

The Financial Wellbeing Index™ report

Canada | Summer 2022



Table of contents

1 What you need to know for Summer 2022	3	5 Change in financial situation	18
2 The Financial Wellbeing Index™	5	6 Change in financial concern	18
Financial knowledge	8	7 Spotlight	19
Financial behaviour	10	Inflation	19
Financial perception	12	Areas of impact because of inflation	19
Productivity impact	14	Basic living expenses	20
3 Financial Wellbeing Index™ (provincial)	16	Housing and mortgage	21
4 Financial Wellbeing Index™ (industry)	17	Emergency savings	23
		Financial education	24
		Payday loans	26
		Financial fraud	27
		Impact of stock market decline	28
		8 Overview of the Financial Wellbeing Index™	29
		Methodology	29
		Calculations	29

What you need to know for Summer 2022

The financial wellbeing of Canadians has fallen sharply and is at its lowest point since the launch of the Index in January 2021.

- All financial sub-scores declined compared to Winter 2022. The perception employees have of their wellbeing (financial perception score) declined most significantly.
- Quebec is the only province with an improved financial wellbeing score (68.4). A five-point decline from Winter 2022 is observed in Saskatchewan while Newfoundland and Labrador has the lowest financial wellbeing score (60.6) following a decline of nearly four points from the prior period.
- The proportion of Canadians reporting a worsening of their financial situation increased five per cent over the prior period and Canadians reporting an increase in financial concern climbed six per cent from Winter 2022.
- Women, younger people (under 40 years of age), parents, and Canadians with an annual household income less than \$60,000 have lower scores across all areas of financial wellbeing.

Nearly one-third of working Canadians are concerned about their ability to cover basic living expenses.

- 50% say the biggest impact of inflation is in the cost of groceries.
- 35% say the biggest impact of inflation is in the cost of gas.
- 23% are concerned about their ability to meet mortgage payments if the Bank of Canada raises the interest rate above three per cent.
- The financial wellbeing score among 5% who feel the biggest impact of inflation on debt repayment, is more than 20 points below the national average.

More than half of Canadians would benefit from more financial wellbeing education.

- Younger people (under the age of 40) are more likely to see the benefit of more education about financial wellbeing.
- Those who believe they would benefit from additional financial education have financial wellbeing scores below the national average.
- 47% of Canadians do not know, or are unsure, how to choose a financial planner, and these groups have significantly lower financial wellbeing scores than the national average.

From Winter 2021 to Winter 2022, the Financial Wellbeing Index™ reflected the deviation from the pre-pandemic benchmark data collected in 2019. Going forward, scores will be reported as absolute on a scale of 0-100 where

0-49 = Distressed

50-79 = Strained

and 80-100 = Optimal

Parents are twice as likely to have used payday loans.

- 10% of Canadians have used a payday loan company and the financial wellbeing score of this group is 18 points below the national average.
- 14% of Canadians indicate that they have been a victim of financial fraud.

The stock market decline has impacted more than two in five Canadians.

- 44% of Canadians indicate that they have been impacted by declines in the stock market.

76%

want to prioritize emergency savings in 2022

47%

do not know, or are unsure, how to choose a financial planner

29%

are concerned about their ability to cover basic living expenses

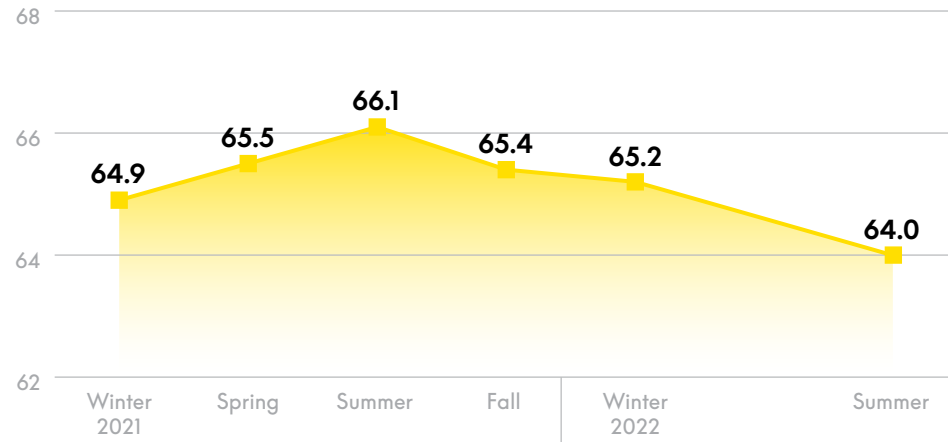
23%

are concerned about their ability to pay their mortgage if the Bank of Canada raises the interest rate above 3%

The Financial Wellbeing Index™

The overall Financial Wellbeing Index™ for Summer 2022 is 64.0 points.

In Summer 2022, the financial wellbeing score fell more than one point from the prior period and is at the lowest point since the introduction of the Index in Winter 2021.



FWI
Current period
Summer 2022

64.0

Winter 2022

65.2

Demographics

- Since the launch of the FWI, women have had significantly lower financial wellbeing scores than men. In Summer 2022, the financial wellbeing score of women is 61.6 compared to 66.6 for men.
- In each of the prior periods, financial wellbeing scores improved with age. In the current period, the same trend is observed. Canadians between the ages of 20-29 have the least favourable financial wellbeing score (53.2) while the most favourable financial wellbeing score is among those ages 70-79 (74.1).
- Household income is strongly correlated with financial wellbeing; households reporting an annual income of up to \$30,000 have the lowest financial wellbeing score (52.6), over 11 points lower than the national average (64.0). Households with incomes \$150,000 and higher have the highest financial wellbeing score (73.1).
- Differences in financial wellbeing scores between those with and without children have been observed since the launch of the Index. In Summer 2022, those with at least one child have a lower score (59.6) than those without children (65.9).

Employment

- Individuals reporting reduced salary compared to the prior month have the lowest financial wellbeing score (49.3), followed by those working fewer hours (53.8).
- Managers have a slightly better financial wellbeing score (64.3) than non-managers (63.9).
- Canadians working in organizations with 1,001-5,000 employees have the most favourable financial wellbeing score (67.0), while those working for employers with 51-100 employees have the lowest financial wellbeing score (60.6).



