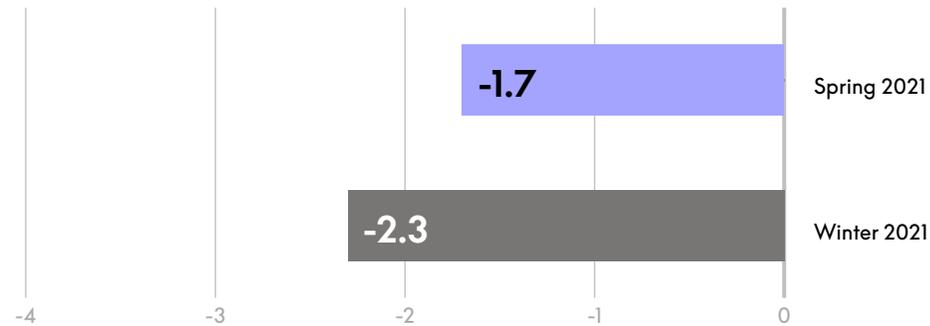
Numbers highlighted in green are the least negative scores in the group.

Available upon request:
Specific cross-correlational and custom analyses

Productivity impact

The impact of finances on productivity measures the deviation from the benchmark⁵ of the effect of financial wellbeing on workplace productivity. The productivity score measures the impact on productivity when there is financial strain. **For Spring 2021, the score is -1.7 points.** The improvement indicates that the respondent group's financial situation is less likely to impact their productivity at work than was observed in the prior period.

- Men experience a slightly greater negative impact on their productivity (-1.8) than women (-1.6).
- The impact of finances on workplace productivity is greater the younger the demographic; 20–29-year-olds have the least favourable score (-16.9), and this score improves considerably with age.



- Households reporting an annual income of up to \$30,000 have the lowest productivity score (-14.1), 23-points below those earning \$150,000 and significantly below the overall average (-1.7).
- Productivity is more adversely affected in people with children; the score for those with at least one child (-8.6) is nearly ten-points below those without children (1.2).
- Individuals reporting reduced salaries when compared to the prior month have the lowest productivity score (-23.2), followed by those not currently employed (-22.5), and those reporting fewer hours compared to the prior month (-16.1).
- Managers have considerably lower productivity (-5.8) than non-managers (1.4).
- Individuals working for organizations with more than 10,000 employees have the most favourable productivity score (5.7).

Productivity Impact
Current Period
Spring 2021

-1.7

Winter 2021

-2.3

⁵ The benchmark reflects data collected in 2019.

Productivity impact

Employment status	Spring 2021	Winter 2021
Employed (no change in hours/salary)	1.7	1.8
Employed (fewer hours compared to last month)	-16.1	-16.0
Employed (reduced salary compared to last month)	-23.2	-29.3
Not currently employed	-22.5	-13.0
Age group	Spring 2021	Winter 2021
Age 20-29	-16.9	-16.8
Age 30-39	-11.5	-10.5
Age 40-49	-1.9	-2.9
Age 50-59	4.8	2.6
Age 60-69	6.6	7.3
Age 70-79	12.1	9.3
Number of children	Spring 2021	Winter 2021
No children in household	1.2	0.8
1 child	-9.5	-11.0
2 children	-8.1	-8.8
3 children or more	-4.4	0.7

Province	Spring 2021	Winter 2021
Alberta	-3.0	-6.5
British Columbia	-1.8	-2.7
Manitoba	-5.0	-3.8
Newfoundland	5.4	8.0
The Maritimes	2.2	2.7
Ontario	-2.3	-3.2
Quebec	-0.3	0.2
Saskatchewan	-1.7	0.1
Gender	Spring 2021	Winter 2021
Men	-1.8	-1.7
Women	-1.6	-2.9
Income	Spring 2021	Winter 2021
Household income <\$30K/annum	-14.1	-14.0
\$30K to <\$60K/annum	-6.5	-6.5
\$60K to <\$100K	-3.8	-3.8
\$100K to <\$150K	1.9	0.5
\$150K or more	9.3	7.0

Employer size	Spring 2021	Winter 2021
Self-employed/ sole proprietor	-3.0	-1.6
2-50 employees	-1.3	-1.6
51-100 employees	-10.7	-12.0
101-500 employees	-3.7	-7.1
501-1,000 employees	-5.8	-4.8
1,001-5,000 employees	2.4	2.1
5,001-10,000 employees	4.1	1.6
More than 10,000 employees	5.7	4.4
Manager	Spring 2021	Winter 2021
Manager	-5.8	-8.1
Non-manager	1.4	1.5

Numbers highlighted in orange are the most negative scores in the group.

