2014 National Financial Literacy Conference

Summary Report on Roundtable Discussions

Financial Consumer Agency of Canada | Agence de la consommation en matière financière du Canada

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1. INTRODUCTION AND OVERVIEW

Purpose

This report summarizes the results of a roundtable consultation held by the Financial Consumer Agency of Canada (FCAC) during its 2014 National Conference on Financial Literacy, held in Vancouver, BC on November 6 and 7. Using a dynamic dialogue format, this consultation was designed to help inform the development of the national strategy for financial literacy. This third phase of the consultations on the draft strategy focused on gaining insight and ideas about how to improve the financial literacy of adult and young Canadians.

The 225 roundtable participants represented a wide diversity of stakeholders from the financial (including credit counselling), business, secondary and post-secondary education, social service, community service sectors and multicultural organizations as well as researchers and government officials. One of the goals of the roundtable was to foster cooperation and collaboration across sectors and within sectors, identifying ways to build on the considerable financial literacy work already underway. Stakeholders were encouraged to identify specific areas where they could contribute most effectively to clarify and advance the goals and objectives outlined in the draft strategy. In addition, they were also asked to consider how best to measure success in achieving the goals outlined in the draft strategy.

Roundtable Process

With direction from FCAC's National Financial Literacy Leader Jane Rooney and team and in collaboration with the National Steering Committee on Financial Literacy, H+K Strategies fine-tuned a process to provide all participants with opportunities to share their perspectives and collectively identify ideas for moving the yard sticks on financial literacy for adult and young Canadians. Conversing at small tables, participants had the choice of discussing up to four of the goals and questions outlined in the draft strategy (there are four goals with eight questions in total for the adult section and three goals and seven questions for young Canadians section). Participants were able to select the topics of greatest interest to them and found themselves in new groups with each round of dialogue (four rounds in all). Given the number of participants and goals / questions to cover, the roundtables were organized in two locations, one devoted to discussion on the goals for young Canadians and the other on adult Canadians' goals; but everyone had opportunity to move through both topics in the time provided.

The dialogue began with opening remarks by Jane Rooney, Financial Literacy Leader, and Jérémie Ryan, Director, Financial Literacy and Consumer Education, followed by a context setting presentation on financial literacy specific to each age group. Mr. Gary Rabbior (President, Canadian Foundation for Economic Education) shared his reflections and experience with adult literacy and Mr. Jared Penner (Education Manager, Child and Youth Finance International) spoke to his experience and perspective about how to foster lifelong literacy among young Canadians. Following the presentations, four rounds of table discussions ensued, with a 30 minute networking break in between.

Steering Committee members and other leaders from financial literacy networks served as table hosts throughout the four rounds, providing continuity and linkages across the groups. The hosts used recorder templates to capture the key points of discussion. These recording templates were collected and transcribed for purposes of analysis and reporting.

Each round was approximately 30 minutes in length followed the following format:

- A quick round of introductions of everyone at the table.
- The table host reviewed their assigned goal question followed by roundtable in-depth discussion of the question.
- The last five minutes of the round was spent discussing the overarching question on measuring progress from the consultation paper.
- For subsequent rounds, as new people came to the table, the host briefly synthesized the previous group's work.

A highlights synthesis of the roundtable discussions was prepared and presented on Friday morning by Kelly Keehn and Pat Foran, two members of the National Steering Committee on Financial Literacy.

Report Structure

Participants' energy and enthusiasm produced rich and voluminous data! The data was analyzed to identify recurring themes emerging from the roundtable discussions. These themes are presented by age group: young Canadians and adult Canadians. In analyzing the data, the authors were careful to not extrapolate meaning but rather to stay close to 'what was heard.' This report provides the reader with a summary of the major themes for each question along with examples identified by participants. It also offers high level summaries for each goal by age group.

2. KEY FINDINGS: YOUNG CANADIANS

Goal 1: Provide young Canadians with the information they need to manage their money at key points throughout their lives

In considering an effective approach to better engage young Canadians in financial literacy, participants discussed programs and services that start early, are adapted to different age groups, and are based in schools. When thinking about how parents could be more involved, one of the key themes is to focus on teaching them first (as well as reaching out to them more directly), as their own attitudes and perceptions towards money may be a significant barrier to helping their child. Additionally, participants suggested finding ways for community resources to be leveraged and ensuring that learning opportunities are designed to be fun for the whole family.

