

January 29, 2021



Submission to the  
Financial Consumer Agency of  
Canada



The Canadian Bankers Association (CBA) and its member banks are pleased to participate in the Financial

Canada's banking sector has long recognized that it has a central role to play in supporting and strengthening financial literacy in Canada to help improve the financial well-being of Canadians. Banks are an active and important part of the daily life of all Canadians – almost 99 per cent of the adult population has an account with a financial institution. Millions of people turn to banks every day for services and advice to help them achieve their financial goals and build a bright future. This is where banks' financial literacy work begins – in their daily interactions with their customers, providing a wealth of educational material, information, tools, services and advice geared to helping them make the best financial choices for their unique circumstances.

Banks go well beyond this, too. Individual banks in Canada are engaged in a variety of ways to strengthen the financial well-being of all Canadians. They do this by:

- providing financial support and volunteers for a variety of financial literacy programs run in communities across the country by educational and not-for-profit groups;

- creating their own financial education programs and services for clients and the general public; and

- providing financial and volunteer support for the important work that not-for-profit credit counselling agencies do in local communities across Canada.

For its part, the CBA has provided financial literacy programs and information for decades, perhaps most notably through our two free, non-commercial financial literacy programs, [Your Money Students](#) and [Your Money Seniors](#). Both programs were developed in collaboration with the FCAC and align with the objectives of the existing National Strategy. Introduced in 1999 and 2014 respectively, the programs are available across the country in both official languages and are presented by bankers in the community volunteering their time and expertise.

The CBA also broadly and actively shares information and insights on a wide range of topics related to improving financial literacy and financial well-being – from budgeting, debt management and retirement planning, to fraud prevention, protecting against financial abuse and digital literacy.

The CBA and its members have been encouraged by the demonstrated improvements in financial literacy outcomes since the FCAC developed and implemented its National Strategy more than five years ago. We look forward to working with the FCAC to build upon this foundation as it provides continued leadership in renewing the National Strategy over a five-year timeline (2021-2026).

1. The core focus of the proposed goals should elive1 (s)-2 (eTW4 (e)TJ0 Tcng,3.5 (he )0.6 l)1.5 a.5 (d)6.1 (es)i irea

***Question 1: Share your feedback on the proposed goals, and tell us if they should be modified, removed, changed, or other goals added***



budgeting tools – usually in the form of an Excel spreadsheet. The survey also noted that Canadians who use digital tools for tracking and budgeting are among the most likely to keep on top of their bill payments

Public policy tools, such as appropriate tax



**Recommendation:** *To help customers avoid fraud in an online, tech-enabled marketplace where scams are increasing, continue to put a strong emphasis in the National Strategy on effective fraud prevention and cyber hygiene practices. In effect, this will complement sustained efforts by several other stakeholders who are active in this space, including banks. Further FCAC engagement across government departments and agencies will help the FCAC align its efforts to other ongoing fraud prevention strategies and programs.*

The renewal of the National Strategy could include strengthening the digital literacy of Canadians, either as a standalone goal or a sub-goal. Just as financial literacy is an essential life skill, so, too, is digital literacy at a time when Canadians increasingly rely on Internet-enabled services, online channels and contactless solutions. The National Strategy should connect its outcomes to the goals of Innovation, Science and Economic Development Canada's Digital Literacy Exchange Program, which supports the Government of Canada's Innovation and Skills Plan.

The digitalization of financial products and services and the consequent need to strengthen digital financial literacy has become an important component of overall financial well-being. In recognition of this challenge, the CBA recently [announced](#) a sponsorship of ABC Life Literacy Canada (ABC)'s program ABC Internet Matters. The program provides introductory digital literacy education for Canadian seniors who are not using the internet and adult learners who have a gap on the digital curve, some of whom may feel digitally disconnected due to the coronavirus pandemic. In addition, as a greater number of Canadians shift towards digital banking, banks in Canada have created resource centers to help them better understand online and mobile channels, provide helpful tools and resources, and answer any questions they may have.

