

Financial literacy

TORONTO, November 4, 2022—A new Yahoo Canada/ [Maru Public Opinion](#) survey released today reveals that as “Financial Literacy Month” kicks off, just one in five (21%) Canadians consider themselves very financially literate. While a majority (60%) admit to managing a personal or monthly budget, far less (29%) have taken educational courses about finances or personal budget management.

In fact, when asked to self-assess how financially literate they consider themselves in understanding how sixteen various financial instruments work and/or how using them would be to their own financial advantage, less than a majority consider themselves very financially literate with any of them.

One in five (21%) Canadians consider themselves very financially literate

When it comes to feeling about their own level of financial literacy to properly manage their money and their overall finances, along with the various money and tax saving instruments offered by financial institutions, seven in ten (71%) Canadians consider themselves “financially literate” — however, only one in five (21%) admit to having a thorough understanding of it all, while the remainder (50%) of this group believe they know a good deal about it all but continue to learn as they go. This compares to the remainder (29%) who feel they either know some basics but not much beyond that unless they need to (24%) or find it all too complex and rely on others to help, if at all (5%).

Canadians break out into the following self-assessed “financially literate” groups:

- **Very financially literate - *I have a thorough understanding of it all (21%)*** – most likely to be those who are the youngest Canadians (aged 18-34, 23%) compared with their older counterparts (55+, 20%/35-54, 19%), male (26%) versus female (15%), have the highest income (34%) and reside in either Manitoba/Saskatchewan (22%), Québec (22%), Alberta (21%), Ontario (21%), Atlantic Canada (21%) or British Columbia (60%).
- **Somewhat financially literate - *I know a good deal about it all and continue to learn as I go (50%)*** – most likely to be the oldest Canadians (55+, 56%), compared to those who are the youngest Canadians (18-34, 48%) or middle-aged (35-54, 46%), equally male (51%) and female (50%), equally in all income ranges (50%), and more likely to be living in Québec (53%), Colombia (52%), Atlantic Canada (52%), followed by those living in Ontario (49%), Alberta (40%), and Manitoba/Saskatchewan (46%).
- **Not too financially literate – *I know some basics but not much beyond that unless I need to (24%)*** – most likely to be those who are middle-aged (35-54, 49%), followed by those who are the youngest Canadians (18-34, 23%) and those who are the oldest (55+, 21%), female (29%) versus male (19%), those with the lowest income (less than \$50,000 per annum, 49%) followed by those who are middle income (\$50,000-\$99,000, 26%) and the highest income earners (\$100,000, + 15%). More likely to be living in British Columbia (since 28% and Alberta (27%), followed by those living in Ontario (25%), Manitoba/Saskatchewan (23%), Atlantic Canada (23%), and Québec (21%).

- **Not really financially literate– I find it all too complex and rely on others to help if at all (5%)** – most likely to be middle-aged or younger (less than age 54 6%), female (6% versus male (4%)), those earning less than \$99,000 (6%) and more likely to reside in Manitoba/Saskatchewan (8%) compared to any other province or region the country.

Few have taken educational courses about finances or personal budget management

Three in ten (29%) Canadians indicate that they have taken educational courses about finances or personal budget management. Of that group, those who are the youngest lead the way (aged 18-34, 42%), followed by their older counterparts (aged 35+. 24%). Males (33%) are more likely than females (25%) to have invested in this type of education, and with the exception of Atlantic Canada (28%), the residents of every province and region appear to be equally up to doing their homework in this area – Québec (31%), followed by Alberta (30%), British Columbia (29%), Manitoba/Saskatchewan (29%), and Ontario (28%).

And perhaps demonstrating the outcome of that kind of input, those with the highest income (\$100,000+, 37%) are more likely to have taken an educational course about finances or personal budget management than those who are middle (\$50,000-\$99,000, 30%) or lower (less than \$50,000, 24%) earners.

The majority of Canadians manage a personal or monthly budget

A majority (60%) of Canadians have a budget that they carefully manage every month for themselves or their household, which compares to four in ten (40%) who don't.

