

Data Collection for the 2019 Canadian Financial Capability Survey

Summary

Prepared for Financial Consumer Agency of Canada

Supplier: EKOS RESEARCH ASSOCIATES INC.

Contract Number: 5R000-181274/001/CY

Contract Value: \$247,439.09 (including HST)

Award Date: October 26, 2018

Delivery Date: November 26, 2019

Registration Number: POR 060-18

For more information on this report, please contact the Financial Consumer Agency of Canada at info@fcac-acfc.gc.ca.

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This public opinion research report presents the results of an online survey conducted by EKOS Research Associates Inc. on behalf of the Financial Consumer Agency of Canada. The research study was conducted with 7,169 Canadians 18 years of age or older between February and May 2019.

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Cat. No. FC5-42/2-2019E-PDF (Electronic PDF, English)

ISBN 978-0-660-33031-0

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Aussi disponible en français sous le titre : Collecte de données pour l'Enquête canadienne sur les capacités financières de 2019.

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SUMMARY

The Canadian Financial Capability Survey (CFCS) aims to shed light on Canadians' knowledge, skills and confidence concerning financial decision-making ([Keown, 2011](#); [FCAC, 2015](#)).¹ A key objective is to measure how Canadians are doing on indicators of financial well-being and informing ongoing efforts aimed at strengthening the financial literacy of Canadians. This includes learning what Canadians know about the financial services available to them, their approaches to financial planning (day-to-day money management, budgeting and longer-term money management), their plans for the future and how they understand their financial situation. Having up-to-date nationally representative data on the knowledge, skills and confidence of Canadians is important to help identify trends, gaps and emerging needs across the population.

The Financial Consumer Agency of Canada (FCAC) commissioned EKOS Research Associates to conduct the 2019 CFCS. It was administered using *Probit*, a hybrid online-phone probability-based panel sample frame developed by EKOS Research Associates which allowed respondents to complete the survey either online or by telephone, depending on their own preferences. To ensure the perspectives of all Canadians were reflected, the sample frame was augmented by random-digit-dial (RDD) phone interviews. The survey was administered over the period from March 18, 2019 to May 30, 2019.

Using a probability-based sample frame is critical to be able to draw comparisons to previous fieldings of the CFCS using robust statistical testing. This modernized and streamlined 25-minute core survey covered content contained in previous versions of the CFCS conducted in 2014 and 2009. In addition, the 2019 CFCS introduced a follow-up survey primarily to cover new content on psychological factors, fraud, debt management and financial well-being. Previous versions of the CFCS fielded in 2014 and 2009 were conducted exclusively via land-line telephone interviews and had an average duration of more than 35 minutes.

¹ Details on the 2009 CFCS can be found at http://www23.statcan.gc.ca/imdb-bmdi/instrument/5159_Q1_V1-eng.pdf and for the 2014 CFCS at http://www23.statcan.gc.ca/imdb/p3Instr.pl?Function=assembleInstr&a=1&lang=en&Item_Id=201522

Core Survey

The core survey had an average duration of about 25 minutes per interview and was administered online and by phone from March 18 to May 9, 2019. The core sample included 7,169 interviews with Canadians aged 18 years or older. The overall response rate was 11% using a mix of *Probit* panel members (3,750 cases completed online and 2,031 completed by telephone), as well as RDD (1,388 cases) as the sample source.

RDD was used to augment the overall sample for groups that were not as well represented in the *Probit* panel, including oversampling Indigenous Canadians and new Canadians. Survey results can be extrapolated to the broader general public of Canadians 18 and over, with an associated margin of error of +/- 1.2% at a 95% confidence level for questions posed to the complete sample. Topics covered in the core survey include:

- Socio-demographics, labour market participation and income;
- Ongoing-expenses and day-to-day financial management of the household;
- Assets, debts and credit management;
- Longer term financial planning, financial goals and major expenses (including post-secondary funding), as well as retirement planning;
- Financial choices and sources of advice;
- Self-reported financial literacy and confidence;
- An objective financial knowledge quiz; and
- Financial education.