Financial Wellbeing Index™

Employment status	Summer 2022	Winter 2022
Employed (no change in hours/salary)	65.1	66.6
Employed (fewer hours compared to last month)	53.8	53.8
Employed (reduced salary compared to last month)	49.3	55.6
Not currently employed	65.0	62.6

Age group	Summer 2022	Winter 2022
Age 20-29	53.2	56.7
Age 30-39	58.6	59.1
Age 40-49	62.0	63.5
Age 50-59	67.3	66.9
Age 60-69	70.6	72.8
Age 70-79	74.1	76.3

Number of children	Summer 2022	Winter 2022
No children in household	66.0	67.2
1 child	59.2	60.0
2 children	60.5	61.7
3 children or more	59.1	60.4

Province	Summer 2022	Winter 2022
Alberta	61.7	63.2
British Columbia	62.8	65.7
Manitoba	62.9	67.2
Newfoundland and Labrador	60.6	64.2
The Maritimes	61.1	62.5
Ontario	64.5	65.5
Quebec	68.4	66.5
Saskatchewan	63.2	68.3

Gender	Summer 2022	Winter 2022
Men	66.6	67.2
Women	61.6	63.2

Household income	Summer 2022	Winter 2022
<\$30K/annum	52.6	52.7
\$30K to <\$60K/annum	58.7	59.0
\$60K to <\$100K	63.7	65.0
\$100K to <\$150K	66.9	68.1
\$150K or more	73.1	75.6

Employer size	Summer 2022	Winter 2022
Self-employed/sole proprietor	66.3	68.6
2-50 employees	62.4	63.7
51-100 employees	60.6	60.6
101-500 employees	62.3	64.4
501-1,000 employees	62.6	61.6
1,001-5,000 employees	67.0	69.2
5,001-10,000 employees	65.5	65.5
More than 10,000 employees	66.5	68.3

Manager	Summer 2022	Winter 2022
Manager	64.3	64.7
Non-manager	63.9	65.6

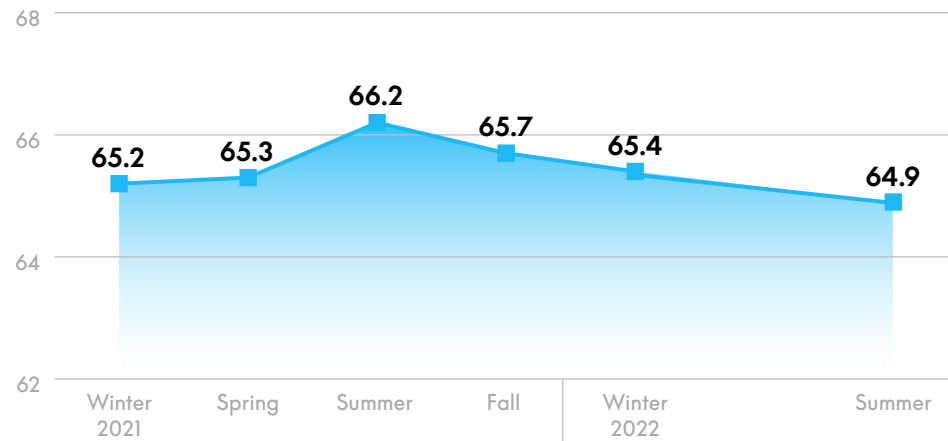
Numbers highlighted in orange are the most negative scores in the group.

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

Financial knowledge

The financial knowledge sub-scale is a measure of the overall self-reported financial knowledge and literacy of the population. **The financial knowledge sub-score for Summer 2022 is 64.9 points.** This score represents a 0.5-point decline from Winter 2022.

- Women have a significantly lower financial knowledge score (61.2) than men (68.7).
- Financial knowledge scores improve with age; there is a nine-point difference between the least favourable financial knowledge score, among those ages 20–29 (60.9), and the most favourable financial knowledge score, among those ages 70 and older (70.5).



- Households reporting an annual income of \$30,000 to \$60,000 have the lowest financial knowledge score (61.4); households with an annual income of \$150,000 or more have a score nearly 10 points higher (72.4).
- Managers have considerably better financial knowledge (70.3) compared to non-managers (62.1).
- Sole proprietors/self-employed individuals have the best financial knowledge score (69.4).

Financial knowledge
Current period
Summer 2022

64.9

Winter 2022

65.4

Financial knowledge

Employment status	Summer 2022	Winter 2022
Employed (no change in hours/salary)	65.4	65.8
Employed (fewer hours compared to last month)	62.0	62.3
Employed (reduced salary compared to last month)	57.3	63.8
Not currently employed	60.8	61.8

Age group	Summer 2022	Winter 2022
Age 20-29	60.9	61.9
Age 30-39	62.5	60.1
Age 40-49	65.3	65.5
Age 50-59	65.5	66.7
Age 60-69	66.7	69.2
Age 70-79	70.5	71.3

Number of children	Summer 2022	Winter 2022
No children in household	64.6	65.6
1 child	65.7	65.2
2 children	65.5	64.5
3 children or more	65.1	64.1

Province	Summer 2022	Winter 2022
Alberta	63.4	64.3
British Columbia	62.3	64.0
Manitoba	64.1	66.1
Newfoundland and Labrador	61.5	63.1
The Maritimes	66.1	63.5
Ontario	65.3	65.8
Quebec	67.8	66.7
Saskatchewan	63.2	67.4

Gender	Summer 2022	Winter 2022
Men	68.7	69.3
Women	61.2	61.3

Household income	Summer 2022	Winter 2022
<\$30K/annum	62.0	59.7
\$30K to <\$60K/annum	61.4	62.2
\$60K to <\$100K	65.0	63.8
\$100K to <\$150K	65.9	68.3
\$150K or more	72.4	73.1