Question 1: What programs or services are you aware of that are effective in helping children and youth learn to manage their money that could be shared with others?

Key themes

- **Start at a young age and tailor different programs for various ages:** Participants highlighted the importance of starting to teach financial literacy at a young age and having various programs designed for different ages. Participants felt that in general the youngest age group to target is children around the age of 12 but that some participants suggested that it is worth starting programs at an earlier age.

Examples:
- Talk to our Kids about Money Day
- Young Savers Account
- Programs from Credit Union Central of Canada, Vancity Savings Credit Union

- **Demonstrate real results and consequences:** According to many participants, the most effective programs show young Canadians the results and consequences of financial planning and decision-making.

Examples:
- Junior Achievement Canada (e.g. Dollars with Sense)
- Camp Millionaire

- **Leverage school-based resources:** A strong message is that more should be done in schools, while recognizing that “red tape” presents some challenges to broadening programs. Participants noted that most of the existing programs aimed at young Canadians appear to be provided through extracurricular programs and activities in schools. Participants wanted to see more financial literacy at the secondary and post-secondary level (e.g., mandatory post-secondary course offerings or having training around student loans).

Question 2: How can we encourage parents to be more involved in teaching their children about money?

Key themes

- **Use a “teach parents first” approach:** A “teaching parents first” approach was recommended. The reasoning for this approach is that it is important for parents to be more confident about money. They also need to be reminded that they are role models and will feel the consequences of not teaching their kids about money. At the same time, programs aimed at parents should be positively framed and aimed at reducing stigma, ensuring that the parents don’t feel judged. This is especially important for reaching low-income families who may have negative emotions around money. These types of opportunities also should be “quick and easy” (including the use of plain language) for parents. Some participants identified the need for more research into what motivates and blocks good parenting behaviour around teaching their children about finances.

Examples:
- Mentorship program for parents
- Conversation starters
- Tip sheets

- **Work at the community level:** Participants highlighted the importance of community-based activities for teaching children about money. They felt that there are many existing networks of parents and children that could be tapped into for financial literacy purposes, including community sports teams and boy scouts / girl guides.

- **Target outreach more directly to parents:** To engage parents and help get the message out around financial literacy issues, participants suggested leveraging social media, such as “mommy bloggers” and “mommy groups” Campaigns and marketing / advertisements should also be considered as methods to reach parents more directly. Others want to have information disseminated in places where parents typically are found (schools and doctors’ offices).

- **Make it fun for the whole family:** The importance of bringing parents and children together through a fun learning experience, such as playing games (especially monopoly), was highlighted. Additionally, others see value in developing a program like ParticipACTION that is focused on financial literacy.

Question 3: Can you share examples of the types of tools, materials and information you would like to see to help young Canadians manage their money?

Key themes

- **Reconsider student engagement opportunities:** More financial literacy aimed at students throughout their school years was stressed with some emphasizing the need to start teaching children early. Similar to the ideas suggested for Question 1, examples included having mandatory or optional courses (but with credits) for financial literacy (secondary and post-secondary levels), providing education around the provision and management of student loans, and school-sponsored activities more generally. Another idea was to have more supports and resources available to students when they complete their education, such as one-on-one counselling to transition to post-secondary education or work.

- **Leverage gamification approaches:** Applying a game-design approach to financial literacy could help make information more accessible and fun for young Canadians. It would be especially useful to have the games speak to / simulate real-life scenarios and consequences, which could help demonstrate “the finite nature of money”. These approaches require developing age-specific games that would identify milestones for different age groups, as well as help recognize and accommodate varying knowledge levels. Some participants also felt that board games are also effective and fun learning methods.

- **Go to “where the parents are”:** Echoing responses to Question 2**,** participants urged a common sense approach that integrates financial literacy initiatives with activities and resources aimed at parents, such as providing and promoting information in the commonly frequented locations like waiting rooms of doctors’ offices and prenatal classes.

Goal 2: Engage young Canadians in setting financial goals, saving and planning for their financial future

Participants discussed a number of different ways to engage young Canadians in planning for the future, including work that could be done in schools and the use of gamification and incentives. As discussed under the first goal, there is a need to tailor programs, services and resources to different age groups. There was also recognition of the critical role that parents and families, as well as financial institutions and government, have in encouraging financially responsible actions in young Canadians.

Question 1: Can you share any initiatives that can serve as best practices to help young Canadians learn how to plan for their short- and long-term financial goals?