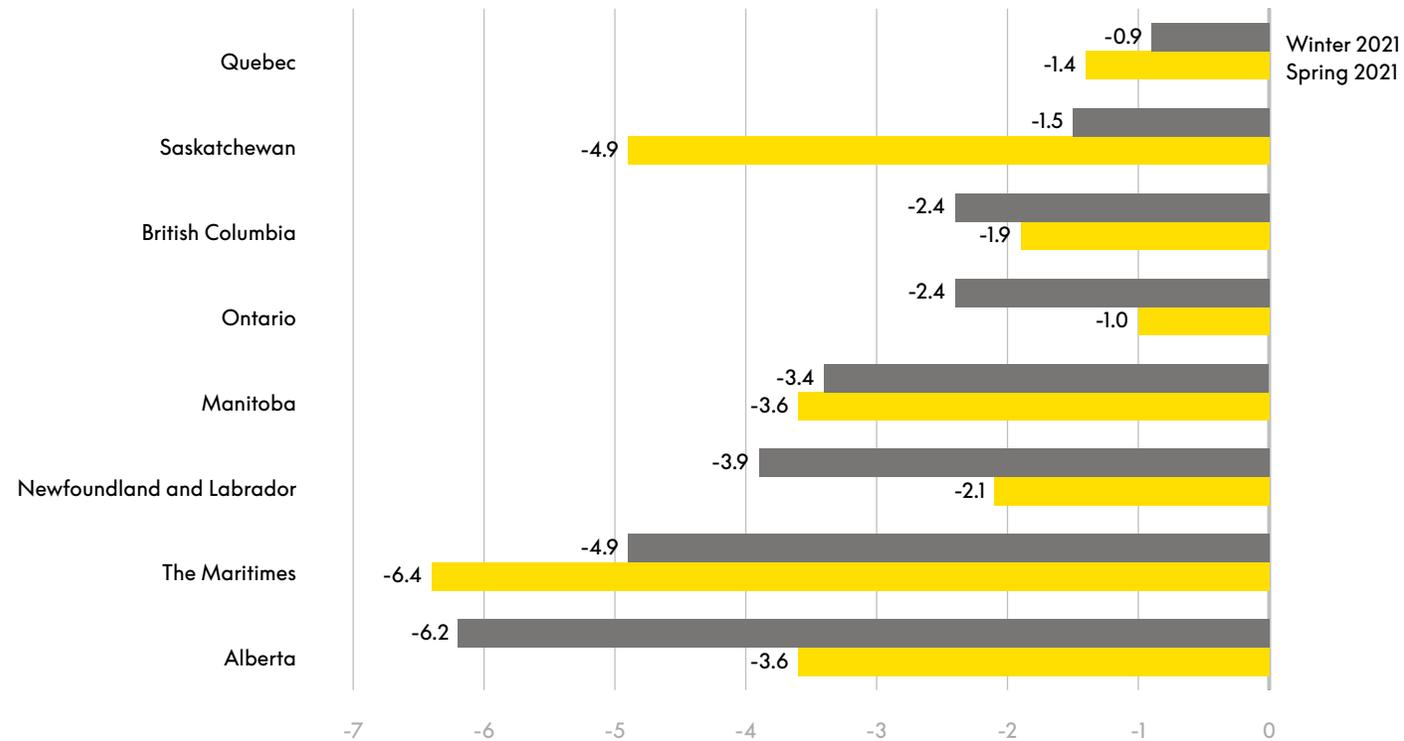
Numbers highlighted in green are the least negative scores in the group.

Available upon request:
Specific cross-correlational and custom analyses

Financial Wellbeing Index™ (provincial)

While all Canadian provinces perform below the benchmark, Alberta, Newfoundland and Labrador, Ontario, and British Columbia all showed improvements in financial wellbeing compared to the prior period.

