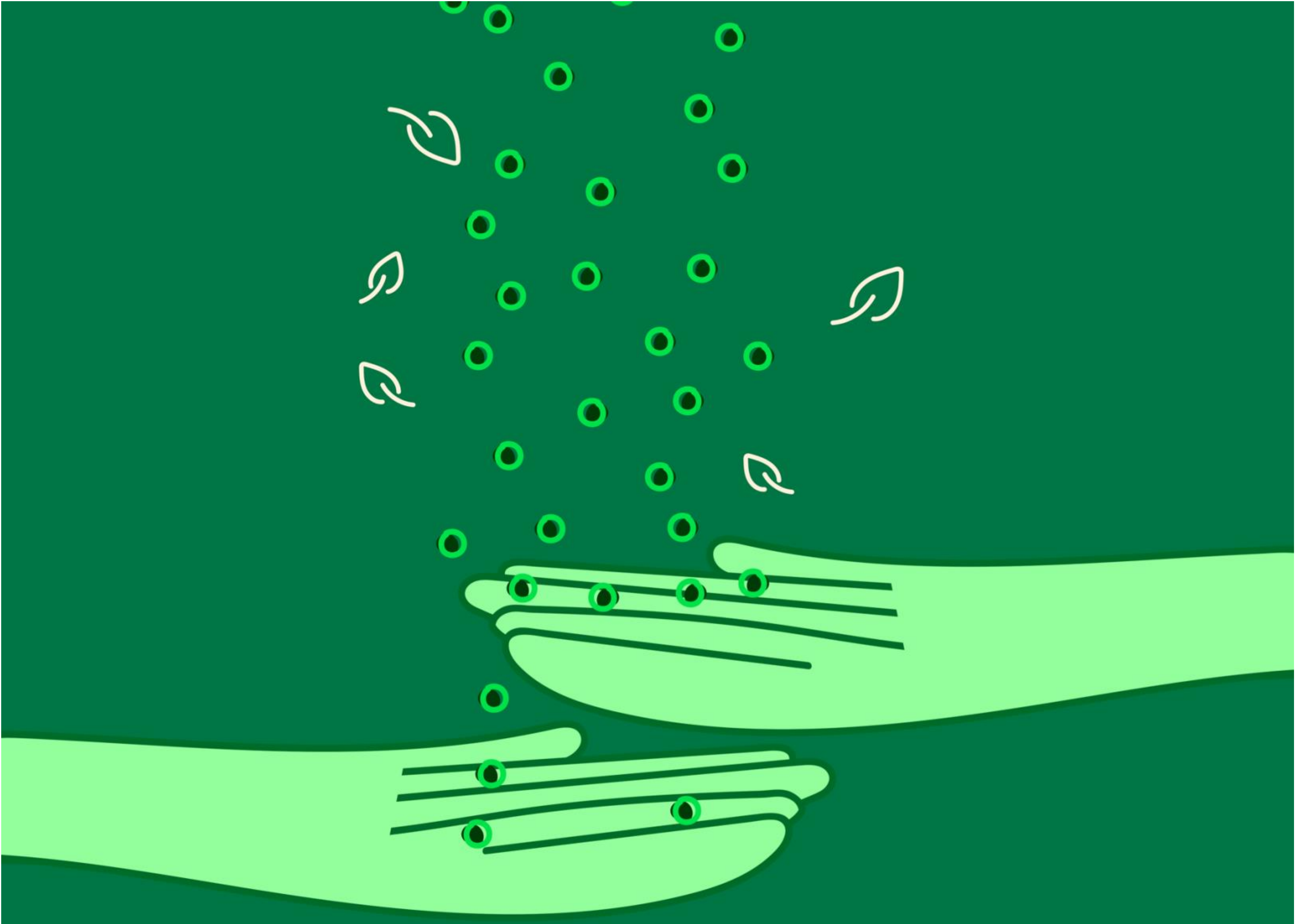


# Between Hope and Hardship: Financial Resilience Through the Eyes of Everyday Canadians

*Reimagining Financial Well-Being by Uncovering Hidden Needs in Canada’s Urban Centres*

**By Hannah Kim**

Submitted to OCAD University in partial fulfillment of the requirements for the degree of Master of Design in in Strategic Foresight & Innovation

Toronto, Ontario, Canada, 2025

# Abstract

This research explores the complex realities of financial resilience through the lived experiences of everyday Canadians in Metro Vancouver and the Greater Toronto Area. Despite large financial institutions' public commitments to customer well-being, many individuals feel vulnerable, frustrated, and isolated as they manage rising costs, confusing credit systems, and housing dilemmas. Qualitative interviews with 17 community members reveal the emotional toll of these struggles—highlighting a sense of being left to figure things out alone, without meaningful support from the banks they rely on.

Alongside insights from five industry experts, this study uncovers a stark disconnect between the financial services people need and what institutions currently provide. The recommendations call for rethinking incentive structures, integrating accessible tools into banking platforms, and fostering trust through empathy and clear communication. Ultimately, this research invites financial institutions to reimagine how they support and foster financial resilience—not as a distant ideal, but as a deeply personal and urgent necessity for those striving to build stability, shared prosperity, and hope in an uncertain world.

# Acknowledgements

To the research participants—thank you for generously sharing your stories, insights, hopes, and fears. This paper is, at its core, for you. Your lived experiences have shaped this work, and it is because of your honesty and vulnerability that this research imagines a more resilient financial ecosystem—one rooted in empathy, support, and possibility.

To my advisor, Dr. Ashok Mathur, thank you for your unwavering guidance and for helping me bring the vision of a narrative-driven research project to life. Your insight and encouragement were invaluable in pushing this work forward.

I extend my deepest gratitude to Dr. Nabil Harfoush for your support throughout the planning, research, and synthesis phases of this project. Your thoughtful direction helped me navigate this complex problem space with clarity and confidence.

To my program cohort—congratulations on reaching this milestone! I am so grateful for the opportunity to learn, collaborate, and grow alongside such inspiring individuals. Thank you to the SFI faculty for fostering an environment of curiosity, creativity, and critical thinking.

And finally, to my family and friends—thank you for standing by me through this roller coaster of a journey. It has been anything but linear, but your steadfast support and love have carried me through every twist and turn. I'm so glad to have had you by my side.

## Table of Contents

## List of Figures

# Part 1: Understanding the Landscape

## Introduction

Today, established banks in Canada such as the Big Five (Bank of Montreal, Canadian Imperial Bank of Commerce, Royal Bank of Canada, The Bank of Nova Scotia, and The Toronto-Dominion Bank) publicly state their commitment to helping customers and communities prosper. Their stated purposes emphasize financial empowerment, customer trust, and community well-being:

- Bank of Montreal (BMO) states its mission as “fueling progress for individuals, families and businesses” by “boldly growing the good” (*About BMO | BMO Financial Group*, n.d.).
- Canadian Imperial Bank of Commerce (CIBC) aims to “help make your ambition a reality” and to “build trusting and enduring relationships by putting our clients at the center of all we do” (*About Us I CIBC US*, n.d.).
- Royal Bank of Canada (RBC) says its purpose is “Helping clients thrive and communities prosper” (*Purpose, Vision and Values - RBC*, n.d.).
- The Bank of Nova Scotia (Scotiabank) states its mission as “being a good corporate citizen to the benefit of our customers, shareholders, and staff” (*Inside Scotiabank*, n.d.).
- The Toronto-Dominion (TD) Bank aspires to “enrich the lives of our customers, colleagues, and communities” (*TD Ready Commitment | TD Canada Trust*, n.d.).
- Tangerine, a subsidiary of Scotiabank, says its purpose is “helping Canadians live better lives by empowering them to make smarter decisions with their money” (Tangerine, 2015).