Key themes

- **Focus on school-based opportunities:** Participants applauded St. Lawrence College's "Manage Your Money" project (it was presented at the Conference) and recommended extending this model to other schools. More broadly, many participants wanted financial literacy to be embedded in school curriculum (along with training for teachers) and/or offered through courses. Another idea was to "bring bank branches" into schools to help children learn about financial literacy. Additionally, some emphasized the impact of early learning.

Examples:
- Manitoba's approach to building financial literacy into primary schools

- **Curate information / resources for life events:** Participants highlighted the importance of developing and providing financial literacy information and resources during key life events. For example, young Canadians could be provided with materials when they access Ontario Student Aid Program (OSAP) or submit their first income tax. The learning opportunities associated with other life events could also be leveraged, such as offering the materials during prenatal classes.

- **Use game-based learning and incentivize:** Again, many participants felt that games and gamification can help young Canadians become more financially literate. These types of initiatives are effective because they are fun, interactive, and often involve peers working and learning together (e.g. board games). Additionally, others emphasized the need to incorporate competition and a system for rewards and incentives.

- **Emphasize goal setting:** Noting that "goal setting is scary", participants discussed the need to address young Canadians' fears head on. To be effective, this will incorporate talking about personal values and aspirations early on before financial goals setting.

- **Provide incentives to learn and save:** A few underscored the use of incentives to encourage young Canadians to save, as well as learn about their finances. This included having a "government product like an RESP" but more broadly focused and providing incentives to attend workshops related to financial literacy.

Question 2: How can we reach and get young Canadians interested in saving and planning ahead?

Key themes

- **Help families become safe spaces for learning:** Many participants noted that family settings are ideal for teaching financial literacy (e.g. providing children with an allowance) to children and youth ("it starts with family"). There is a need for initiatives aimed at motivating and teaching parents about financial literacy (this echoes "teach parents first" under Goal 2 – Young Canadians), which could be achieved by working with them in relevant settings (e.g. "mommy groups", parenting / marriage classes). Additionally, educating the whole family and supporting greater dialogue about money ("bringing conversation to the kitchen table") is also needed. Another idea was to publish and promote families' savings stories.

- **Customize approaches to specific age groups:** To be effective, initiatives aimed at engaging young Canadians should be customized to different age groups (e.g. including games and simple learning for younger children). Participants also suggested having a resource to share effective tools.

Examples:
- Building Futures in Manitoba (grades 4-10)
- Dollars with Sense

- **Consider the role of "big players" in the space:** Participants identified two big players: financial institutions and governments. The former could have a more significant role in engaging young Canadians to save and plan ahead. Some participants noted that "banks don't take youth seriously" and suggested providing money coaching and incentives to open bank accounts to young Canadians. A more general point raised was the need for greater financial sector accountability. Government actions could include making RESPs automatic at birth and better promoting both RESPs and RRSPs to young people. Offering at-risk youth a matched savings program was also suggested.

- **Speak in their language:** Thinking about how to reach young Canadians, participants highlighted the value of social media, mobile technology and apps. Going further, there is a need to "figure out what is in it for teens" and ask youth what motivates them. Participants also recommended certain techniques to inspire young people to think about saving and planning, such "saving rather than buying for goods" and translating / communicating costs in of hours of work.

Goal 3: Promote the practices that contribute to financial well-being and that protect against risk

Under the third goal, participants noted some significant risks that may threaten young Canadians, most notably privacy concerns emerging from online / mobile technology, being taken advantage of by family / friends, and an overall lack of understanding around financial agreements and arrangements. To help them become more aware of their financial rights and responsibilities, participants wanted to see more financial literacy education integrated into schools and more interesting material developed to help engage them further.

Question 1: What are the types of fraud to which children and youth are most at risk and what are the best ways to avoid them?

Key themes

- **Privacy concerns stemming from online / mobile technology:** Identity theft and phishing are of particular concern for young Canadians. These risks come from visiting unsecure / fake websites (e.g. fake bank websites) and keeping sensitive information on mobile devices without proper safeguards.

- **Deception arising in personal relationships / settings:** Young Canadians are at risk of fraud that may occur through their interactions with family and friends. This includes providing informal loans (which aren't paid back), sharing sensitive information with friends / over social media (e.g. PIN number), and being peer pressured to make poor financial decisions.