The most favourable FWI scores are in Ontario (-1.0), Quebec (-1.4), and British Columbia (-1.9). The Maritimes has the lowest financial wellbeing score, followed by Saskatchewan (-4.9), Manitoba (-3.6), and Alberta (-3.6).



Financial Wellbeing Index™ (industry)

The most favourable financial wellbeing scores in Spring 2021 are among individuals employed in Mining and Oil and Gas Extraction (4.6), Professional, Scientific and Technical Services (4.4), and Public Administration (3.0).

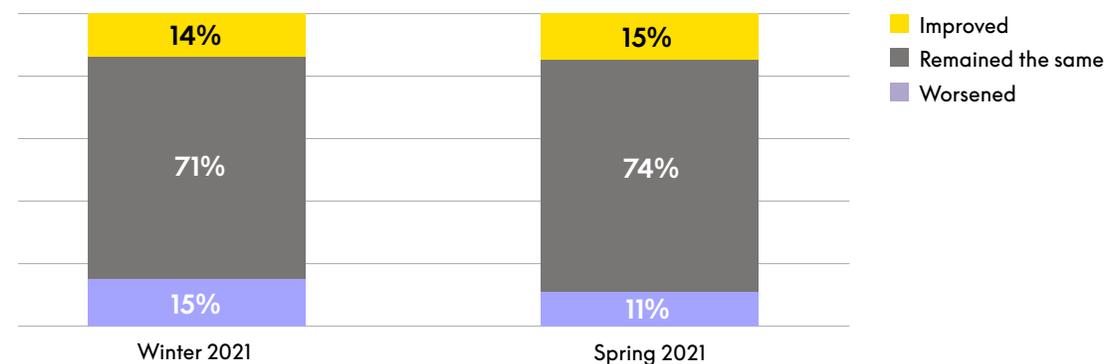
Full-time post-secondary students (-13.7) have the lowest financial wellbeing score, followed by individuals working in Information and Cultural Industries (-8.5), and Accommodation and Food Services (-6.8).

Industry	Spring 2021	Winter 2021	Change
Automotive Industry	1.0	-4.9	6.0
Mining and Oil and Gas Extraction	4.6	-0.3	4.9
Retail Trade	-4.5	-7.6	3.0
Agriculture, Forestry, Fishing and Hunting	2.2	-0.6	2.7
Manufacturing	0.1	-2.4	2.4
Public Administration	3.0	0.8	2.2
Full-time student	-13.7	-15.4	1.7
Accommodation and Food Services	-6.8	-8.2	1.4
Information and Cultural Industries	-8.5	-9.9	1.3
Construction	-2.0	-3.3	1.3
Finance and Insurance	1.8	0.7	1.0
Professional, Scientific and Technical Services	4.4	3.5	0.9
Management of Companies and Enterprises	-3.3	-4.3	0.9
Other	-4.4	-4.9	0.5
Transportation and Warehousing	-3.5	-3.9	0.4
Health Care and Social Assistance	-3.8	-3.8	0.0
Educational Services	-2.4	-2.3	-0.1
Other services (except Public Administration)	-2.6	-2.1	-0.5
Real Estate, Rental and Leasing	-2.1	-0.9	-1.1
Wholesale Trade	-3.2	-2.0	-1.2
Arts, Entertainment and Recreation	-4.8	-2.5	-2.3
Utilities	-5.2	-0.9	-4.3

Change in Financial Situation

Financial change tracks an individual's reported financial changes compared to the prior period. The percentages of those experiencing a worsened financial position, the same financial position, and an improved financial position compared to the previous quarter, are shown in the graph.