Yet, many Canadians feel that banks are falling short of these promises. The J.D. Power 2022 Canada Retail Banking Satisfaction Study found that only 32% of customers felt their bank fully supported them during challenging times (J.D. Power, 2022). By 2023, 28% of customers felt worse off financially than the year before, citing unexpected or unexplained banking fees and lack of meaningful financial advice on saving as key frustrations (J.D. Power, 2023). These findings indicate a growing erosion of trust, with customers feeling that banks fail to anticipate their financial concerns or provide proactive solutions.

Beyond customer dissatisfaction, macro-economic challenges have intensified financial strain. Statistics Canada (2023) reports that rising costs of food and housing are key stressors, particularly for vulnerable households living paycheque to paycheque. Even with higher wages, inflation has diminished purchasing power, leaving many Canadians struggling to stay afloat financially, let alone build financial resilience. In fact, according to a poll in 2023 by Leger (Ritchie, 2023) and data from Equifax (Rail, 2024), about half of Canadians are living paycheque-to-paycheque and are increasingly experiencing stress from the rising cost of living.

## Why This Topic?

My interest in this research emerges from having worked in financial services, where I have witnessed banks' aspirations and efforts to support customer well-being, but also their struggle to translate intent into impact. During my time at midsize and large financial institutions, I participated in discussions about developing programs to empower customers in building healthier financial habits. These conversations were driven by a genuine desire to help, especially during economically tough times. Some banks launched initiatives like webinars on financial literacy, blogs with money management tips, and budgeting tools, recognizing the need to better serve customers.

However, despite this intent, dedicated initiatives to research, design, and develop holistic solutions were not prioritized or adequately funded, as other business goals took precedence. This led me to question: What if banks were better equipped to understand and meet the unarticulated needs of their customers, to truly serve everyday Canadians?

Meanwhile, external data continued to highlight a growing gap between what banks provide and what customers actually experience. Reports from Statistics Canada (2023), J.D. Power (2023), Bain & Company (NPS Prism, 2024), and industry polls (Ritchie, 2023) all reinforce the same theme: Canadians are struggling with financial resilience, and many do not feel their banks are part of the solution.

## Research Focus

This research project explores how financial institutions might bridge the gap between stated commitments and lived customer experiences by asking the core research question:

What can banks in Canada do differently to better serve people living in large urban centres such as Metro Vancouver and Greater Toronto who face barriers with their financial services that get in the way of achieving financial resilience?

To explore this broad question, the study investigates:

- **The unfulfilled and unarticulated needs of Canadian banking customers:** What financial needs—whether recognized or unspoken—are not being met by banks today? How do these gaps hinder people's ability to feel financially resilient in navigating both everyday finances and unexpected challenges?

- **The misalignment between what banks offer and what customers actually need:** Where do current banking practices diverge from the realities and priorities of the people they serve? What opportunities exist for financial service providers to realign their offerings with the real-life needs of individuals striving for financial resilience?

The desired long-term impact of this research is to encourage a future where banks offer more diverse products, tools, and services that empower financial resilience for all Canadians, particularly those struggling with financial security. If banks truly aspire to help Canadians thrive, then they must actively evolve to meet the financial realities of those they serve.

This study serves as an opportunity to explore how they might do just that.

## But First, What Does Financial Resilience Mean?

Financial resilience takes on different meanings for participants, shaped by their personal experiences and financial realities. While there is no single definition, several key themes emerged—reflecting both practical needs and deeper emotional aspirations tied to financial stability.

Financial resilience is not just about numbers in a bank account—it is about how people feel about their ability to manage life's financial ups and downs. For some, it brings confidence and control, knowing they can handle unexpected expenses. For others, a lack of resilience creates stress and uncertainty, making even routine financial decisions feel overwhelming. It is not a fixed state but an ongoing process of adapting, planning, and navigating uncertainty with the right tools and support.

At its core, financial resilience is about options and agency—the flexibility to adjust plans, the knowledge to make informed decisions, and the ability to align financial choices with personal values and long-term goals. While often measured by wealth or homeownership, resilience can also mean having access to financial resources, support systems, and institutions that enable—not hinder—one's ability to thrive.

Participants in this research reflected these ideas in different ways. Many described financial resilience as having enough savings to cover six to twelve months of living expenses, offering a buffer against job loss or financial emergencies. Others emphasized the importance of financial flexibility. That is, ensuring that money is accessible when needed to cover basic expenses and maintain a decent quality of life, rather than living paycheque to paycheque or having funds locked away in long-term investments.

For some, resilience was not just about saving—it was about building financial security through multiple pathways. Some participants saw investing as a strategy for long-term stability, while others relied on side businesses or multiple income streams as a safeguard against job instability. A few described resilience as the ability to pivot—adjusting financial goals, cutting back on spending, or seeking out new opportunities when faced with economic shifts.

Resilience also intersected with cultural background and upbringing. Participants who grew up in immigrant households often emphasized frugality, financial independence, and the expectation of supporting family members. While these values instilled strong financial habits, some also found them limiting, fostering anxiety around spending or a narrow focus on survival rather than growth.

Ultimately, financial resilience is not one-size-fits-all. While some participants sought stability through traditional financial planning such as budgeting and tracking expenses, others found resilience in adaptability, community support, or alternative ways of thinking about financial well-being. This study explores how financial resilience can be supported not just at an individual level, but also within systems, communities, and financial tools that empower people to navigate their financial futures with greater confidence and security.

# Research Methodology

This research combines qualitative interviews and desk research to explore a central question: How might financial institutions such as banks better support everyday Canadians in achieving financial resilience?

### Understanding Lived Experiences

At the heart of this research are the voices of people directly impacted by financial services. To uncover the realities behind financial resilience—or the lack thereof—17 in-depth, semi-structured one-on-one interviews were conducted with community members: ten from the Greater Toronto Area and seven from Metro Vancouver. These cities, consistently ranked as the most expensive in Canada for both homeownership and rental housing (Le, 2024; Hornstein, 2023), offered a focused lens into the financial pressures faced by those living in high-cost urban centres.

The goal was not just to hear about which banking products participants used, but to understand their personal experiences—moments when they felt their financial needs weren't met, the ways they navigated challenges beyond traditional banking, and their perspectives on what financial resilience means to them. Participants, all 18 years or older, were selected based on their willingness to openly share their positive and negative interactions with financial institutions without identifying specific banks or credit unions.

### Insights from Industry Experts

In parallel, this study explored the perspectives of those shaping financial services from within the system. Five industry professionals—spanning customer experience, service design, and financial empowerment roles at major Canadian banks and credit unions including TD, RBC, CIBC, and Scotiabank—participated in semi-structured, confidential interviews. Their insights revealed the internal challenges of designing services aimed at fostering financial resilience, from navigating corporate priorities to overcoming systemic barriers to innovation.

These experts also discussed emerging opportunities for financial institutions to build more inclusive and effective services. To maintain confidentiality, particularly as some interviewees requested anonymity, this paper presents their insights as collective themes rather than direct attributions.

### Connecting the Dots: Synthesis and Analysis

With both community and expert interviews completed, the next step was to distill the data into meaningful insights. Using affinity mapping—a qualitative research method for identifying patterns—key points from the interviews were captured on sticky notes and repeatedly clustered and refined. This iterative process helped surface the major themes around lived experiences, unmet needs, and barriers to financial resilience.

