



FOR IMMEDIATE RELEASE

Toronto, ON – April 19, 2023

**World Financial Group Insurance Agency of Canada Releases
New Financial IQ Study about Consumer Financial Resilience**
*Less Than Half of Canadians Understand their Finances, While Concerned About
Day-to-Day Cost of Living*

World Financial Group Insurance Agency of Canada Inc. (WFGIAC) released the results of a new, independent Financial IQ™ study that assesses the financial resilience of the general Canadian population and WFG Canadian insurance agents. The findings show that during a time of economic uncertainty and ongoing challenges with rising food and energy costs, a large percentage (70%) of Canadians see the day-to-day cost of living being a top financial priority and less than half (41%) of households believe they are able to understand their personal finances. Additionally, 37% of those who participated in the study do not have a financial plan in place, leaving them vulnerable to financial shocks such as job loss.

The study asked a series of questions that assess a person's attitude toward their finances and whether they're prepared to handle financial shocks that might come their way. The study questions poll an individual's understanding, control, preparedness, and confidence around finances to draw observations regarding financial resilience.

The responses in Canada were aggregated to create a Financial IQ score, ranging from low (0 to 3.9), medium (4 to 6) and high (6.1 to 10). The general population had a Financial IQ of 5.3, a medium ranking. WFG training agents had a slightly higher score of 5.4. However, tenured WFG agents at the Senior Marketing Director level came in with a much higher average, 8.2. The average for all WFG agents in Canada was 6.7. The Financial IQ score can be used to measure financial resiliency over time.

"The Financial IQ study highlights that people are experiencing cost-of-living challenges that Canada has not seen in more than a decade," said Todd Buchanan, WFG President. "World Financial Group is committed to helping people build and protect their financial wellbeing. WFG will continue to measure the Financial IQ of agents and the general population in the future, to track the public's knowledge, confidence, and financial resilience in the years ahead."

Additional findings of the Financial IQ Study include:

More than two thirds (70%) of the general population in Canada stated that managing the day-to-day cost of living was a key short-term financial priority.

- Even those with higher levels of wealth feel they need to prioritize their day-to-day spending. More than half (65%) of those earning more than \$80,000 CAD said the cost



of living was a financial priority. This increases significantly among those earning less. Seventy-four percent (74%) of those earning less than \$40,000 CAD stated covering basic costs as a top financial priority.

During the last big financial shock to Canadian households caused by the pandemic, 15% accumulated new credit card debt and 12% borrowed money from others.

- Many back-up savings plans have already been exhausted and resilience has not been rebuilt. Less than half of the general population feel in control when managing their finances (39%) and confident that they will achieve financial security in the future (39%).

Canadian households are not prepared for financial shocks, with just about one in four (27%) able to sustain basic financial outlays (such as mortgage payments, bills and food costs) for a year of more if met by an unexpected life event that prevents them from working.

- Less than two thirds (58%) of the Canadian general population have some form of financial plan in place for the future.
- Twenty two percent (22%) of the general population in the U.S. and Canada could pay their bills for one month or less.

Individuals can view or download the full report at www.MyfinancialIQ.com to test their level of financial resilience and learn their Financial IQ score. To learn more about WFG's services and how [their financial professionals](#) can help you ensure you have a financial plan and protection in place to secure your short- and long-term financial future, visit www.WorldFinancialGroup.com.

Press Inquiries: WFGpressinquiries@transamerica.com

About World Financial Group

World Financial Group's 62,000 agents in the U.S. and Canada are dedicated to helping individuals, families, and businesses achieve financial security through life insurance, retirement, and wealth-building strategies.

In Canada, life insurance and segregated funds are offered by independent agents of World Financial Group Insurance Agency of Canada Inc. Properly licensed individuals may also offer mutual funds through WFG Securities Inc. (WFGS).

World Financial Group Insurance Agency, LLC in the U.S. and World Financial Group Insurance Agency of Canada Inc. are affiliated companies. The WFG companies are wholly-owned indirect subsidiaries of Transamerica Corporation.

The research agency, H/Advisors Cicero, is not affiliated with WFG.

To learn more, visit <http://www.WorldFinancialGroup.com/>

Study Methodology

The Financial IQ™ by WFG has been developed to assess the financial resilience of households and to measure their financial readiness to withstand financial shocks.



The Financial IQ provides an index score based on responses to five questions asked of nearly 2,000 respondents in Canada as part of the research. FIQ ranks financial resilience on a scale from 0 to 10. A high index score is ranked above 6, scores from 4 to 6 are classified as medium, and a low score is under 4. To view and download results of the study, please visit MyFinancialIQ.com. The website also offers online tools that help users assess their own Financial IQ score.

WFGIA partnered with independent research agency H/Advisors Cicero to benchmark levels of financial resilience across the United States and Canada. H/Advisors Cicero undertook a study across two Canadian sample groups – WFGIA agents in Canada (954), and the general populations of Canada (1,004). This press release aggregates responses for study participants in Canada. Fieldwork was conducted between July 21 and August 22, 2022.