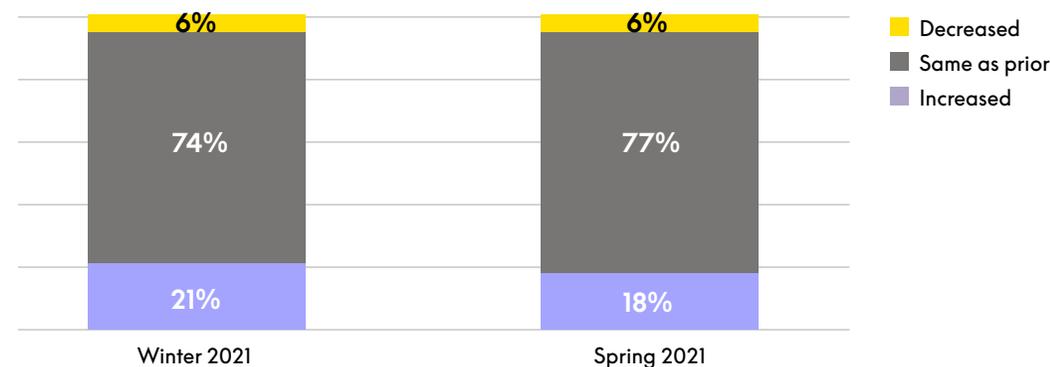
In Winter 2021, fifteen per cent of the respondents reported a worsened financial situation. While those reporting a worsened financial situation decreased to eleven per cent in Spring 2021, seventy-four per cent of respondents report no change to their financial situation and only fifteen per cent report an improvement in their financial position.



Change in Financial Concern

Financial Concern tracks an individual's reported change in financial concerns compared to the prior period. The percentages of those experiencing increased financial concern, the same level of concern, and decreased financial concern compared to the previous period, are shown in the graph.

In Winter 2021, twenty-one per cent of the respondents reported increased financial concern. While those reporting increased financial concern decreased to eighteen per cent in Spring 2021, seventy-seven per cent of respondents report the same level of concern, and only six per cent report decreased financial concern.



Spotlight

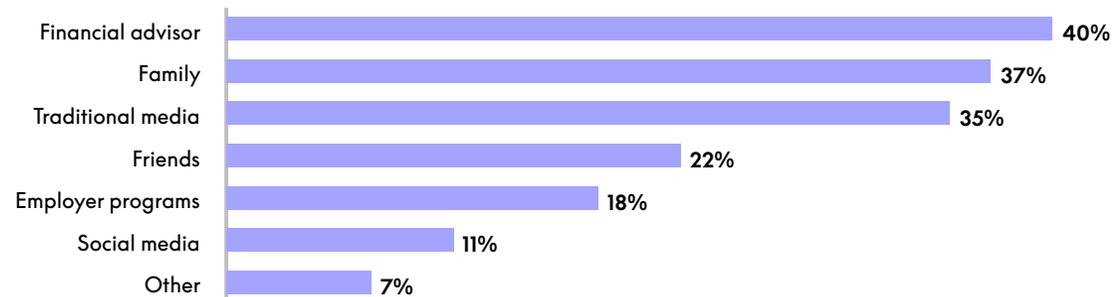
Supports and barriers to financial knowledge

Primary source of financial information

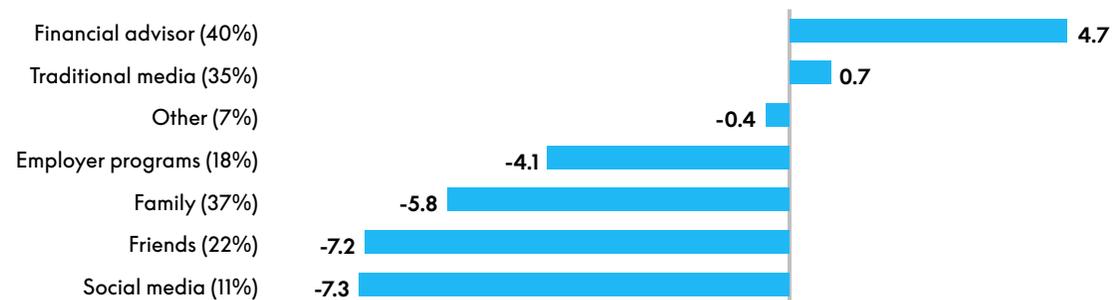
Respondents were asked about their primary source of financial information.