Employer size	Summer 2022	Winter 2022
Self-employed/sole proprietor	69.4	68.9
2-50 employees	65.5	64.8
51-100 employees	63.4	63.4
101-500 employees	64.3	64.0
501-1,000 employees	63.6	65.0
1,001-5,000 employees	66.5	67.8
5,001-10,000 employees	63.6	64.2
More than 10,000 employees	64.1	65.7

Manager	Summer 2022	Winter 2022
Manager	70.3	70.2
Non-manager	62.1	62.8

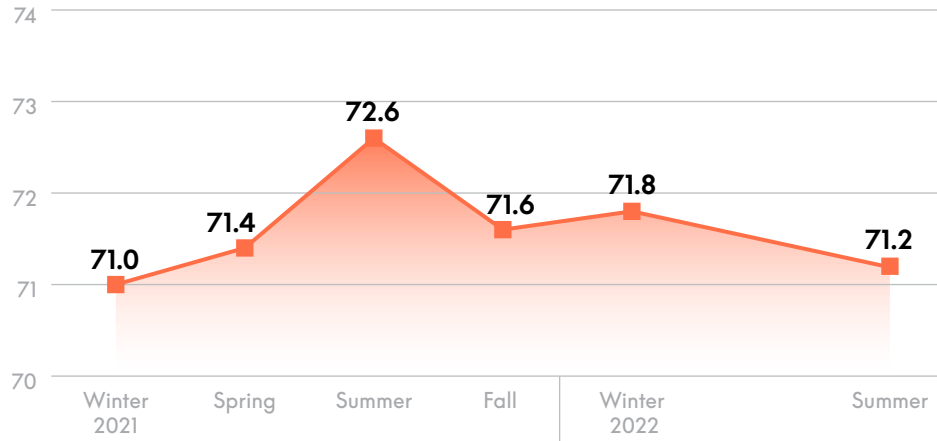
Numbers highlighted in orange are the most negative scores in the group.

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

Financial behaviour

The financial behaviour sub-scale measures the financial behaviours such as the approach to credit and bill payments, savings behaviours, the presence of emergency savings, and overall debt load. **The financial behaviour sub-score for Summer 2022 is 71.2 points** representing a modest decline from Winter 2022.

- Women have a lower financial behaviour score (69.7) than men (72.8).
- Financial behaviour scores improve with age; there is an 18-point difference between the least favourable financial behaviour score, among those ages 20–29 (60.1), and the most favourable financial behaviour score, among those ages 70–79 (78.5).



- Households reporting an annual income of up to \$30,000 have the lowest financial behaviour score (56.8), 23 points lower than households with an annual income of \$150,000 or more (80.2).
- Non-managers have a modestly better financial behaviour score (71.4) than managers (71.0).
- Respondents working for organizations with more than 10,000 employees have the most favourable financial behaviour score (74.8).

Financial behaviour
Current period
Summer 2022

71.2

Winter 2022

71.8

Financial behaviour

Employment status	Summer 2022	Winter 2022
Employed (no change in hours/salary)	72.3	73.1
Employed (fewer hours compared to last month)	60.7	61.6
Employed (reduced salary compared to last month)	56.8	61.3
Not currently employed	72.0	68.3

Age group	Summer 2022	Winter 2022
Age 20-29	60.1	63.9
Age 30-39	66.0	65.9
Age 40-49	69.0	69.8
Age 50-59	74.4	73.4
Age 60-69	78.2	79.4
Age 70-79	78.5	80.3

Number of children	Summer 2022	Winter 2022
No children in household	73.5	74.0
1 child	65.6	65.4
2 children	66.8	68.4
3 children or more	64.5	65.4

Province	Summer 2022	Winter 2022
Alberta	69.9	70.1
British Columbia	70.6	74.0
Manitoba	70.0	74.0
Newfoundland and Labrador	64.1	69.2
The Maritimes	65.6	68.4
Ontario	72.1	71.9
Quebec	73.9	71.9
Saskatchewan	71.2	73.7

Gender	Summer 2022	Winter 2022
Men	72.8	72.7
Women	69.7	70.8

Household income	Summer 2022	Winter 2022
<\$30K/annum	56.8	56.9
\$30K to <\$60K/annum	65.4	65.3
\$60K to <\$100K	70.8	71.6
\$100K to <\$150K	74.8	74.9
\$150K or more	80.2	82.0

Employer size	Summer 2022	Winter 2022
Self-employed/sole proprietor	72.5	75.2
2-50 employees	68.9	70.0
51-100 employees	67.0	65.6
101-500 employees	69.7	70.9
501-1,000 employees	69.4	68.7
1,001-5,000 employees	74.5	76.0
5,001-10,000 employees	74.1	72.8
More than 10,000 employees	74.8	75.4

Manager	Summer 2022	Winter 2022
Manager	71.0	70.6
Non-manager	71.4	72.4

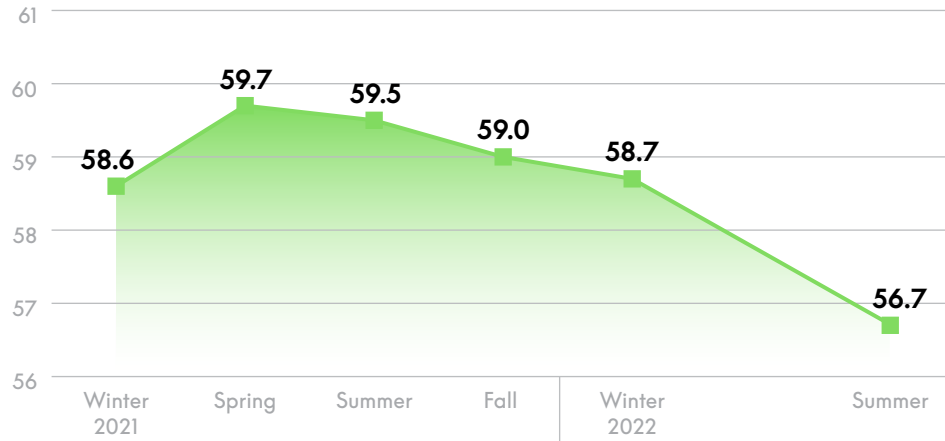
Numbers highlighted in orange are the most negative scores in the group.