- **Lack of understanding of financial agreements and arrangements:** Participants also stressed the risk of "not knowing what you are signing up for", largely due to the complex language / text contained in many financial arrangements. One key concern for young Canadians is having access to money / credit, "racking up" charges and not understanding the consequences (especially from alternative lenders). Risks also arise from app purchases and phone contracts.

In reviewing the best ways to help young Canadians avoid fraud, participants affirmed the importance of **education**, with a focus on accessible tools and messages. An effective approach to education includes many of the ideas raised in other discussions, such as engaging parents and families (especially those who may be at risk), using social media, developing and sharing simplified content (e.g. catchphrases), utilizing games / gamification, and having a centralized website to house education resources. Other ideas included "nudging" behaviour, reaching out to family and child / youth workers, and seeking endorsements (e.g. athletes, celebrities).

Question 2: What are effective programs that help children and youth learn more about their rights and responsibilities as financial consumers that can be used by others?

Key themes

Overall, participants highlighted a **wide range of programs / initiatives** that could help young Canadians learn about their financial rights and responsibilities. The most frequently noted was The City, but other programs included Junior Achievement, Money Matters, Funny Money, Camp Millionaire, and Change Matters. The Smart Savvy Young Consumer book was also discussed.

- **More integration into schools:** Thinking ahead, participants want to see greater integration of financial literacy education into schools, with tailored approaches to engage various age groups. Ideas included integrating content into other relevant courses (e.g. social studies), making financial literacy courses mandatory, incorporating financial literacy into standardized testing at different grade levels, and offering more relevant post-secondary courses (Wilfrid Laurier University was noted as an example). Some participants suggested having bankers or representatives (e.g. Canadian Bankers Association) from broader sectors / communities visit schools.

- **Create compelling and interesting material:** There was a focus on the need to develop new content and learning processes that are more attractive to young Canadians, such as using games / gamification, and developing scenarios that youth can relate to (which is considered especially useful for demonstrating consequences). Some also see value in engaging celebrities to deliver messages around financial literacy.

Measuring progress: improving the financial literacy of young Canadians

Thinking about the financial literacy goals for young Canadians, participants suggested several ways to measure progress over time.

Suggested indicators / metrics (most frequently suggested)	
General financial indicators	• Student loan repayment rates • Debt levels (including those who are only paying their minimum payments) • Savings rate
Financial product use	• Amount of savings accounts opened / used (bank data)
Attitudes and behaviours	• Standardized test results (using the Programme for International Student Assessment (PISA) as a reference) • Comparative studies (e.g. outcomes for provinces that teach financial literacy vs. those that do not) • Longitudinal behavioural studies • Surveys to measure anxiety / stress levels related to finances

3. KEY FINDINGS: ADULT CANADIANS

Goal 1: Strengthen money management skills and behaviours among adult Canadians

For this goal, participants discussed approaches that help reframe how finances could be discussed in a more positive manner. This could help reduce the perceived complexity of financial issues, highlight their relevance, and help adult Canadians think about planning for the long-term. Additionally, participants recommended approaches that provide people with plenty of opportunities to learn about their finances, such as in their communities, workplaces and at relevant times in their lives (e.g. birth of a child, buying a home).

Question 1: Are you aware of approaches that have been shown to be effective in helping adults set budgets and live within them?

Key themes

- **Change underlying financial behaviours:** Effective approaches for helping adults set and live within budgets focus on changing behaviour, with the recognition that there are no “quick fixes” and challenges will arise. There is a need to reach people early in their lives and be more positive, such as reframing to talk less about the negative connotations of “budgets” and emphasize financial approaches that are values-based and involve goal setting. Additionally, these approaches could emphasize simple key financial lessons, such as paying bills first and tracking expenses. Automated savings was also seen as a useful way to help change financial behaviours.

- **Focus on where people learn:** Many participants identified convenient places / settings for adult Canadians to learn and become more financially literate. Ideas included working with employers, universities and colleges, and community organizations to provide financial education. Additionally, employers could offer financial incentives to encourage employee uptake of workplace-based programs. Communities could offer financial literacy workshops and one-on-one coaching for people at the local level.

- **Harness technology:** A range of technology-based tools could be used to help adults with budgeting, including online games / apps. More specifically, participants suggested apps that create savings and planning “competitions” between people living in similar circumstances, and banking apps with financial planning functions already built in.

Question 2: How can we best reach adults to improve understanding of responsible use of credit and the consequences of over-indebtedness before they get into financial difficulty?