To deepen the analysis, desk research was layered into the process. This included:

- Exploring what financial institutions—large banks, credit unions, fintechs, non-profits, and government agencies—are currently doing to support financial resilience.
- Examining behavioural science theories, financial technology innovations, and models of consumer trust in financial services.
- Identifying misalignments between what financial institutions offer and what customers actually need—drawing direct links between participant experiences and systemic gaps.

### A Holistic Approach to Uncovering Opportunities

This blend of firsthand narratives, industry insights, and desk research shaped the foundation for the recommendations presented in this paper. More than just identifying problems, the goal was to spotlight opportunities—moments where financial institutions can shift their approach to better serve everyday Canadians. By centring the lived experiences of those using financial services—while incorporating insights from those designing them—this research aims to highlight the unmet and unarticulated needs that often go unheard. The hope is that financial institutions such as banks will place greater weight on these realities—not just to close service gaps, but to create solutions that genuinely empower customers to build a more hopeful, financially resilient future.

# Literature Review Summary

Existing research on financial resilience in Canada covers a range of topics, including financial literacy programs, alternative banking models (e.g. community lending and microfinance programs), and the role of technology in financial decision-making. Studies such as those by the Financial Consumer Agency of Canada (2023) and Prosper Canada (2019) highlight the importance of financial education but often focus on general knowledge rather than how financial institutions can proactively engage customers at key life moments.

Some sources provide valuable insights into specific financial behaviours. For instance, Dawnay & Shah (2005) discuss behavioural economics principles that influence how people manage money, and Xiao (2008) explores behavioural science theories such as Goal Setting Theory that can be applied to financial decision-making. However, while these frameworks offer guidance on how individuals interact with financial tools and incentives, they do not always address the structural role that banks play in shaping financial resilience.

Additionally, global industry research—such as the Bain & Company NPS Benchmark Report (2024)—highlights gaps in newcomer banking experiences, emphasizing that banks miss opportunities to provide tailored financial advice in a critical early period after arriving in Canada. Reports from J.D. Power (2022, 2023) reveal that many Canadians feel unsupported by their banks, particularly in times of economic strain. While these findings align with some of the challenges identified in this study, they focus more on customer satisfaction metrics rather than proposing systemic changes to financial service design.

Given these gaps, this research builds on existing literature by examining the disconnect between customer needs and mainstream financial services, particularly in large urban centres like Toronto and Vancouver. Rather than focusing solely on financial literacy or alternative banking models, this study explores how financial institutions might reimagine their offerings to better align with the lived realities, aspirations, and financial behaviours of their customers.

# Part 2: Uncovering Lived Realities

## Analysis: Primary Research Findings

The insights that follow are drawn from in-depth, semi-structured interviews with 17 participants—ten from the Greater Toronto Area and seven from Metro Vancouver. Their stories reveal not only the visible barriers to financial resilience but also the anxiety of making ends meet, the frustration of navigating unclear banking policies, and the hope for a more secure future. These stories highlight the moments when participants felt unsupported by systems that often feel indifferent to their realities, the strategies they adopted in response, and the values that guide their financial decisions—offering a human perspective on the gap between what financial institutions provide and what people need.

### A Good Life in Vancouver and Toronto Means Stability, Fulfillment, and Connection

If financial resilience represents stability and the ability to adapt to changing circumstances, participants' visions of a "good life" in Vancouver and Toronto expanded on this foundation. Many described it as a balance of financial stability, personal fulfillment, and connection to community.

Job security, housing security, and meaningful social connections with friends and family were central aspirations for most participants. These goals were not just about meeting basic needs but achieving a sense of belonging and well-being.

A recurring theme was the desire for personal space, however modest, that participants could call their own. The ability to move out independently or save for a home represented milestones of both personal achievement and stability. While some prioritized physical comfort, others placed value on the environment around them. For example, access to nature, arts, and cultural activities were frequently mentioned as integral to quality of life.

Interestingly, participants also highlighted the importance of experiences over material possessions. Many emphasized the value of good nutrition and simple pleasures, like cooking meals at home, over owning luxury items. Travel, whether short trips or further adventures, was a widely shared aspiration, reflecting the desire for occasional escapes from daily stress. Similarly, entertainment and social activities were seen as vital for maintaining emotional and social well-being.

In essence, financial resilience, for many, wasn't just about having enough—it was about creating a life filled with meaning, balance, and connection. These definitions of a "good life" inform how participants navigate their financial decisions, revealing the underlying values that guide their pursuit of stability and fulfillment.

### *Social Perceptions of a Good Life in the City Clashing with Upbringing*

For many participants, their upbringing and cultural background deeply shaped their financial attitudes and behaviours, often emphasizing hard work, frugality, and saving. These values, ingrained from childhood, were particularly pronounced among those from immigrant families, where financial caution was seen as both a virtue and a necessity.

Participants frequently reflected on how these lessons were rooted in their family's experiences. For instance, one participant, raised by middle-class teacher parents, described inheriting a "scarcity mindset" around money—a belief that resources are limited and must be conserved. Others, particularly those raised by immigrant parents, recalled learning the importance of self-reliance and contributing financially to their family. Many internalized the principle of saving for life's "important things," such as education, retirement, or emergencies, rather than spending on personal desires.

These cultural and familial influences often come into tension with the financial norms participants observe in their current environments. In Canada, participants noted, there is a prevailing belief that a good, well-paying job should theoretically allow individuals to cover their basic needs while also affording them the ability to enjoy life-enhancing experiences. More specifically, some participants highlighted the multifaceted pressures facing younger generations, particularly millennials. On one hand, there is an expectation to excel professionally and save for significant milestones like homeownership. On the other, social norms encourage frequent socializing, travel, and indulgence in experiences showcased on social media. This juxtaposition often leaves individuals feeling inadequate or overwhelmed, straining their sense of financial security and mental well-being.

Looking back, some participants expressed regret that their early financial education from their upbringing focused solely on earning and saving through traditional means, with little exposure to alternative strategies for building wealth. They felt that learning about investing, entrepreneurship, or other methods of financial growth at an earlier age could have better equipped them to navigate the modern financial landscape. Notably, this gap in financial literacy was seen as pervasive across immigrant communities, where the emphasis was often on hard work and caution rather than wealth-building.

### *How do Participants Feel about their Current Financial Resilience and Quality of Life?*

As hinted by the above findings, participants' assessments of their current financial resilience and quality of life painted a mixed picture. While some felt they were achieving a "good life," others described significant struggles, especially in the context of Vancouver and Toronto's high costs.

Rising housing expenses and escalating grocery bills were major stressors. For those with precarious or insufficient incomes, these pressures created financial anxiety. Some participants felt their reliance on employment as their sole income source made them vulnerable, particularly in an uncertain job market. One participant expressed feeling insecure about the future because she and her husband lacked alternative income streams, such as investments.

Others mentioned specific challenges, such as navigating maternity leave or coping with the broader economic downturn. This sense of insecurity was compounded by a growing awareness of how rising costs were eroding their purchasing power. Tracking grocery prices, for example, revealed weekly increases that added to participants' financial concerns.

---

*"I'm a good person. I'm paying my debt on time. I pay my balance sometimes, but you know, I'm making grocery purchases. I almost paying $35 monthly because … I'm over my limit, my credit limit. So this is the thing that is kind of frustrating for me." [Participant C17]*

---

The rising cost of living also took a toll on participants' social lives and perceived quality of life. Many noted they were priced out of activities that once brought joy, like dining out, entertainment, or travel. For some, this isolation deepened the impact of financial stress, as they felt increasingly disconnected from their community.