Follow-Up Survey

In addition, a new 10-minute follow-up survey was added for respondents who agreed to participate in it. The follow-up questionnaire was administered from April 11, 2019 until May 30, 2019 and included 27 questions, mostly covering new content that had not used in previous surveys. Topics covered in the follow-up survey included:

- Psychological characteristics and attitudes towards money;
- New questions on objective financial knowledge;
- Having a will, powers of attorney and credit history;
- Paying down debt and setting aside money for an emergency fund;

- Financial fraud and scams; and
- Financial well-being.

The follow-up survey was administered almost exclusively to online panel members, with only six% (n=190) completing the survey by telephone. The follow-up sample is comprised of 3,026 respondents, capturing 42% of the original core sample. In fact, about 65% of panel members who completed the core survey online chose to also complete the follow-up survey. Among those completing the core survey by telephone, most completed the follow-up survey online (439) rather than by telephone (161). Because the panel is randomly generated, these results can also be extrapolated to the broader general public, with an associated margin of error of +/- 1.8% at a 95% confidence interval.

Instrument design

The draft questionnaires were provided by FCAC. The EKOS team assisted to finalize the questionnaires through a review for comprehension, clarity, branching logic, and consistency/comparability by mode of administration. About 80% of the items in the 25-minute core survey questionnaire were replicated from previous versions of the CFCS, although some of these items were changed slightly either to add clarity or adapt them for administration online as well as on the telephone. The primary purpose for retaining these questions was to track changes over time with previous versions of the survey conducted in 2014 and 2009. The follow-up survey contained mainly new questionnaire content.

The questionnaire instruments underwent a series of tests prior to launching the full survey. Initial tests for the core survey were conducted both online and by telephone to check for flow, wording, branching logic, etc. These tests were completed over the period from December 2018 to January 2019. The core survey was then pilot tested in February 2019 with a larger sample of 206 cases (half online and half by telephone). The pilot sample was examined for representativeness and general data quality, and a subsequent decision was made to proceed with the collection of the full survey sample. Respondents to the pilot were included in the final core survey sample. The follow-up survey was tested online with a sample of those who completed the core survey in the first week or two of collection in March 2019. Only very minor changes were made to clarify wording or programming. As noted above, the overwhelming majority of follow-up surveys were administered online (94%).

Upon launching the full survey, an initial sub-set of panel members were randomly pre-assigned to respond either online or by telephone (500 cases in each mode), along with 400 cases completed using the RDD telephone sample. This data was collected prior to targeting any sub-groups to

allow for comparison and calibration of the two sample sources (panel and RDD), as well as by mode of survey completion (telephone or online), if required.

Both the online and the follow-up surveys were administered online and by telephone using a bilingual questionnaire. For the online administration, the bilingual survey questionnaire was installed on a secure web-server controlled by EKOS. Telephone interviews were completed on-site, using computer assisted telephone interviewing (CATI) software. The CATI software allowed interviewers to input responses from respondents as the survey unfolded. Interviewers were provided with detailed background on the study, followed by practice interviews prior to beginning work. Ten% of all work was monitored for quality control purposes.

Population Weighting

A Random Iterative Method (RIM) weight was calculated using crosstabulation software to correct for response bias between the population distribution of the final sample and population estimates, based on the 2016 Census.

For the core sample, a weight was calculated according to population proportions for age, region of the country, education (post-secondary completion versus less education) and marital status (whether the household included an adult couple or not) within each of the three source/mode segments (i.e., panel online, panel telephone and RDD telephone). Whether respondents were born outside of Canada or not was also added as a population target in the weight, crossed only by sample source (panel/RDD).

For the follow-up sample, a separate weight was developed due to the high concentration of respondents who were members of the online panel, with sample characteristics that differed from the core sample. The final weight for the follow-up sample was derived based on Census 2016 population targets for age, region of the country, education (post-secondary completion versus less education), marital status (households including a couple or not), labour force status (employed or not) and gender.

A separate weight was calculated for analysis focusing specifically on the Indigenous population. This weight adjusts for age differences in the underlying sample compared to the broader Indigenous population across Canada.

Contract Value

The value of this contract was \$247,439.09 (including HST).