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

Financial perception

The financial perception sub-scale measures an individual's perceived financial situation, stress caused by finances, and a comparison to peers who earn the same income. **The financial perception sub-score for Summer 2022 is 56.7 points.** This score represents a sharp decline from Winter 2022.

- Women have a significantly lower financial perception score (53.6) than men (59.8).
- Financial perception scores improve with age; there is a 26-point gap between the financial perception score of those ages 20–29 (44.4) and those ages 70–79 (70.7).



- Parents have a significantly lower financial perception score (51.2) than non-parents (58.8).
- Households reporting an annual income of up to \$30,000 have the lowest financial perception score (46.0); households with an annual income of \$150,000 or more have a score of 66.1.
- Managers have a lower financial perception score (56.2) than non-managers (56.9).
- Respondents working for organizations with 1,001 to 5,000 employees have the most favourable financial perception score (59.7).

Financial perception
Current period
Summer 2022

56.7

Winter 2022

58.7

Financial perception

Employment status	Summer 2022	Winter 2022
Employed (no change in hours/salary)	57.9	60.4
Employed (fewer hours compared to last month)	44.9	43.8
Employed (reduced salary compared to last month)	39.7	47.9
Not currently employed	59.2	57.1

Age group	Summer 2022	Winter 2022
Age 20-29	44.4	48.2
Age 30-39	50.1	52.1
Age 40-49	54.3	56.8
Age 50-59	60.6	60.4
Age 60-69	63.9	67.1
Age 70-79	70.7	73.6

Number of children	Summer 2022	Winter 2022
No children in household	58.8	60.8
1 child	51.2	53.3
2 children	53.0	54.3
3 children or more	52.3	54.4

Province	Summer 2022	Winter 2022
Alberta	53.2	55.9
British Columbia	55.0	57.9
Manitoba	55.4	60.7
Newfoundland and Labrador	56.9	59.5
The Maritimes	55.4	56.3
Ontario	56.6	58.9
Quebec	62.9	61.1
Saskatchewan	55.2	63.1

Gender	Summer 2022	Winter 2022
Men	59.8	61.2
Women	53.6	56.1

Household income	Summer 2022	Winter 2022
<\$30K/annum	46.0	46.7
\$30K to <\$60K/annum	51.4	52.0
\$60K to <\$100K	56.3	58.8
\$100K to <\$150K	59.1	61.2
\$150K or more	66.1	70.0

Employer size	Summer 2022	Winter 2022
Self-employed/sole proprietor	59.4	61.9
2-50 employees	55.2	57.1
51-100 employees	53.4	54.9
101-500 employees	54.5	58.0
501-1,000 employees	55.6	53.6
1,001-5,000 employees	59.7	62.8
5,001-10,000 employees	57.3	58.6
More than 10,000 employees	58.8	62.0

Manager	Summer 2022	Winter 2022
Manager	56.2	57.5
Non-manager	56.9	59.4

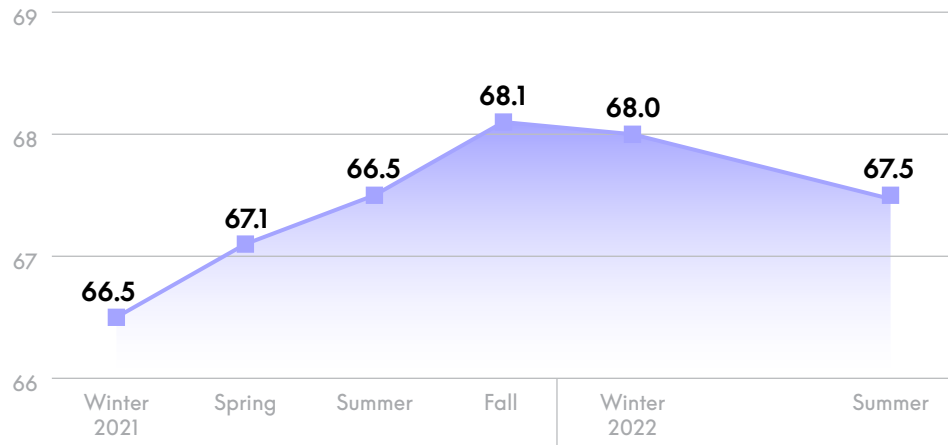
Numbers highlighted in orange are the most negative scores in the group.

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

Productivity impact

The productivity impact score measures the extent to which one’s financial situation impacts work productivity. **In Summer 2022, the score is 67.5 points, a decline of one-half point from Winter 2022.**

- Women experience a slightly greater negative impact on their productivity (67.1) because of their finances than men (67.9).
- Younger Canadians are more vulnerable to an impact on their work productivity due to finances; those ages 20–29 have the least favourable score (48.5), 19 points lower than the national average.



- Households reporting an annual income of up to \$30,000 have the lowest productivity score (56.2), 19 points below those earning \$150,000 (75.5) and 11 points below the national average (64.0).
- Productivity is more adversely affected in people with children; the productivity score for those with at least one child (59.1) is 10 points lower than those without children (70.5).
- Managers have a lower productivity score (62.8) because of their finances than non-managers (70.4).
- Individuals working for organizations with more than 10,000 employees have the most favourable productivity score (73.1), while those working for organizations with 51-100 employees have the lowest productivity score (61.0).