Despite these challenges, a recurring theme was resilience through adaptation. Participants were making changes to their lifestyles and financial strategies, whether through tighter budgeting, exploring additional income sources such as investing, or adjusting their long-term goals. However, the high cost of living in these cities continued to shape their perceptions of both financial resilience and the possibility of living a fulfilling life.

Participants' reflections on their current financial resilience and quality of life often reveal deeper systemic issues in how financial tools and systems shape their experiences. For many, credit cards were their first significant interaction with financial institutions—a step intended to build credit history and start one's financial journey as an adult, but which often led to feelings of punishment and overwhelm when financial challenges arose. This tension underscores how initial financial decisions can impact participants' broader sense of security and resilience.

### Pushed into Getting Credit Card, then Punished for Challenges in Managing Payment

For many participants, obtaining a credit card marked their first significant interaction with a financial institution. Often, this occurred during formative periods, such as university or shortly after moving to Canada. Despite the importance of this milestone, participants described receiving little to no guidance on managing credit responsibly. This lack of education left them vulnerable to accumulating debt, with many falling into cycles of minimum payments and mounting interest. Even well-meaning tools like Credit Karma, which ostensibly aim to help users improve their credit scores, often promote additional credit cards, further complicating financial management.

The consequences of financial missteps with credit cards often felt punitive and overwhelming to participants. Missing a payment or relying on minimum payments without understanding their long-term impact frequently led to cascading problems. Accrued interest, unexpected collection notices, and credit score damage were notable challenges. Participants expressed feelings of guilt and frustration, amplified by the lack of clear guidance on how to recover. For instance, one participant shared their realization of financial mismanagement during university:

> *"So what I failed to realize is that I shouldn't have been relying so hard on my credit card because I racked it up to which now doesn't seem like too much as an adult. But for me, at the time it was a lot. I had racked it up to $2,000 which like I would only pay the minimum payment, cause I didn't know that you should be like most people say when you pay off your credit card that you should pay off the balance in full. ... I thought I was in a safe zone, little did I know I was not actually in a safe zone, because once school started, I realized I had too much debt." [Participant C13]*

Another participant recounted how a simple oversight in updating pre-authorized payment details resulted in long-term credit damage:

> *"If there is a, you know, an honest mistake happens, they just don't think about you at all. I just realized that Telus called me two months later after they reported me to … TransUnion. TransUnion entered their system as a like, you know, unpaid debt. But I had no idea that because I forgot that I should have like updated all my credit card numbers through all the prepayment systems, right? Telus reported me. They fucked up my credit score. And I'm just, I have been trying to fix that credit score since then because Telus didn't think about reaching out to me." [Participant C02]*

These stories illustrate how easily small errors can spiral into significant setbacks, particularly when financial systems are not designed to provide adequate support or intervention.

### *Breaking the Cycle: Barriers and Support Systems*

For some participants, their struggles were compounded by lifestyle factors. A common challenge was balancing busy work schedules with financial management, such as relying on takeout meals due to a lack of time to cook. This led to higher expenses and perpetuated cycles of financial strain. While a few participants found relief by using lower-interest products like lines of credit to pay off credit card debt, these solutions were typically discovered through suggestions from personal networks rather than guidance from financial institutions.

Participants expressed a desire for financial service providers to proactively support their financial literacy and resilience. Suggestions included early education on credit card use, regular check-ins from providers when unusual behaviour (like missed payments) occurs, and collaborative planning for debt repayment.

### *Systemic Incentives and Missed Opportunities*

The structure of credit card rewards systems also came under scrutiny. Many cash-back credit cards reward spending on recurring bills like utilities or phone plans (Rose, 2024). However, there are no equivalent incentives that reward behaviours like paying off balances on time and in full. This imbalance reflects an industry focus on encouraging consumption rather than fostering sustainable money management habits. In contrast, some emerging policies demonstrate the potential for incentives to reinforce financial habits that lead to financial security, such as the 2024 Canadian Renters' Bill of Rights which proposes counting timely rent payments toward credit scores (Rail, 2024).

Governments and financial institutions have developed tools to educate consumers about credit management, yet accessibility and integration remain significant barriers. The U.S. government's interactive credit card statement (See Appendix C, Figure 1) provides a visual breakdown of how making only minimum payments increases the long-term cost of borrowing (National Credit Union Administration, 2025). Similarly, the Government of Canada's credit card payment calculator (See Appendix C, Figure 2) allows consumers to compare repayment timelines and interest costs under different strategies (Government of Canada, 2012). While these tools offer valuable insights, they exist as standalone resources, requiring users to seek them out rather than seamlessly integrating them into their everyday financial management.

This disconnect is also evident in how Canadian banks present information on credit card statements. Many institutions include text-based explanations about the risks of minimum payments, but these warnings are often buried within digital banking platforms and lack the visual clarity that could make them more impactful (RBC Royal Bank, n.d.). Instead of passive, static disclosures, embedding interactive, real-time tools into banking apps could significantly enhance financial literacy. For instance, integrating repayment calculators directly into online and mobile banking interfaces—where users frequently check balances—could help them see the impact of different repayment choices instantly. Additionally, linking this data to existing credit score monitoring features could provide users with immediate feedback, helping them make informed decisions before financial strain escalates.

By rethinking how credit education and repayment insights are delivered, financial institutions have the opportunity to shift from a reactive approach—where customers face penalties after mistakes—to a proactive model that fosters financial resilience. Integrating educational, interactive, and incentive-based features directly into banking platforms could empower individuals to make more informed financial decisions in real time, reducing the cycle of debt and financial anxiety.

Participants' experiences with credit cards highlight a broader issue: a lack of foundational financial literacy. While credit cards often serve as an entry point into the financial system, many participants felt unprepared to manage them effectively, leading to debt and financial anxiety. This gap in early financial education extends beyond credit cards, influencing participants' ability to save, invest, and build long-term wealth.

## Gap in Financial Literacy for Building Savings and Wealth

Many participants shared that they lacked financial education growing up, leaving them underprepared to manage their finances effectively as adults. They expressed a desire for more knowledge on budgeting, money psychology, investing, and wealth-building strategies earlier in life. This lack of foundational knowledge often became apparent during pivotal moments, such as encountering financial hardships, observing others successfully investing for passive income, or realizing they had missed the opportunity to enter the housing market.

For example, one participant reflected on how financial knowledge could have helped them better navigate credit card debt:

> *"I think if I had had the financial knowledge that I know now before that happened, I could have just … made the decision to say like, hey, you know what, I should actually just move back home or maybe I could have gotten two jobs or maybe I could have just learned to pay off my credit card in a more effective way." [Participant C13]*

New immigrants, in particular, described unique challenges related to financial literacy. Many lacked access to family support systems they relied on in their home countries, which compounded the pressure to quickly adapt to Canada's individualistic financial landscape. Participant C02, who came to Canada as a refugee, described how their community in Turkey provided financial support, making personal finance education less critical there. In Canada, they quickly realized the importance of budgeting and building emergency savings to navigate financial stability in an unfamiliar system. Similarly, Participant C07 noted that, while they understood their expenses, they struggled to grasp savings and income-generation strategies without a full-time job, making them feel disconnected from the financial system.

Participants also expressed surprise at how many Canadians seem to regularly invest, noting that they had initially perceived investing as something reserved for the wealthy. Exposure to concepts like stocks, mutual funds, and other financial products often came later in life, through friends, online resources like YouTube, or courses. While these avenues helped, participants found it difficult to discern reliable information from the overwhelming volume of resources available.