Key themes

- **Reframe to focus on saving and responsibility:** Many participants indicated that there is a need for a culture / mindset change, namely a shift to focus on the importance of saving over spending and the use of credit. Recurring suggestions were: developing targeted social marketing campaigns, public service announcements, and advertisements to help counteract the messages that promote consumerism and costly financial behaviour (e.g. only making minimum payments on credit card). It was noted that the media plays a key role in this area. Additionally, some participants pointed out that credit is too easy to access and called for greater responsibility on the part of credit agencies and financial institutions for socially responsible lending (e.g. have certain requirements, such as completing course, before receiving approval for credit / loans) and more proactive communications (e.g. provide automated alerts to inform people of emerging debt or other financial issues).

- **Broaden avenues / opportunities for education:** Education around the responsible use of credit could be more effective if adults had broader learning opportunities ("make financial literacy go beyond math"). This could consist of providing information during important life events, such as marriage, the birth of a child, and buying a home. It is also important to reach adults where they are, such as getting more employers involved in providing workplace-based training and engaging influencers, such as "mommy bloggers."

- **Increase relevance of communications:** Participants also felt that adults could benefit from more relevant communications. This includes using plain language to help simplify messaging and tailoring it to different groups of people. For example, financial education for young Canadians in immigrant families could help educate their adult parents. Partnerships with community organizations could also help deliver more specific messages.

Goal 2: Engage more adults in setting financial goals, saving and planning for their financial future

In considering this goal, participants again discussed the importance of positive reframing for financial discussions, which includes emphasizing the benefits to setting and saving towards long-term financial goals. This could help address the barriers that many Canadians experience, such as stigma / emotional stress and a lack of knowledge and understanding. Additionally, while some participants felt that certain incentives may support Canadians in saving towards their financial goals, others thought that more aggressive savings mechanisms were needed.

Question 1: What are some effective ways to encourage Canadians to set financial goals and save to achieve them?

Key themes

- **Positive reframing:** Many participants focused on financial approaches that are positively focused, highlighting the need to remove stigma, shame and fear and "make it safe to talk about money." A public awareness campaign could help facilitate this type of culture change. Going further, participants stressed the importance of a more aspirational approach ("assets not deficits") to help encourage goal setting, which is based more on an individual's hopes and values. Explaining (in simple terms) how saving for retirement is beneficial, and how easy it can be (e.g. giving real life examples like what a cup of coffee per day adds up to) could also be very helpful to encourage adults to think more about, and save for the long term.

- **Create incentives:** Participants also spoke about the need for various incentives that could help encourage Canadians to save, many of which include a role for government. These include matched savings programs (similar to the RESP) and tax breaks for receiving financial advice.

- **Develop more aggressive savings mechanisms**: Some participants felt that a more aggressive savings approach was needed, particularly to encourage Canadians to prepare for retirement. Suggested mechanisms included automatic / forced savings plans, automated savings products (e.g. apps), and having an opt-out (rather than opt-in) for the Pooled Registered Pension Plan (PRPP). In some participants' views, these could help make saving simpler.

Question 2: What prevents some adults from planning for their financial future, and how might these barriers be overcome?

Key themes

Barriers

Participants identified a number of barriers impacting adults, many of which are interrelated:

- **Stigma, fear and emotional stress:** feel embarrassed or feel humiliated in regard to their finances, which can prevent them from recognizing or addressing financial issues and/or seeking help or information
- **Lack of resources or time:** focused more on meeting their day-to-day needs (e.g. food, rent) than saving for the long term, especially those impoverished /with lower levels of income
- **Lack of knowledge, understanding and trust:** don't understand finances and don't know where to go for help, feel too overwhelmed, are unaware of the supports available, and/or don't know who they can trust

Solutions

In considering how to overcome these barriers, participants also suggested various solutions:

- **Public awareness / social marketing campaigns:** this could focus on the need to plan for the future (e.g. World Savings Day) and help shift cultural norms. Campaigns could also help promote existing savings programs and tax benefits. Leveraging social media could be very helpful.
- **Workplace training**
- **Integration of financial literacy into government programs** (Old Age Security, Canada Pension Plan, RRSPs, Child Tax Benefit etc)
- **Consider new requirements for credit approval:** for example, financial literacy education

Goal 3: Encourage lifelong learning so that Canadians can make sound financial decisions as their life circumstances evolve

In terms of incorporating financial literacy into "teachable moments", many participants supported a lifecycle approach where Canadians are provided with relevant financial information to prepare for key life events, such as getting a new job, becoming a parent, and buying a home. To help reach adults and encourage lifelong financial learning, there are a number of key organizations that could work in partnership, especially those working at the community level and within specific sectors (e.g. health, education, sports / recreation).