- **Those with a personal and/or household budget (60%)** are most likely to be the youngest Canadians (aged 18-34, 71%) compared to those who are either middle-aged (35 – 54, 55%) or the oldest (55+, 57%), female (63%) versus male (58%), with the lowest income (less than \$50,000 per annum, 68%) compared to those who are either middle-income earners (\$50,000-\$99,000, 56%) or the highest income earners (\$100,000+, 59%). Most likely to reside in Atlantic Canada (70%), followed by those living in Québec (66%), Ontario (60%), Alberta (58%), Manitoba/Saskatchewan (56%), and British Columbia (51%).
- **Those without a personal and/or household budget (40%)** are most likely to be those who are middle-aged (35-54, 45%) and oldest (55+, 43%) compared to those who are the youngest Canadians (18-34, 29%), male (42%) versus female (37%), middle-income earners (\$50,000-\$99,000, 44%). Those who are the highest income earners (\$100,000+, 41%) and those who are earning the least (less than \$50,000 per annum, 32%). Most likely to reside in British Columbia (49%), followed by those living in Manitoba/Saskatchewan (44%), Alberta (42%), Ontario (40%), Québec (34%), and Atlantic Canada (30%).

Less than a majority very financially literate with sixteen financial instruments

When asked to self-assess how financially literate they consider themselves in understanding how sixteen various financial instruments work and/or how using them would be to their own financial advantage, less than a majority of Canadians consider themselves very financially literate with any—less than half (average 45%) for three (credit card, savings account, household budget), less than three-in-ten (average 28%) for eight (insurance, home insurance, interest rates, car loan, mortgage RRSP, TFSA, financial institution loan), and less than one in seven (15%) for five (life insurance, investments, mutual fund, bonds, and stocks and shares.)

When it comes to each of the following, how financially literate do you consider yourself in understanding how each one works and/or could to your own financial advantage?

- **Credit card (89%)** – 48% very financially literate/somewhat 42% versus not very 7%/not at all 4% (11%).
- **Savings account (89%)** – 46% very naturally literate/somewhat 43% versus not very 8%/not at all 4% (11%).
- **Household budget (86%)** – very financially literate 42%/somewhat 44% versus not very 10%/not at all 4% (14%).
- **Insurance (75%)** – 25% very financially literate/somewhat 50% versus not very 18%/not at all 7% (25%).
- **Home insurance (73%)** – 29% very financially literate/somewhat 44% versus not very 18%/9% not at all (27%).
- **Interest rates (72%)** – 28% very financially literate/somewhat 44% versus not very 19%/not all 9% (28%).
- **Car loan (70%)** – 31% very financially literate/somewhat 39% versus not very 15%/not at all 15% (30%).
- **Mortgage (68%)** – 29% very financially literate/somewhat 38% versus not very 17%/not at all 15% (32%).
- **RRSP (67%)** – 27% very financially literate/somewhat 40% versus not very 19%/not at all 13% (32%).
- **TFSA (67%)** – 27% very financially literate/somewhat 40% versus not very 19%/not at all 14% (33%).
- **Financial institution loan (65%)** – 25% very financially literate/somewhat 40% versus not very 21%/not at all 14% (35%).
- **Life insurance (63%)** – 20% very financially literate/somewhat 43% versus not very 24%/not all 13% (37%).
- **Investments (57%)** – 16% very financially literate/somewhat 40% versus not very 27%/not at all 16% (43%).
- **Mutual fund (51%)** – 14% very financially literate/somewhat 37% versus not very 28%/not at all 21% (49%).
- **Bonds (43%)** – 12% very financially literate/somewhat 31% versus not very 31%/not at all 26% (57%).
- **Stocks and shares (43%)** – 11% very financially literate/somewhat 31% versus not very 30%/not at all 27% (57%).

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Methodology

These are some of the findings from a study undertaken by [Maru Public Opinion](#) with its sample and data collection experts at [Maru/Blue](#) on October 26-27, 2022, among a random selection of 1,524 Canadian adults who are Maru Voice Canada panelists. The results were weighted by education, age, gender, and region (and in Quebec, language) to match the population, according to Census data. For comparison purposes, a probability sample of this size has an estimated margin of error (which measures sampling variability) of +/- 2.5%, 19 times out of 20. Respondents could respond in either English or French. Discrepancies in or between totals when compared to the data tables are due to rounding.

Panel and data services provider [Maru Blue](#) is deeply rooted in the Maru/HUB technology platform and offers on-demand, high-quality, highly scalable online community samples of deeply engaged, known respondents. Excerpts from this release of findings should be properly attributed, with interpretation subject to clarification or correction. Maru Public Opinion is a professional services firm dedicated to improving its clients' business outcomes. It delivers its services through teams of sector-specific research consultants specializing in the use of Insight Community and Voice of Market technology. Maru Public Opinion does not do any work for any political party. Maru Public Opinion polls with supporting detailed tables are found here: [Maru Public Opinion Canada](#). Corporate information can be accessed here: [Maru Group](#).

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