Secondly, the renewed National Strategy should continue to focus on priority groups, such as lower-income Canadians, Indigenous people and newcomers to Canada, to ensure that the Strategy remains fully inclusive. For example, lack of financial literacy affects many Canadians, but newcomers often face several difficult financial decisions at once in a new country. Banks will continue to ensure that they make resources available so newcomers can settle quickly and contribute to Canada's economic development and future prosperity.

All major banks [offer information and support](#) for newcomers to ensure their financial transition to Canada goes smoothly. The focus on newcomers to Canada was exemplified most recently in the [ScotiaRISE](#)



TD Bank's [Wow!Zone](#) is a free, interactive program that teaches children and teens about budgeting, saving and investing. Students, parents and teachers can access the games and learning activities online.

TD introduces new [digital budgeting tool](#) co-developed by post-secondary students as part of the new TD Lab Focus.

National Bank has partnered up with the [Canadian Foundation for Economic Education](#) (CFEE) to set up an educational program on personal financial management. It targets three groups: high school students, college and university students, and newcomers to Canada.

Designed by RBC, [Learning Money with Leo](#) is a free, practical and fun app to help parents teach their children about the concept and value of money.

RBC's [Future Launch](#) provides an online resource hub dedicated to youth-focused virtual programming and learning opportunities, as well as access to work-related programs, tools and resources.

Scotiabank sponsors the [Talk with Our Kids About Money](#) program. Developed by the Canadian Foundation for Economic Education (CFEE), the program provides teachers and parents with free tools and resources to help kids become more knowledgeable about money so they can make better, more informed financial decisions in life.

TD is the founding sponsor of [Money Matters](#), a free workshop created by ABC Life Literacy Canada to help adult learners, immigrants, Aboriginal Peoples, single parents and low-income families become more confident in dealing with their personal finances. Hundreds of TD volunteer-tutors deliver the program in Canada.

Several banks in Canada also support Junior Achievement's (JA) suite of financial literacy programs. JA has worked in Canada's high schools for years, providing entrepreneurship and financial literacy training. For example, TD Bank in 2019 renewed its long-standing partnership for another three years with a donation of \$1 million, making it the National Financial Literacy partner of JA Canada. TD's commitment

*Your Money Students* has been a centerpiece of the CBA's financial literacy programming for two decades, providing youth with the fundamentals of budgeting, saving, investing, responsible use of credit and fraud prevention. The seminars are designed for Grade 10-12 high school students to help them develop an understanding of responsible financial management as they prepare their transition to postsecondary

Participating in Fraud Prevention Month in March, Cyber Security Awareness Month in October, and Financial Literacy Month in November,

The FCAC should continue playing an important role in sharing ready-made strategies, resources and toolkits based on best practices to help employers introduce financial wellness programs for their employees. For many employees, concerns about personal finances can affect their productivity at work and their overall physical and mental health. The FCAC is ideally positioned to reach working age adults at the same time, with the same messages, good programs, free and unbiased tools, and experts who are able to answer questions for Canadians in the workplace.

We encourage the FCAC to continue these efforts and consider opportunities to expand this work to reach more small businesses across Canada, many of which do not have the resources available to devote to workplace financial literacy. Almost 98 per cent of all businesses in Canada are considered small (1-99 employees), employing approximately 70 per cent of the total private labour force. By reaching Canadians where they work, the FCAC can help Canadians with financial literacy skills throughout their adult working years. Further, reducing financial stress in the workplace has been proven to help businesses succeed by increasing employee well-being, improving worker productivity and lowering absenteeism. Ultimately, improving financial literacy in a greater number of small businesses across Canada would contribute to the growth

Security in the digital era, however, is very much a shared responsibility and Canadians also have an important role to play in building stronger online habits and practices. In recognition of this challenge, the FCAC could consider a coordinated, cross-partner effort between government, private and voluntary sectors to significantly boost awareness of fraud, scams and financial abuse. It will take multiple partners working together raise the bar in fraud prevention.

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***Questions 5: Are there considerations we missed that should be captured in the renewed strategy?  
What new ideas in financial literacy and/or financial well-being should the Financial Consumer  
Agency of Canada think about?***

The FCAC should continue its role as the central rallyCanaTJ (d3dh.1a/le )0.659 1 (r p1a/le )0.o413 (e)5.l[no-11g10