Question 1: We know that there are some "teachable moments," such as entering the workforce, buying a home or having children, that present good opportunities to help adults ensure their financial knowledge and skills keep pace with changes in their life and financial situation. How can we incorporate financial literacy into these teachable moments?

Key themes

- **Use a lifecycle approach to provide information that is relevant to key life events:** Participants expressed interest in helping adult Canadians navigate their finances through an approach based on key life events, as this could help "reach people at the right time." An essential element of this approach is to work with key partners / settings to provide financial education and resources when these situations arise. For example, relevant financial information could be provided to new employees by their employers through orientation / onboarding, new parents by the healthcare system (e.g. doctor's offices), new homeowners by the Canada Mortgage and Housing Corporation (CMHC), and to students. Some participants felt that mandatory education / training courses could be provided to new homeowners and students. This type of approach could help show people how to think of their financial goals more as life goals, as well as consider the impact of their financial decisions at key life stages. It could also encourage them to ask questions early and often as they are planning for the future.

- **Be strategic with how information is presented:** As one participant explained, "the approach is as important as the information!" In addition to keeping information simple, tailoring it to specific groups, and disseminating it across multiple channels (both online and offline), participants underlined the need for caution when connecting financial literacy to "teachable moments", as this can be very sensitive and emotional. As a result, it is very important that information comes from those seen as trusted resources. Existing community assets could be leveraged as well.

Question 2: What are some organizations that could be partners in reaching the adult population with financial education initiatives, including some that involve games or other interactive activities?

Key themes

- **Diverse range of community-based organizations:** Overall, participants identified an array of organizations that would be effective financial education partners. Many of these organizations are community based.

Examples: libraries, cultural / religious groups and centres; John Howard / Elizabeth Fry Societies; municipal politicians / offices; United Way

- **Specific sectors:** Many participants also noted partnerships that could be developed with groups / organizations within four specific sectors – sports / recreation, education, health and retail.

Examples:
- Sports / recreation: health / recreation centres / clubs (e.g. YMCA), fitness stores, teams (e.g. Olympic hockey)
- Education: universities, colleges, StrongStart Early Learning Centres
- Health: doctor / dentist offices, clinics
- Retail: grocery stores, gas stations / auto repair, movie theatres

Participants also highlighted the possibility of having **both low- and high-tech options** to reach adult Canadians, ranging from newsletters and placemats at restaurants to social media and websites / online tools (including the further development of apps and games). A key component across all of these options is to have simple, clear and concise messaging that can be adapted to different groups.

Goal 4: Promote practices that contribute to financial well-being and that protect against risk

For the fourth goal, participants explored various factors that may threaten adult Canadians' financial well-being. Key risks included a lack of awareness and knowledge, not planning for "what ifs" that may occur in the future, vulnerability to family / friends, and irresponsible spending. To help address these risks, participants highlighted the significance of bringing together the resources already available and organizations currently working in this space in a more coordinated and collaborative fashion. Additionally, the information provided to Canadians could be more consistent, simple, and accessible.

Question 1: What specific types of risk to financial well-being are important for adult Canadians to understand?

Key themes

- **Lack of awareness and knowledge:** This is the most significant risk facing adult Canadians – without awareness and knowledge it is very difficult to manage money in a responsible manner and make sound financial decisions. Many participants identified two related challenges associated with financial information and resources currently available: there is too much out there (although some claimed there is not enough) and what is available is too complex. As a result, many Canadians are not clear about what resources or programs are available to them (especially for key life moments and when “something goes wrong”), as well as not understanding their financial rights. This lack of awareness and knowledge has a significant impact on how people approach their finances. As many people feel overwhelmed and ashamed about their finances, they may not acknowledge issues, assess / appreciate their needs, or be willing to discuss their finances. Additionally, many Canadians are afraid to seek financial help or more information. In many cases, they only act when it is too late (e.g. after signing with a debt reduction company) or “do nothing” altogether.