A couple of participants recalled positive experiences with structured financial literacy programs. For example, a webinar on personal finance offered by McGill University in partnership with RBC helped one participant develop practical financial skills. Others suggested that banks and financial institutions should offer more accessible programs focused on topics like budgeting, money psychology, and investing. Gamified tools or personalized insights were also highlighted as potential ways to make financial education more engaging and effective.

*“Let's remove that barrier or let's create some sort of product that is maybe like four people like me, bring them in a room, introduce people together." [Participant C02]*

Despite some available resources, many participants lamented the lack of early exposure to strategic money management. They wished they had learned that finances involve more than just working hard and saving; rather, they also include planning, investing, and building long-term wealth.

### *Bridging the Gap: A Missed Opportunity in Financial Literacy*

Online research indicates that various financial literacy programs and resources exist in Canada, begging the question of why these resources often fail to reach those who need them most. Programs offered by not-for-profit organizations, banks, and credit unions, such as WoodGreen’s workshops for low-income residents in Toronto or Vancity’s youth programs in Vancouver, aim to address this gap. However, the disconnect remains evident—as most participants were unaware of these initiatives.

Key existing programs include the following.

- **WoodGreen Community Services (Toronto):** Free financial literacy workshops for low-income residents, in partnership with United Way and Prosper Canada (WoodGreen, n.d.).
- **Family Services of Greater Vancouver:** One-on-one financial coaching for low-income individuals and families through their Financial Empowerment program (FSGV, 2022).
- **Vancity:** Youth financial literacy programs and adult “Money Skills” courses in partnership with Family Services of Greater Vancouver (Vancity, 2023).
- **ABC Life Literacy Canada:** Free workshops across Canada through the Money Matters program, sponsored by TD Bank (ABC Life Literacy Canada, 2024).
- **RBC and McGill University:** Webinars and online video series offering financial literacy tips (RBC, 2023).
- **Credit Counselling Canada:** In-person and online workshops delivered by accredited not-for-profit agencies (Credit Counselling Canada, 2021).

The question remains: Why aren't these resources reaching the right audiences? Participants suggested that financial literacy tools and resources need to be more visible and integrated into key life moments, such as entering adulthood, moving to Canada, getting a first credit card, or starting a first job.

This insight highlights an untapped opportunity to provide targeted financial education at critical junctures in people's lives. To address this gap, financial institutions, educators, and policymakers could explore various actions, such as embedding financial literacy into school curricula; ensuring that financial education is integrated into key life transitions like moving to Canada or entering the workforce; and increasing the visibility of existing programs through digital platforms, workplaces, and community hubs. Additionally, innovative approaches—such as personalized insights, gamified learning tools, and partnerships with trusted community organizations—could make financial literacy more engaging and accessible.

By closing this gap, financial service providers in Canada can help individuals build financial resilience from an early stage, ensuring they have the knowledge and tools to navigate complex financial decisions with confidence.

The gap in financial literacy for building savings and wealth often leaves participants feeling unprepared to take a long-term, strategic approach to their finances. In response, many focus their energy on what feels immediately controllable, such as tracking expenses or minimizing spending. While this provides short-term relief, it often comes at the cost of broader financial planning and long-term resilience.

### Focusing Energy on My Sphere of Immediate Control

Participants commonly described focusing their energy on what feels within their immediate control, such as tracking daily expenses or minimizing spending. This approach helps reduce feelings of overwhelm, as it offers a sense of structure and predictability in managing finances. However, this intense focus on the short term often leaves little time or mental space for participants to develop longer-term financial plans.

For instance, some participants meticulously track expenses in spreadsheets. One participant, Participant C07, detailed how she records grocery receipts to track how much certain items cost each month in Excel. While this practice helps her make informed purchasing decisions, it also demands significant time and energy.

*"I have to go through all my receipts ... to have an idea how much are we paying for a pint of raspberries in March and then in April or now in in*

*November. So there is like a, I have to go through all the routines and put that information on Excel sheet." [Participant C07]*

---

Some participants focus intensely on avoiding consumerism and limiting spending, sometimes to the point of losing sight of their overall financial picture. For example, Participant C06 shared that while she actively minimizes expenses, she is ironically unaware of her bank account balance.

---

*"But on the other hand, which funny enough is, I don't really know what's the number in my bank account, so it seems like I don't really care about money in this way, but I have a problem spending it." [Participant C06]*

---

Participants with "well-paying jobs" also described a heavy focus on minimizing spending, even while pursuing broader financial goals such as investing or saving for travel. One participant described the challenge of focusing solely on day-to-day financial survival:

---

*"I haven't been doing anything to keep up my financial knowledge cause all I'm focused on is trying to pay off the bills and trying to, you know, get back into green and have at least some savings. ... I think right now it's really just about getting from point A to point B, making sure that your bills are getting paid, making sure that you're not overdrawing on your accounts. Like, that's what right now is about. Obviously, we all hope for it, but there's no space or bandwidth to actually research and be informed for a time when we're gonna have more." [Participant C05]*

---

This intense focus on the expense side of budgeting reflects a desire for stability in uncertain financial circumstances. However, it also suggests a missed opportunity for financial service providers to engage with customers in meaningful ways.

### *Why the Disconnect?*

Many banks, fintech firms, and financial platforms already offer tools to automate saving and investing or to provide spending insights. For example, apps like Mint and bank features such as automatic transfers to savings accounts are designed to reduce the burden of manual budget and expense tracking. Despite these resources, participants continue to focus on manual processes and short-term goals.

One possible explanation is that these tools fail to connect with participants' immediate financial priorities or provide enough tangible, actionable feedback. Instead of encouraging people to reframe their approach to budgeting and savings, these tools may feel generic or disconnected from their day-to-day challenges.

*Bridging the Gap: A Missed Opportunity in Linking Short-Term Actions to Long-Term Benefits*
By focusing on what they can control, participants find relief from financial overwhelm, but this narrow focus often prevents them from planning for the future. Financial institutions have a unique opportunity to meet people where they are, validating their current efforts while gently guiding them toward broader financial goals.

To bridge this gap, financial service providers could explore ways to make budgeting and savings tools feel more relevant to immediate financial concerns. This could include reframing financial insights around short-term benefits, using behavioural nudges to connect small actions with long-term progress, and ensuring that automated saving and investing tools are seamlessly integrated into customers' daily financial workflows. Additionally, interactive features that celebrate small wins—such as hitting a savings milestone or successfully reducing expenses—could reinforce positive financial habits and build momentum toward larger goals.

By embedding these elements into financial tools and platforms, institutions can help customers feel more in control of their finances today while also creating a smoother path toward long-term financial resilience.

Participants' focus on managing what's immediately within their control often stems from a lack of trust in external support systems, including banks. Many feel that financial institutions are either unwilling or unable to provide the personalized guidance they need, reinforcing a sense of self-reliance and discouraging them from seeking help beyond their own efforts.

## For Some Participants, Banks Don't Even Occur as a Place to Go for Help

Participants expressed a significant lack of trust in traditional financial institutions, perceiving banks as prioritizing profit over their customers' best interests. Many feel that banks focus on selling products rather than providing genuine support or guidance. This skepticism is reinforced by experiences of being pushed to buy unnecessary financial products or seeing banks cater primarily to high-net-worth clients.