- Forty per cent indicate that a financial advisor is their primary source of financial information and this group has the most favourable financial wellbeing score (4.7).
- More than one-third (37 per cent) report family as their primary source of financial information, followed by thirty-five per cent reporting traditional media as their primary source of financial information.
- People reporting that their primary source of financial information is social media have the lowest financial wellbeing score (-7.3), followed by those who rely on friends as their primary source of financial information (-7.2).
- Individuals between 20 and 39 are more than twice as likely to use social media as a primary source of financial information than those 40 and over.
- Individuals over the age of 50 are nearly sixty per cent more likely to use a financial advisor as a primary source than those under 50.
- Women are 35 per cent more likely than men to report family as their primary source of financial information. Nearly two-thirds (61 per cent) of women below 30 report family as their primary source of financial information compared to nearly half (49 per cent) of men.

Primary source of financial information



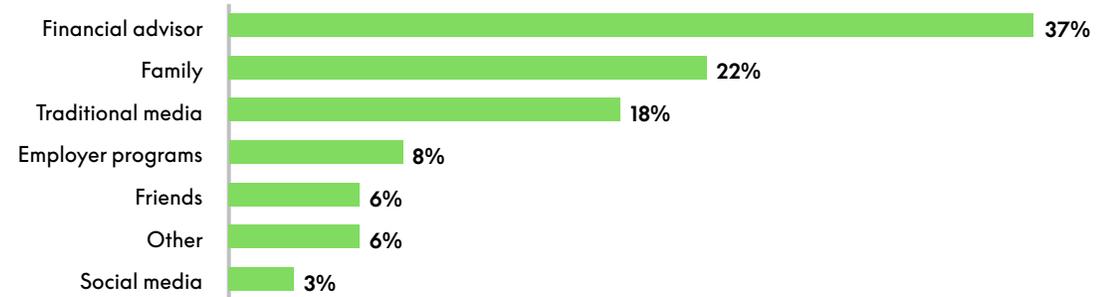
FWI score by primary source of financial information



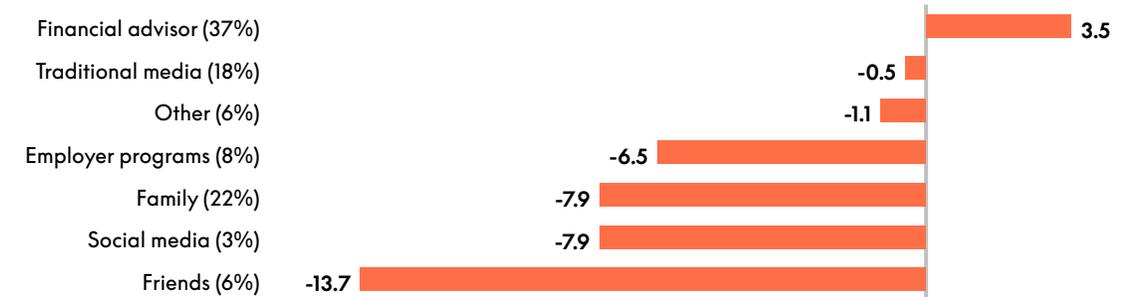
Most trusted source of financial information

- More than one-third (37 per cent) indicate that their financial advisor is their most trusted source of financial information and this group has the most favourable financial wellbeing score (3.5).
- Nearly one-quarter (22 per cent) report family as their most trusted source of financial information, followed by eighteen per cent that report traditional media as their most trusted source.
- The lowest financial wellbeing scores are seen among people reporting that friends are their most trusted source of financial knowledge (-13.7), followed by those reporting social media as their most trusted source (-7.9), and those reporting that family is their most trusted source of financial information (-7.9).
- Individuals with children are fifty per cent more likely to report that family is their most trusted source of financial knowledge compared to individuals without children.

Most trusted source for financial information



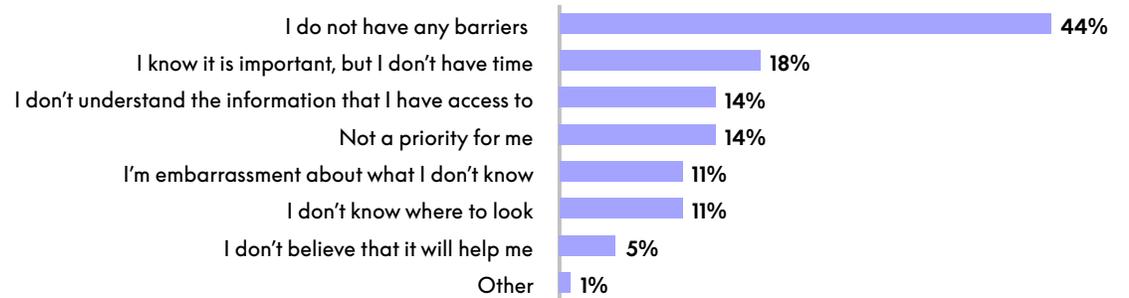
FWI score by trusted source of a financial knowledge