Productivity impact
Current period
Summer 2022

67.5

Winter 2022

68.0

Productivity impact

Employment status	Summer 2022	Winter 2022
Employed (no change in hours/salary)	69.4	70.7
Employed (fewer hours compared to last month)	50.5	47.5
Employed (reduced salary compared to last month)	48.0	39.9
Not currently employed	59.2	54.5

Age group	Summer 2022	Winter 2022
Age 20-29	48.5	52.8
Age 30-39	56.3	57.6
Age 40-49	67.0	67.5
Age 50-59	73.2	72.0
Age 60-69	77.5	76.8
Age 70-79	82.1	83.8

Number of children	Summer 2022	Winter 2022
No children in household	70.5	71.2
1 child	59.1	58.6
2 children	64.2	63.1
3 children or more	60.8	64.1

Province	Summer 2022	Winter 2022
Alberta	69.3	68.3
British Columbia	64.4	67.0
Manitoba	67.7	71.6
Newfoundland and Labrador	71.8	74.5
The Maritimes	64.5	68.6
Ontario	66.5	66.7
Quebec	71.2	69.0
Saskatchewan	74.7	76.4

Gender	Summer 2022	Winter 2022
Men	67.9	68.1
Women	67.1	67.9

Household income	Summer 2022	Winter 2022
<\$30K/annum	56.2	56.1
\$30K to <\$60K/annum	62.6	62.2
\$60K to <\$100K	66.0	68.0
\$100K to <\$150K	71.2	70.2
\$150K or more	75.5	77.0

Employer size	Summer 2022	Winter 2022
Self-employed/sole proprietor	69.8	68.5
2-50 employees	65.6	67.1
51-100 employees	61.0	59.9
101-500 employees	64.5	64.8
501-1,000 employees	65.2	64.8
1,001-5,000 employees	71.7	74.7
5,001-10,000 employees	69.9	67.6
More than 10,000 employees	73.1	74.5

Manager	Summer 2022	Winter 2022
Manager	62.8	62.9
Non-manager	70.4	71.1

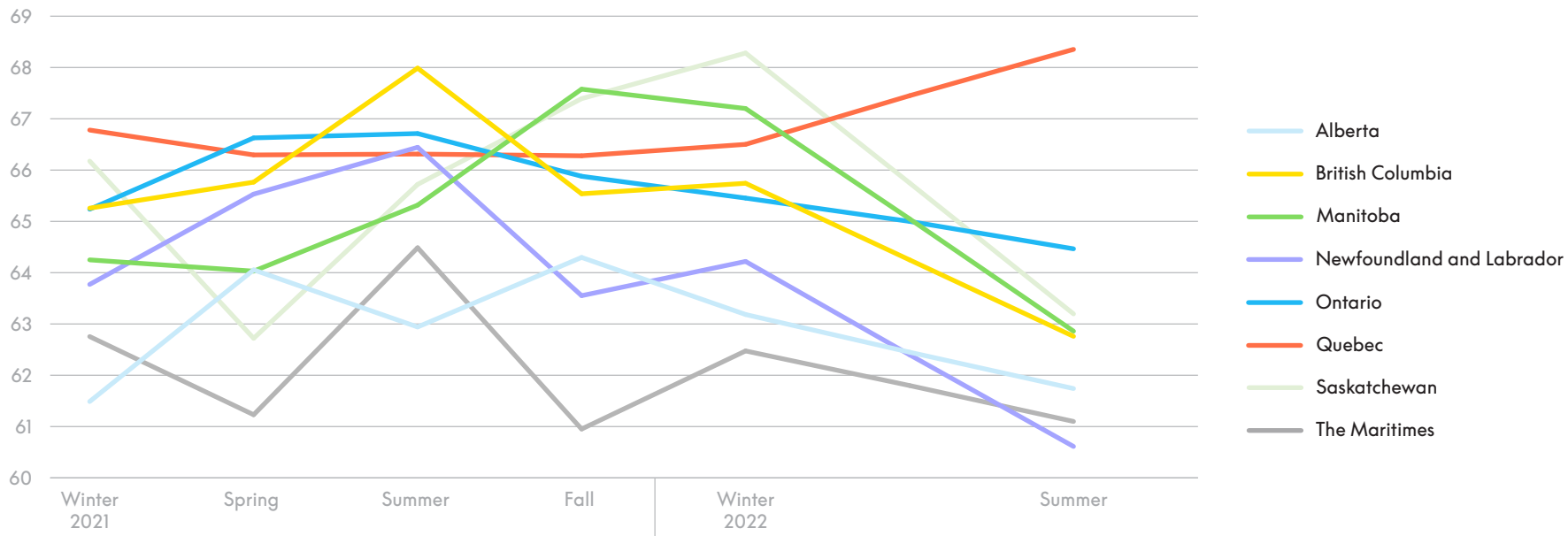
Numbers highlighted in orange are the most negative scores in the group.

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

Financial Wellbeing Index™ (provincial)

Financial wellbeing scores have declined in all provinces apart from Quebec, but most sharply in Saskatchewan with a five-point decline since Winter 2022. Manitoba, Newfoundland and Labrador, and British Columbia also saw significant declines over the prior period.

- Quebec is the only province with an improvement in financial wellbeing compared to the prior period. With a 1.9-point increase, Quebec's financial wellbeing score in Summer 2022 is 68.4.
- Following a decline of 3.7 points since Winter 2022, Newfoundland and Labrador has the lowest financial wellbeing score (60.6).



Financial Wellbeing Index™ (industry)

The most favourable financial wellbeing scores in Summer 2022 are among individuals employed in Mining and Oil and Gas Extraction (72.5), and Professional, Scientific and Technical Services (70.6).

Individuals working in Utilities have the lowest financial wellbeing score (55.8), followed by those working in Wholesale Trade (59.3), and Art, Entertainment and Recreation (59.9).

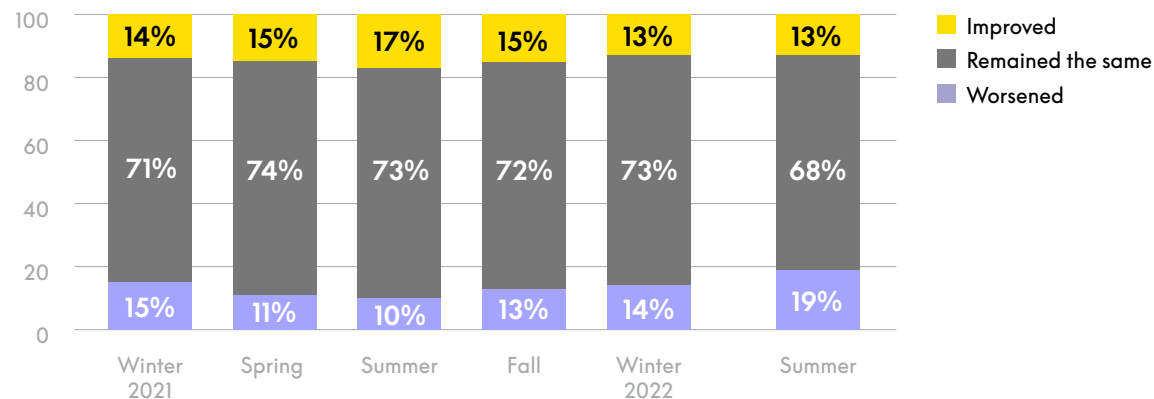
Changes from the prior period are shown in the table.