> *"This question gets me thinking about the potential conflict that [banks] may have just because when all your clients are financially literate and resilient, they would never go over the grace period [for paying off credit card and other debts] and you would never make money off them." [Participant C08]*

Participants shared that meaningful financial advice seems reserved for those with surplus savings or high account balances. One participant likened it to a “cover charge”—only those who bring significant assets to the table receive services that help them grow financially.

---

*"So there's gotta be some surplus in my account that can be used to generate more [to get helpful advice from banks]. So, if I have savings that can then be used to either put into a TFSA or invest it into stocks or bonds or whatever, then a bank can help me. But right now, my expenses are higher than my income. So I don't feel like a bank can help me with that because that's on me that I'm not earning enough to meet my expenses." [Participant C05]*

---

*Bridging the Gap: A Missed Opportunity in Prioritizing Trust and Transparency*

To shift this dynamic where banks are primarily seen as catering only to wealthier clients, financial institutions could focus on strengthening customer relationships by prioritizing trust and transparency. This could involve making financial guidance more accessible across all income levels, ensuring that support is based on life stages and long-term potential rather than immediate profitability. Clearly communicating how financial advisors are compensated could also help rebuild trust, addressing concerns about biased recommendations.

Additionally, many participants were unaware of the free financial literacy programs already offered by Canadian banks, credit unions, and not-for-profits. Increasing the visibility of these resources—by integrating them into digital banking platforms and promoting them proactively—could help bridge this awareness gap. Strengthening these partnerships and embedding unbiased financial education directly into everyday banking experiences could help banks reposition themselves as trusted, supportive partners in financial resilience.

The current lack of trust in financial institutions has a direct impact on how participants approach financial decision-making. This mistrust pushes many to rely on self-education and independent research, which comes with its own set of challenges. Such growing sense of self-reliance is significantly influenced by disappointing interactions with banks. This mindset reflects a deeper disconnect between financial institutions’ services and customers’ lived experiences, as explored in the next insight.

### It’s on Me to Find the Right Information and Make Informed Decisions

Faced with a lack of proactive support from financial institutions, many participants have adopted a self-reliant approach to managing their finances. Rather than turning to banks for advice, they often rely on personal research—scouring online articles from sources like Wealthsimple or Bloomberg, watching YouTube tutorials and financial influencers on TikTok, or turning to Reddit threads for crowd-sourced guidance. These resources are seen as less biased compared to banks, but participants admit that it can be difficult to filter reliable information from the noise, especially since the information isn't tailored to their specific situations.

This self-imposed responsibility wasn't always by choice. Participants expressed feeling like they had no alternative, believing that financial advice from banks came with hidden agendas—pushing products rather than offering unbiased support. As a result, they felt it was ultimately "on them" to gather the right information, compare options, and make informed decisions about budgeting, investing, and credit management.

Even when participants sought help from financial advisors, they often came prepared with specific questions—preferring to direct the conversation themselves rather than trust advisors to assess their situation holistically. For example, one participant went into an advising session with specific information and questions about which of their investment accounts to draw from over the first few months of maternity leave, to get a suitably detailed response from the advisor.

---

> *"I had a very specific question going into mine. Here is my financial situation. Here's my expenses. Here's my two investment accounts. Which one should I break open to save myself in the next three months?" [Participant C05]*

---

This cautious, research-heavy approach reveals a deeper lack of trust—where people view banks as transactional entities, not partners in building financial resilience.

*Bridging the Gap: A Missed Opportunity to Support Informed Financial Decision-Making*

Participants' emphasis on self-reliance highlights a broader gap in the financial ecosystem: the lack of accessible, unbiased education and guidance that meets people where they are. Many feel they must navigate financial decisions alone, sifting through an overwhelming volume of online information while questioning the motives behind advice from banks.

As discussed in the previous insight, financial institutions could take steps to improve transparency around how financial advisors are compensated to help rebuild trust and empower customers to make informed decisions about whom to rely on for guidance. Additionally, raising awareness of reliable, accessible financial literacy resources through banks, educators, and community organizations could help individuals filter through the noise of financial advice online.

Financial institutions could also explore ways to make financial education more personalized and actionable. By embedding tailored tools and programs into digital banking experiences, banks could offer guidance that is relevant to individual needs and life stages. Strengthening these efforts would ensure that financial resilience is not just a personal responsibility but a supported and informed journey.

The feeling of being left to go it alone in building financial resilience was especially pronounced among many participants who are new to Canada, as discussed next.

## The Canadian Banking System Does Not Always Make a Great First Impression on New Immigrants and Refugees

For seven of the 17 participants who had immigrated to Canada within the last seven years, their first interactions with the Canadian banking system often set a discouraging tone. Many described feeling unsupported during critical moments, such as opening accounts, setting up online banking, or navigating the unfamiliar credit system (e.g. how credit cards work, what credit limits are, the importance of one's credit rating and checking it regularly, etc.). One participant recalled feeling unwelcome when seeking financial advice at a large bank, while another was handed account opening paperwork with no guidance on using essential services like electronic payments and wire transfers. For those without family support networks in Canada, these gaps were especially stark—with one participant resorting to returning groceries in their early days as a refugee, just to manage their credit card balance.

Many newcomers also encountered pain points such as high banking fees and inadequate explanations for financial products. Some expressed frustration that they had to rely on YouTube or other online sources to decode complex financial systems, rather than receiving clear guidance from their banks.

---

*"The literature that they [banks] have is ... not as clear as it can be. It's very verbose and it's like again you just you have all these concepts. I feel like they can do a better job in explaining the products that they have and how they work. That's another thing that they could really work on, not just like there's a lot of information out there, but no one has actually written it in a very clear manner. You have to kind of go on YouTube and like, listen to these like people talking about them and everything like that." [Participant C12]*

---

### *Existing Programs and the Awareness Gap*

Despite these challenges in the participants' lived experiences, there are financial literacy programs and resources designed specifically for newcomers. Examples include the following:

Government Programs:

- Immigration, Refugees and Citizenship Canada's "Welcome to Canada" provides online resources with digestible information in the Money and Finances section on banking basics, the cost of living, credit cards, and taxes (Immigration, Refugees and Citizenship Canada, 2024).
- The Financial Consumer Agency of Canada offers free online tools for newcomers such as a budget planner, a credit card comparison tool, a credit card payment calculator, and a financial goal calculator to plan how to reach a savings goal or get out of debt (Financial Consumer Agency of Canada, 2023).

Banking and Non-Profit Initiatives:

- All of Canada's Big Five banks provide newcomer banking programs that include information about the basics in the Canadian banking system; no-fee chequing and savings accounts; credit cards and loan options specialized for newcomers; free or rebated international money transfers; and information on building credit history. Examples include Scotiabank's StartRight program (Scotiabank, n.d.), Bank of Montreal's NewStart program (BMO, n.d.), CIBC's Smart Guide to Canada (Canadian Imperial Bank of Commerce, n.d.), Toronto-Dominion Bank's new to Canada program (TD Bank, n.d.), and RBC's Newcomer Advantage program (Royal Bank of Canada, 2025).
- Prosper Canada's "My Money in Canada" tool helps newcomers assess financial literacy and current state of financial wellness, and helps them plan for their financial goals (Prosper Canada, 2019).
- Banks also partner with non-profits, such as BMO's collaboration with PeaceGeeks Society to offer multilingual financial literacy resources through the free "Welcome to Canada" app, designed to help newcomers understand Canadian banking systems and advance their financial literacy (Suwanda, 2024). These resources are personalized based on the province, city, and a questionnaire about the user's needs and circumstances.