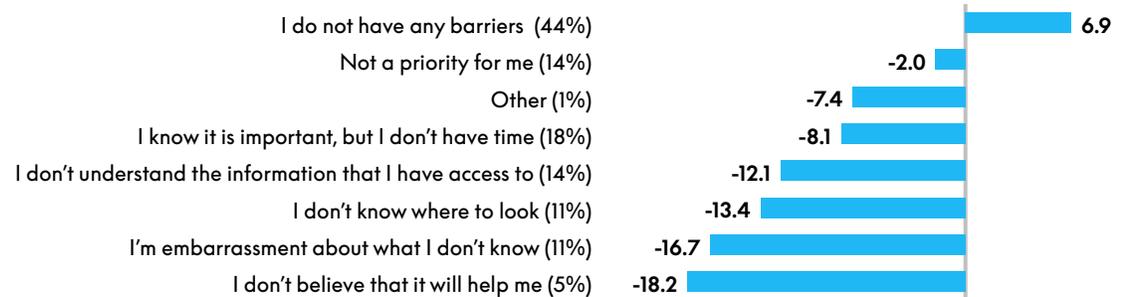
Barriers to increasing financial knowledge

- More than forty per cent (44 per cent) report having no barriers to increasing their financial knowledge and this group has the highest financial wellbeing score (6.9).
- The lowest financial wellbeing scores are seen among people reporting that increasing their financial knowledge would not help them (-18.2), followed by those who feel embarrassed about their current knowledge (-16.7), and those not knowing where to look (-13.4).
- Individuals under 40 are more than twice as likely to report not knowing where to look to increase their financial knowledge, or embarrassed about what they do not know, or do not understand the information that they have access to.

Barriers towards increase in financial knowledge



FWI score by barriers to increasing financial knowledge

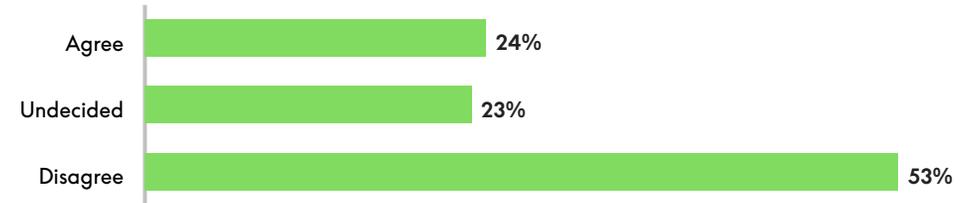


Gender as a barrier to increasing financial knowledge

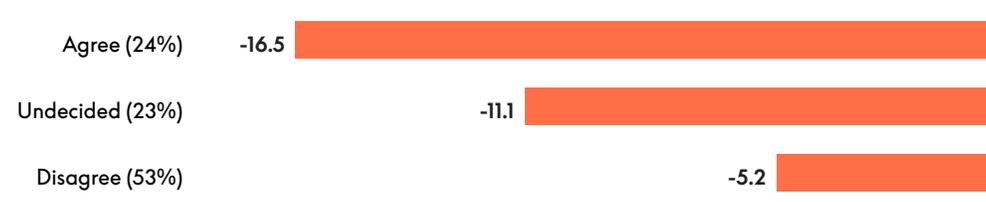
Fifty-six per cent report some barrier to increasing their financial knowledge. Among those who reported barriers, respondents were asked what impact gender has on their opportunity to increase their financial knowledge.

- Fifty-three per cent of people who report barriers to increasing their financial knowledge do not believe that gender is a factor. This group has the most favourable financial wellbeing score (-5.2).
- Nearly one-quarter (24 per cent) report that gender is a barrier to increasing their financial knowledge and this group has the lowest financial wellbeing score (-16.5).