Industry	Summer 2022	Winter 2022	Change
Mining and Oil and Gas Extraction	72.5	69.9	2.6
Accommodation and Food Services	62.1	59.7	2.3
Retail Trade	64.4	62.9	1.5
Other	62.7	62.1	0.6
Transportation and Warehousing	64.5	64.2	0.3
Professional, Scientific and Technical Services	70.6	70.4	0.2
Automotive Industry	65.7	65.6	0.1
Other services (except Public Administration)	69.6	69.5	0.1
Information and Cultural Industries	61.4	62.1	-0.7
Construction	60.9	61.9	-1.0
Agriculture, Forestry, Fishing and Hunting	66.0	67.0	-1.0
Public Administration	67.8	69.1	-1.3
Manufacturing	63.6	65.7	-2.2
Educational Services	66.6	69.0	-2.3
Finance and Insurance	65.9	68.6	-2.7
Wholesale Trade	59.3	62.1	-2.8
Real Estate, Rental and Leasing	61.0	63.9	-2.9
Health Care and Social Assistance	60.6	63.9	-3.3
Arts, Entertainment and Recreation	59.9	63.9	-4.0
Utilities	55.8	62.6	-6.8
Management of Companies and Enterprises	63.7	72.8	-9.1

Change in financial situation

Financial situation tracks an individual's reported changes to their financial situation 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 period are shown in the graph.

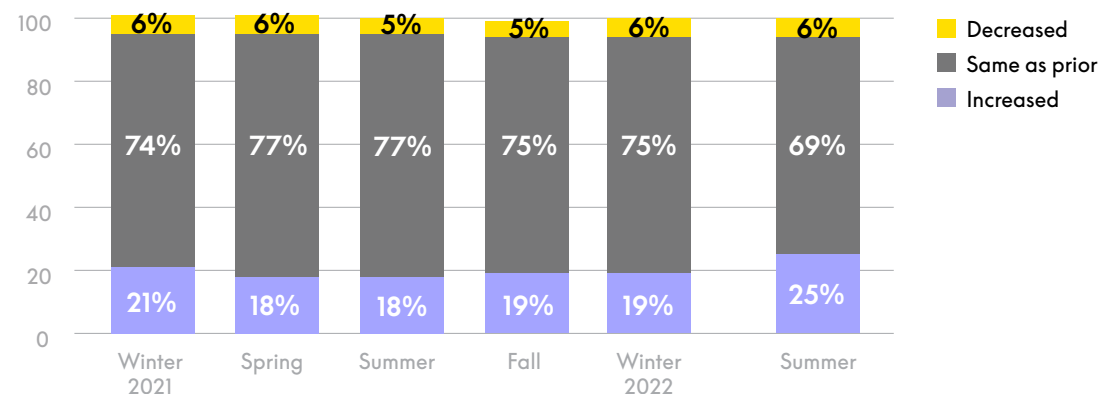
The percentage of Canadians reporting a worsened financial situation increased to 19 per cent in Summer 2022 from 14 per cent in Winter 2022 while those reporting an improved financial situation from the previous period remained the same at 13 per cent.



Change in financial concern

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

The percentage of Canadians reporting an increase in financial concern increased to 25 per cent in Summer 2022 from 19 per cent in Winter 2022 while those reporting less financial concern from the previous period remained the same at six per cent.