While financial institutions offer "new to Canada" programs like the above, participants were largely unaware of them. This gap mirrors broader industry research: the Global Banking NPS Benchmarks Report by Bain & Company (NPS Prism, 2024) shows that Canadian banks often miss the critical six-month window when newcomers decide which financial institution to trust and potentially remain loyal to. Without proactive, personalized outreach during this timeframe, these programs fail to reach those who need them most.

### *Bridging the Gap: A Missed Opportunity to Make a Strong, Positive First Impression*

Financial institutions have an opportunity to strengthen their relationships with newcomers by rethinking how they provide early-stage support. This includes offering step-by-step onboarding—from understanding credit scores to using online banking—and embedding financial education into settlement agencies, community organizations, and cultural networks to help ensure newcomers receive support in familiar spaces.

Raising the visibility of newcomer programs is equally important. Integrating these resources into mobile banking apps, prominently featuring them on websites, and ensuring frontline staff proactively share this information could better connect newcomers to the tools designed for them.

A strong first impression doesn't just ease a newcomer's financial transition; it builds the foundation for long-term trust and loyalty. When financial institutions fail to provide clear guidance and proactive support early on, they miss a crucial window to foster relationships with new Canadians.

But these early challenges don't exist in a vacuum. As newcomers settle into life in Canada, they often face major financial decisions—like whether to buy a home or continue renting—without feeling fully supported by their banks. The experience of navigating the housing market, especially in high-cost cities like Vancouver and Toronto, only amplifies the sense of being left to figure things out alone.

The next two insights explore how participants grapple with these complex housing decisions, whether they are newcomers or born and raised in Canada—from questioning whether homeownership is even feasible to feeling powerless as mortgage rates climb—and what these experiences reveal about financial resilience and institutional support.

### To Buy or Not to Buy a Home… What Do I Even Want?

*The Rising Complexity of Housing Decisions*

The rising cost of housing and mortgage rates left many participants grappling with whether to rent or buy a home—a decision fraught with financial and emotional complexity. For some, the question wasn't just "Can I afford a home?" but "What sacrifices would I have to make to afford one?"

Government programs like the First Home Savings Account (FHSA) were seen as out of touch with current market realities, especially in high-cost cities like Vancouver, where home prices often far exceed program thresholds. As one participant put it, "It doesn't feel like it's up to standard in terms of what's the reality of the current situation here" [Participant C16].

Even with extensive research and personal calculations, many participants feel overwhelmed and unsure of how to proceed with making the "right" housing choice. Some rely on intuition or non-monetary considerations, such as family needs or the stress of relocating, when making decisions.

> *"We did some calculations ourselves and we made a gut-based decision, especially factoring in umm, the cost of trying to make a move right now that's not just about money. … when we think about the fact that we have a young kid, we don't necessarily wanna pack and move at the moment. We just found daycare, you know, all of those factors. Then we made an intuition-based decision and hoping that with the return to work you know the finances will balance out and hoping that the housing market has to right itself at some point." [Participant C05]*

*Why the Disconnect?*

While rent versus buy calculators exist online, none of the participants mentioned using them, relying instead on gut instincts or partner discussions. Many tools like those from Calculator.net (Rent vs. Buy Calculator, 2025) and MDM Financial (MD Financial Management, n.d.) require up to 20 data inputs—an overwhelming task for the average person who may not have access to all the necessary numbers, such as home price projections or inflation estimates. Others, such as those offered by major banks like RBC Royal Bank (2025) and Scotiabank (n.d.), subtly push users toward mortgage pre-approvals, raising doubts about their objectivity.

*Bridging the Gap: A Missed Opportunity to Increase Confidence in Housing Choices*

Financial institutions could offer unbiased, integrated decision-support tools within their digital banking platforms—tools that simplify inputs, balance personal financial goals with non-monetary factors (like family needs or daycare proximity), and clarify trade-offs without steering users toward specific products.

Beyond tools, banks could provide personalized advice tailored to an individual's life stage — offering consultations not only for those ready to buy but also for those evaluating long-term renting or alternative ownership models. By doing so, financial institutions can help people make confident, informed housing decisions, regardless of where they are in their journey.

The uncertainty participants feel when deciding whether to rent or buy a home is compounded by the experiences of those who already hold mortgages. While aspiring homeowners wrestle with affordability and tough financial trade-offs, current mortgage holders often feel powerless in the face of rising rates and a lack of meaningful support from banks. Together, these perspectives highlight the systemic challenges participants face at every stage of the homeownership journey.

## With Banks Holding All the Power Over Mortgages, Borrowers Feel Vulnerable and Helpless

*The Vulnerability of Mortgage Holders*

For homeowners, rising mortgage rates in 2022 and 2023 created significant financial strain. But what frustrated participants most wasn't just the cost increases; it was the feeling of being left to figure things out alone.

One participant described a confusing and stressful experience when trying to withdraw RRSP funds through the Home Buyer's Plan (HBP), with little guidance or communication about timeframes from their bank, leaving them anxious about meeting deadlines involved in the home purchase. Another shared how they received only impersonal notices about rising rates with no concrete advice on how to manage the financial pressure.

> *"So it makes me angry too that you know, I mean the mortgage is controlled by the bank … Yeah, it's making me feel vulnerable that I don't have that additional surplus, which I normally would when I started my mortgage I had, I had the surplus, but with the way that the mortgage rates have been going, that has been like now I'm in a negative situation. ... Given that I'm going on mat leave, given that I won't have a paycheque, given that mortgage rates continue to rise, and the bank just not having enough information to … advise concretely on what we should be doing with our mortgage, it was more of a, you kind of have to just wait and see where it goes. ... Kind of awful. Frustrated. I think they should be able to offer some kind of help or suggestions for what a customer should be able to do when they're feeling stuck." [Participant C05]*

### *Bridging the Gap: A Missed Opportunity to Offer Proactive Mortgage Support*

Financial institutions could shift from reactive to proactive mortgage management by providing clear, step-by-step support during key processes like Home Buyer's Plan withdrawals. They may consider embedding mortgage tools into banking platforms, exploring refinancing strategies or flexible payment options. Further, financial institutions could offer personalized outreach—such as proactive check-ins when interest rates change or during life events like maternity leave—to guide customers through financial decisions.

By empowering borrowers with tailored support and transparent communication, financial institutions can help mortgage holders feel less like they are at the mercy of the system — and more like they are in control of their financial future.

### *Connecting the two Insights about Housing Decisions*

Together, these insights highlight the complex relationship between housing decisions and financial resilience. Participants feel caught in a web of rising costs, limited support, and unclear guidance, whether they are considering buying a home or managing an existing mortgage. Financial institutions have an opportunity to step in by simplifying decision-making, tailoring advice, and providing proactive, empathetic support to help individuals navigate the increasingly challenging housing landscape.

The challenges participants face in navigating housing decisions are emblematic of a shift in how they perceive overall financial resilience and a "good life." As traditional goals like homeownership become increasingly out of reach for many, participants are reevaluating their values, priorities, and definitions of success. This shift is not just about adapting to financial realities but also about redefining what matters most in their personal and financial lives.

## Shifting and Emerging Values Towards Finances and a "Good Life" in the City

### *Evolving Values: Rethinking What It Means to Live a "Good Life"*

Participants expressed a spectrum of financial values—some anchored in their upbringing and others evolving in response to present realities and future aspirations. For many, financial independence remained a core value, rooted in family teachings. This often meant not relying on others for support, a mindset shaped by parents who emphasized saving and self-reliance.