Gender as a barrier to increasing financial knowledge



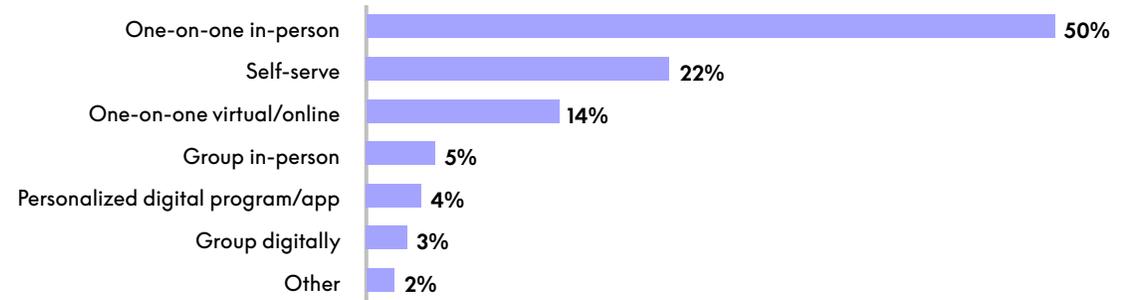
FWI score by gender as a barrier to increasing financial knowledge



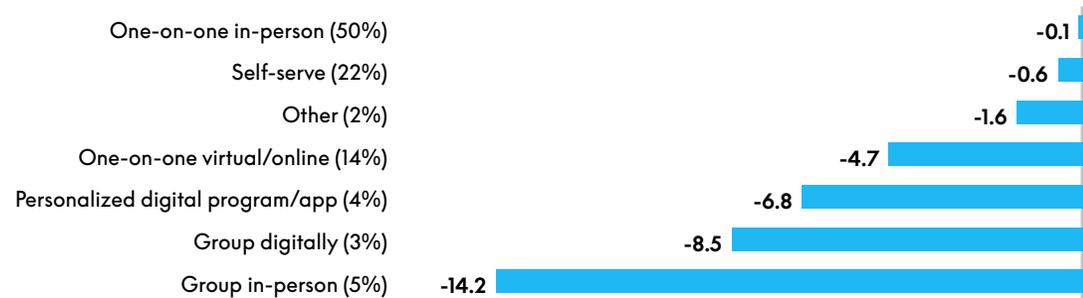
Preferred modality to receive financial guidance

- Half prefer to receive financial guidance in person, one-on-one. This group has the most favourable financial wellbeing score (-0.1).
- People under 30 are more likely to prefer using a personalised digital program/app for financial guidance than respondents over 50.
- Respondents under 40 are more than twice as likely to prefer group learning (in-person or digital).
- Individuals with children are forty per cent more likely to prefer one-on-one virtual/online financial guidance than those without children.