Spotlight

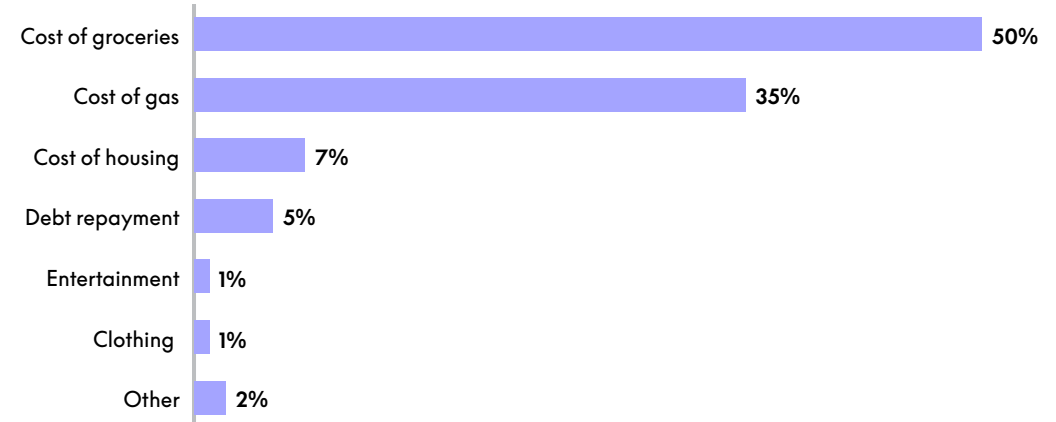
Inflation

Areas of impact because of inflation

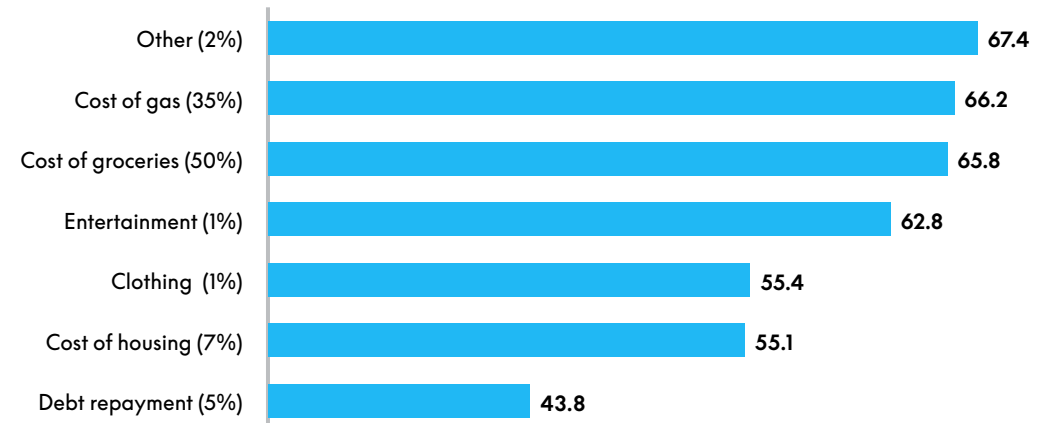
Canadians were asked about the areas where they felt the biggest impact because of inflationary increases.

- Half (50 per cent) of Canadians feel the biggest impact of inflation in cost of groceries, followed by more than one-third (35 per cent) feeling the biggest impact in the cost of gas.
- Five per cent feel the biggest impact of inflation in debt repayment and this group has the least favourable financial wellbeing score (43.8), more than 20 points below the national average (64.0).

Areas where inflation has impacted the most



FWI score by areas where inflation has impacted the most

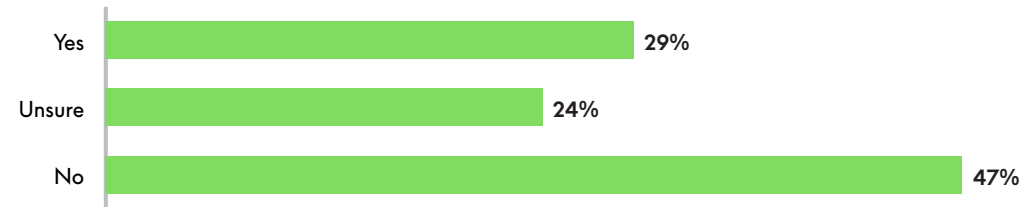


Basic living expenses

Canadians were asked whether they are concerned about their ability to cover basic living expenses.

- Nearly half (47 per cent) of Canadians are not concerned about their ability to cover basic living expenses, and this group has the most favourable financial wellbeing score (76.7) nearly 13 points above the national average (64.0).
- More than one-quarter (29 per cent) are concerned about their ability to cover basic living expenses, and this group has the lowest financial wellbeing score (48.5), more than 15 points below the national average (64.0).
- Parents are 40 per cent more likely than non-parents to be concerned about their ability to cover basic living expenses.
- Respondents under the age of 40 are 75 per cent more likely than respondents over the age of 50 to be concerned about their ability to cover basic living expenses.
- Canadians without emergency savings are more than twice as likely than those with emergency savings to be concerned about their ability to cover basic living expenses.

Concerned about ability to cover basic living expenses



FWI score by concerned about ability to cover basic living expenses

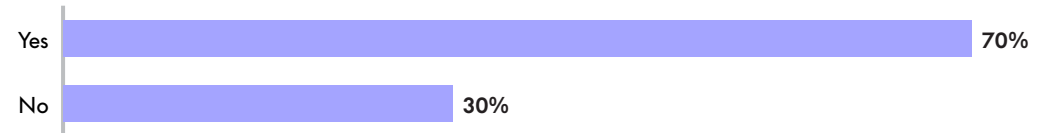


Housing and mortgage

Canadians were asked whether they own their home.

- More than two-thirds (70 per cent) of Canadians own their home. The financial wellbeing score of this group (67.5) is more than three points higher than the national average (64.0).
- Those who do not own their home (30 per cent) have a financial wellbeing score (55.9) more than eight points below the national average (64.0).

Do you own your home?



FWI score by do you own your home



Canadians who own their home were asked whether they would be concerned about their ability to meet mortgage payments if the Bank of Canada raises the interest rate above three per cent.

- One-third (33 per cent) do not have a mortgage on their home, and this group has the most favourable financial wellbeing score (78.2), 14 points higher than the national average (64.0).
- Nearly one-quarter (23 per cent) are concerned and a further 17 per cent are unsure about their ability to meet mortgage payments if the Bank of Canada raises the interest rate above three per cent. Both groups have financial wellbeing scores significantly lower than the national average (64.0).
- Parents are more than twice as likely as non-parents to be concerned about their ability to meet mortgage payments.
- Respondents with an annual income less than \$60,000 are 50 per cent more likely than respondents with an annual income more than \$100,000 to be concerned about their ability to meet mortgage payments.
- Those without emergency savings are twice as likely as those with emergency savings to be concerned about their ability to meet mortgage payments.

Concerned about ability to meet mortgage payments



FWI score by concerned about ability to meet mortgage payments



Emergency savings

Canadians were asked whether having an emergency fund to cover unexpected expenses is a key priority in 2022.

- More than three-quarters (76 per cent) agree that having an emergency fund to cover unexpected expenses is a key priority in 2022, and this group has the most favourable financial wellbeing score (66.6), more than two points higher than the national average (64.0).
- Those who disagree (9 per cent), or are unsure (15%), have financial wellbeing scores at least seven points below the national average (64.0).

Having an emergency fund to cover unexpected expenses is a key priority for me



FWI score by having an emergency fund to cover unexpected expenses is a key priority for me

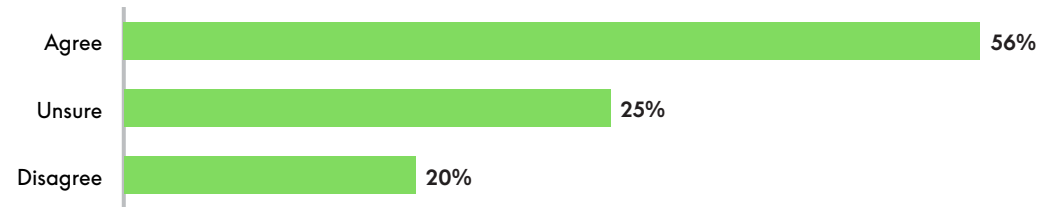


Financial education

Canadians were asked whether more education about financial wellbeing would be beneficial.