- **Not planning for the future and unforeseen emergencies:** Many participants felt that this was another significant risk facing adult Canadians. The view was that many Canadians are not financially proactive. Participants were very concerned that too many people aren’t saving enough for their retirement and for the costs related to “unplanned life events”, such as critical health issues (including illness and disability), caregiving (for elderly parent, high needs child), divorce, death (e.g. loss of a spouse), home maintenance / repairs, and loss of a job. As one participant explained, “no one plans for ‘what if?’”

- **Vulnerability and poor advice from peers / family:** There are numerous financial risks associated with the way people interact with others. These risks can come from family and friends, such as financial abuse (e.g. taking money, not paying back loans), providing support (e.g. being a caregiver, co-signing for children), and not having sufficient control of one’s own finances / not having information shared. People are also at risk when they receive bad financial advice or are pressured by their family and friends to make poor decisions. Another dimension to this issue is the implications of giving others power (e.g. power of attorney), which can be a symptom of a person who is disinterested or disengaged from their finances.

- **Overspending:** Another risk facing adult Canadians is a propensity to spend beyond their means. Some participants attributed this to our consumer-based society, status-seeking, and a lack of distinction between wants vs. needs. Combined with the easy availability of credit, participants highlighted the potential for accumulating debt and "taking on the wrong type of debt", especially when people make financial decisions that are not commensurate with their income.

Question 2: What current initiatives could be leveraged or enhanced to increase awareness and understanding of these risks?

Key themes

- **Maximize existing resources:** Another clear message from participants is making more effective and consistent use of existing communications and information sources on fraud, further developing these materials (if needed). Many participants wanted to see the development of a single resource to act as a "one-stop shopping" hub for all of this information, which could be used across sectors / industries and help break down silos. Such a resource could also provide a navigator or concierge function for people – and not just service providers – to access information, especially for those who may be facing crisis situations. Additionally, there are some initiatives that could be adapted to the financial literacy context (e.g. "Because It's About Them Too" vaccine campaign). Participants felt that FCAC could play a significant role in gathering and curating this information.

- **Provide simple, easy-to-use information / materials:** Participants emphasized the need for information that is written in plain language and presented in a simple format. "Teaching to the lowest common denominator" will help ensure that a wide range of Canadians can understand the information (this may require going back to assess the comprehensibility of materials), as participants felt that much of the documentation provided by financial institutions is written for higher literacy levels. More generally, there is a need to develop information and resources based on the needs of the consumer (which includes a whole range of demographics), and not the service provider. As one participant articulated, this means considering "where [people are] at, what stage they are in, what is most appropriate, and how they get information when they need it." For example, in some cases it may be more effective to develop videos / visuals to help make complex issues more relatable and to reach those with lower levels of literacy or other learning barriers.

- **Foster greater collaboration across organizations involved with literacy:** Participants also felt that it would be very impactful to bring together organizations that have similar information and shared goals to collaborate on existing financial literacy initiatives (without having to create new ones). There was also interest in the development of conversational forums to help organizations share what's working / best practices and to encourage them to work together more effectively. Collaboration could also be fostered by greater engagement with stakeholders, such as with financial / investment advisors.

- **Ensure consistency in information:** Related to the previous theme, participants called for greater consistency in financial literacy information that can be used across existing silos. For example, this could help ensure that financial institutions are providing the same information as insurance companies. Having a central resource could ensure consistency of messages, as well as provide a more trusted, unbiased source of information.

Measuring progress: improving the financial literacy of adult Canadians

In discussing the various goals and questions, participants also provided insight into ways to measure the progress of adult Canadians' financial literacy over time.

Suggested indicators / metrics (most frequently suggested)	
General financial indicators	• Savings rate • Debt levels (household and consumer) • Bankruptcy levels • Fraud levels (e.g. number of fraud / scam victims)
Resource use	• Amount of financial literacy materials available • Amount of financial literacy material used / accessed (e.g. clicks)
Program / course effectiveness	• Exit surveys from financial literacy programs / courses • Surveys on anxiety / stress levels related to finances

4. Conclusion

This consultation provided FCAC with valuable insights into the financial literacy needs of adults and young Canadians, as well as strategies and approaches for engaging these two groups in this area. Participants' feedback will be used to inform the development of the National Strategy for Financial Literacy, while also highlighting the enthusiasm and common ground shared by many financial literacy stakeholders across Canada. Moving forward, this consultation has also helped identify potential opportunities for collaboration in the future.