Preferred modality to receive financial guidance



FWI score by preferred modality to receive financial guidance

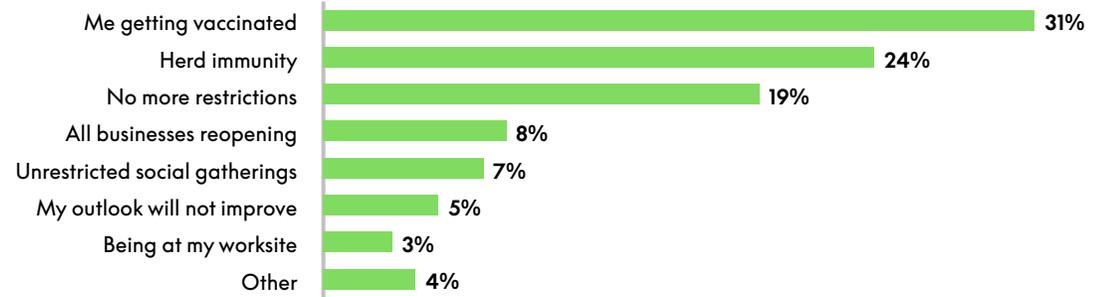


Outlook

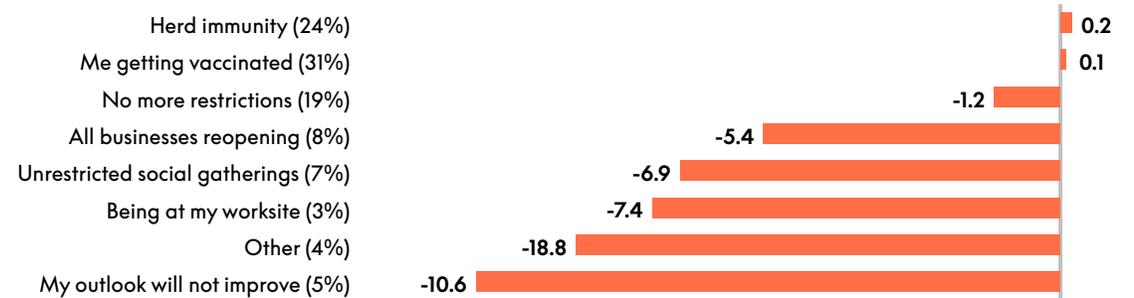
With vaccines continuing to roll out across Canada, there is cause for optimism. Respondents were asked what would most improve their outlook for the future.

- Nearly one-third report that getting vaccinated against COVID-19 would most improve their outlook for the future, followed by the population reaching herd immunity (24 per cent), and having no more restrictions (19 per cent).
- The most favourable financial wellbeing scores align with the top three events that would most improve the group's outlook: getting vaccinated (0.1), population reaching herd immunity (0.2), and no more restrictions (-1.2).
- Employees working fewer hours or with reduced salary are more than 60 per cent more likely to report that all businesses reopening would most improve their outlook.

Event that would most improve my outlook for the future



FWI score by event that would most improve my outlook for the future



Overview of the Financial Health Index™

The financial wellbeing of a population is essential to overall wellbeing and work productivity. The Financial Wellbeing Index™ provides a measure of the current financial health status of employed adults in Canada, compared to the benchmark data collected in 2019. Financial wellbeing is defined by the knowledge, behaviours, and perceptions of individuals relative to their personal financial situation. It includes a measure of financial risk but is much broader. Higher income does not guarantee financial wellbeing, neither does lower income preclude it.

The Financial Wellbeing Index™ report has five parts:

1. The overall Financial Wellbeing Index™ (FWI), which is a measure of deviation from the pre-2020 benchmark of financial wellbeing.
2. Knowledge, Behaviour, and Perception sub-scales, which inform specific areas of financial wellbeing.

3. The impact of finances on productivity, which is included to understand the effects of personal finances on the workplace.
4. Change in Financial Situation and Change in Financial Concern, which measure changes when compared to the prior period.
5. A spotlight section that reflects the specific impact of current issues.

Methodology

The data for this report was collected through an online survey of 3,000 working Canadians. Participants were selected to be representative of the age, gender, industry, and geographic distribution in Canada. The respondents were asked to consider the prior three months when answering each question. The Financial Wellbeing Index™ is published quarterly, starting in January 2021. The data for the current report was collected between March 22 to April 2, 2021.

Calculations

To create the Financial Wellbeing Index™, a scoring system is used to turn the individual responses to each question into a point value. Higher point values are associated with better financial wellbeing and lower financial risk. Each individual's scores are added and then divided by the total number of possible points to get a score out of 100. The raw score is the mathematical mean of the individual scores.

To demonstrate deviation from the historical benchmark, the current quarter's scores are then compared to the benchmark and the prior quarter. The benchmark is comprised of data from 2019. The deviation relative to the benchmark is the Financial Wellbeing Index™. A score of zero in the Financial Wellbeing Index™ reflects no deviation, positive scores reflect improvement, and negative scores reflect decline.



About LifeWorks

LifeWorks is a global leader in delivering technology-enabled solutions that help clients support the total wellbeing of their people and build organizational resiliency. By improving lives, we improve business. Our solutions span employee and family assistance, health and wellness, recognition, pension and benefits administration, retirement and financial consulting, actuarial and investment services. LifeWorks employs approximately 7,000 employees who work with some 24,000 client organizations that use our services in more than 160 countries. LifeWorks is a publicly traded company on the Toronto Stock Exchange (TSX: LWRK).

For more information, visit:

 [LifeWorks.com](https://www.lifeworks.com)

 twitter.com/LifeWorks

 [linkedin.com/company/lifeworks](https://www.linkedin.com/company/lifeworks)