- More than half (56 per cent) agree that education about financial wellbeing would be beneficial.
- Respondents under the age of 40 are 40 per cent more likely to agree that more education about financial wellbeing would be beneficial compared to those over the age of 50.

More education about financial wellbeing would be beneficial for me



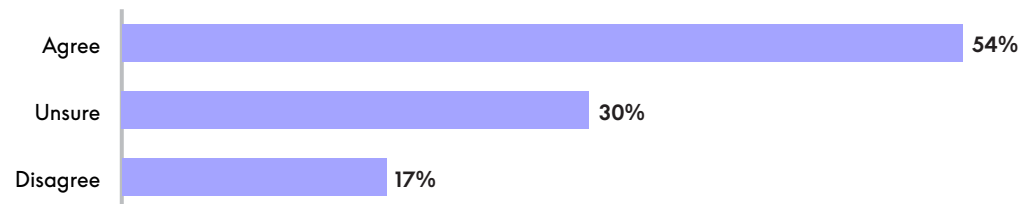
FWI score by more education about financial wellbeing would be beneficial for me



Canadians were asked whether they know how to choose a financial planner.

- More than half (54 per cent) of Canadians know how to choose a financial planner and this group has the most favourable financial wellbeing score (69.9), nearly six points above the national average (64.0).
- Nearly one in five (17 per cent) do not know how to choose a financial planner, and this group has the lowest financial wellbeing score (52.6), more than 11 points below the national average (64.0).
- Non-managers are 60 per cent more likely than managers to not know how to choose a financial planner.
- Respondents without emergency savings are 65 per cent more likely than those with emergency savings to not know how to choose a financial planner.

I know how to choose a Financial Planner



FWI score by I know how to choose a Financial Planner



Payday loans

Canadians were asked whether they have ever used a payday loan company.

- More than eight in ten (85 per cent) have not used a payday loan company.
- One in ten (10 per cent) have used a payday loan company, and this group has a financial wellbeing score (46.0) 18 points below the national average (64.0).
- Parents are more than twice as likely as non-parents to have used a payday loan company.
- Those without emergency savings are three times more likely than those with emergency savings to have used a payday loan company.

Have you ever used a payday loan company?



FWI score by have you ever used a payday loan company

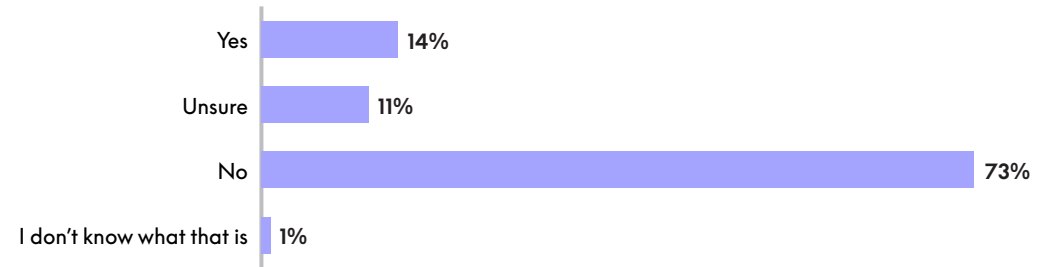


Financial fraud

Canadians were asked whether they have ever been a victim of financial fraud.

- Nearly three-quarters (73 per cent) of Canadians have never been a victim of financial fraud.
- One-quarter (25 per cent) have, or are unsure if they have, been a victim of financial fraud.
- Respondents without emergency savings are 50 per cent more likely than those with emergency savings to have been a victim of financial fraud.

Have you ever been a victim of financial fraud?



FWI score by have you ever been a victim of financial fraud

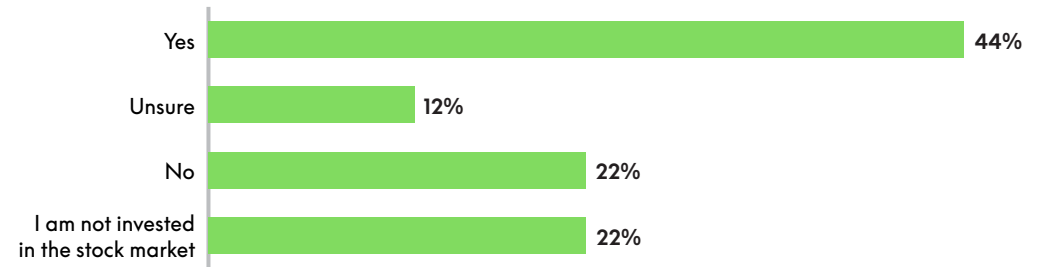


Impact of stock market decline

Canadians were asked whether the current stock market decline has impacted them.

- More than two in five (44 per cent) have been impacted by the stock market decline.

Has the current stock market decline impacted you?



FWI score by has the current stock market decline impacted you?



Overview of the Financial Wellbeing 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. 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).
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 July 7 and July 13, 2022.

Calculations

Beginning in Summer 2022, corresponding to year two of the Financial Wellbeing Index™, scores are represented as absolute. The move to absolute scores has been taken given the degree of change that has occurred over the last two years. It is unlikely that a return to pre-pandemic levels will be realized hence, the reference relative to that benchmark is no longer relevant.

To create the Financial Wellbeing Index, a scoring system is used to turn the individual responses to each question into point values. Higher point values are associated with better financial wellbeing and lower financial risk. 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. Distribution of scores is defined according to the following scale:

Distressed 0 - 49 **Strained** 50-79 **Optimal** 80 - 100

About LifeWorks

LifeWorks is a world leader in providing digital and in-person solutions that support the total wellbeing of individuals. We deliver a personalized continuum of care that helps our clients improve the lives of their people and by doing so, improve their business.

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