One participant, C01, spoke of their desire to build savings independently, mirroring their parents' disciplined approach, while another, C13, recalled growing up in a family where finances were kept strictly separate: "Your money is your money." Raised by immigrant parents, C13 learned from a young age that budgeting and saving are personal responsibilities rather than shared obligations—an early lesson in financial autonomy.

However, other participants found themselves challenging or reshaping these ingrained beliefs. Participant C04, raised in a household where multiple jobs were necessary to make ends meet, was taught that money was only attainable through relentless hard work. Now, as an adult, C04 reflects on what they wish they had learned instead: "I wish that with childhood upbringing, there was more about wealth management and building wealth versus you know, you got to work hard to pay off the bills mentality." This desire to shift from survival-based thinking to strategic financial planning was echoed by others who are beginning to see money not just as something to earn and save, but as a tool for building future security.

For some, these shifts were not entirely by choice. Rising living costs in Vancouver and Toronto forced several participants to re-evaluate their long-held dreams, such as homeownership. Participant C07 once saw a good life in Vancouver as owning her own place, buying healthy food, and having a budget for entertainment and social activities. However, faced with inflation, rising interest rates, and the unpredictability of freelance work, she is now adjusting her goals—swapping homeownership for dreams of travel and experiences instead.

Participant C15, who grew up in a well-off family in Pakistan but attended an elite private school where classmates were far wealthier, described how this early sense of financial inadequacy continued into adulthood. Later family financial struggles placed further pressure on her. Now living in Canada, she finds herself financially supporting her family while watching her peers seemingly move through life with fewer constraints. This balancing act between familial duty and personal financial goals leaves her feeling more stretched than those around her.

For newcomers like Participant C02, moving to Canada as a refugee from Turkey brought another layer of financial adjustment. In Turkey, emergency savings came in the form of a support network—family and friends who would step in during hard times. "[In my home country], your emergency savings is the people that you built around your circle," he explained. In Canada's individualistic financial system, C02 had to reframe what security meant, learning how to budget, build emergency savings, and navigate a new reality where financial resilience depended entirely on oneself.

Alongside these shifts, a few participants have begun embracing alternative definitions of success. Participant C11 left a corporate job to work for herself as a designer, prioritizing meaningful work, connection with friends and family, and the freedom to travel. She experiments with spending—consciously buying what she wants to better understand what genuinely brings her joy, rather than making fear-based decisions about money.

Others are exploring community-focused, non-traditional financial strategies. Participant C16 highlighted the role of shared resources through parenting groups, Buy Nothing communities, and Facebook Marketplace. She values financial stability not just as a personal achievement but as something rooted in collective support: "Financial stability may not just be about money necessarily, but sharing resources and skills and experiences also can help you make smarter decisions or make you think about things in your life differently," she said. "That's not maybe [what] society says or what your parents have said growing up but, you know, it kind of reframes your mind in terms of how to approach problem-solving in your life."

These narratives reflect a broader shift away from rigid financial milestones like homeownership or climbing corporate ladders, and towards a more flexible, value-driven approach to what it means to live well.

### *Bridging the Gap: A Missed Opportunity to Align Financial Services with Evolving Priorities*

As participants' definitions of financial success evolve, so too must the financial services designed to support them. The traditional markers of financial health—buying a home, climbing the corporate ladder, or hitting a certain income threshold—no longer capture the full range of what a "good life" means for many. Financial institutions have an opportunity to move beyond one-size-fits-all solutions and offer more personalized, flexible support that reflects the diverse realities of their customers.

Rather than assuming that financial stability always leads to conventional milestones like homeownership, banks can create tools that allow people to define their own versions of financial success. This could mean saving for experiences like travel, budgeting for shared expenses in community settings, or funding shared housing arrangements. By acknowledging these alternative goals, financial institutions can foster a sense of agency and empowerment among their customers.

There is also an opportunity to embrace non-traditional paths to financial stability. Partnerships with circular economy initiatives, such as Buy Nothing groups or local resource-sharing networks, can help customers stretch their financial resources while strengthening community ties. Offering innovative models like co-ownership mortgages, inspired by Vancity's Mixer Mortgage (Freimond, 2019), could also support those seeking collaborative approaches to homeownership in high-cost cities.

Beyond helping people save or invest, financial institutions can encourage financial confidence by connecting money decisions to personal values. Programs that highlight how small actions like reducing discretionary spending or investing in sustainable products contribute to long-term well-being can help reframe what financial progress looks like. By shifting the narrative from wealth accumulation to financial alignment with one's life goals, banks can position themselves not just as service providers but as partners in their customers' evolving journeys.

By recognizing these shifting definitions of success and offering tools and services that align with what truly matters to people, financial institutions have the potential to build deeper trust and engagement. Ultimately, it's not just about helping customers earn, save, or spend—it's about supporting them in building lives that feel meaningful and secure, however they choose to define it.

The insights gathered from participants highlight the complex and multifaceted challenges individuals face in achieving financial resilience, from navigating the credit system and managing the rising costs of living to rebuilding trust in financial institutions. These findings underscore significant gaps in support, transparency, and accessibility. The following recommendations address these gaps, offering strategies to empower individuals and foster financial resilience in a way that aligns with their evolving needs and values.

# Part 3: Toward a More Resilient Financial Ecosystem

## Recommendations

Financial institutions need to address the gaps discussed in the above insights by rethinking traditional approaches to customer engagement, prioritizing transparency, empathy, and innovative solutions to enhance financial resilience and better meet the needs of individuals in large urban centres like Metro Vancouver and the Greater Toronto Area.

The following recommendations envision a future where financial institutions move beyond transactional relationships and become true partners in their customers' financial journeys. Rooted in the lived experiences of research participants and the insights of industry experts, they offer practical yet forward-thinking ways to foster financial resilience by building trust, personalizing support, simplifying financial tools, and strengthening community connections. At a glance, the recommendations are as follows:

- **Build Trust and Foster Transparency:** Strengthen customer relationships by prioritizing trust, transparency, and empathy—ensuring financial advice is unbiased, clear, and accessible to all, not just high-net-worth clients.
- **Simplify Tools and Processes and Integrate them into Banking Platforms:** Integrate user-friendly financial tools—such as credit repayment calculators, budget planners, and savings trackers—into mobile banking platforms, combining personalization and simplicity to increase engagement.
- **Tailor Support to Key Life Moments with Milestone-Based Guidance:** Offer targeted financial support during pivotal life events, like getting a first credit card, moving to Canada, or starting a family. Embed relevant tools and guidance directly into banking platforms.
- **Support Short-Term Needs while Bridging to Long-Term Goals:** Help customers connect their immediate financial actions—like budgeting or cutting spending—to long-term goals by using interactive tools, personalized nudges, and small-win celebrations.
- **Embrace Technology for Personalized Support—and Keep It in Check:** Leverage generative AI and tech innovations to provide real-time financial coaching and predictive insights, while ensuring transparency, accountability, and inclusivity to avoid perpetuating biases or alienating vulnerable customers.
- **Empower Informed Housing Decisions and Explore Innovative Ownership Models:** Provide clear, objective tools for rent vs. buy decisions, personalized mortgage support, and education on alternative ownership models like co-ownership, helping customers navigate housing options with confidence.

- **Leverage Community-Oriented Approaches to Financial Resilience:** Foster community-based financial strategies by partnering with resource-sharing platforms and supporting expense-sharing programs—emphasizing collaboration and mutual support.
- **Redefine Success with Incentives for Resilience and Sustainability:** Rethink reward structures to encourage positive financial behaviours—like paying off credit cards on time or building emergency savings—while supporting emerging values like minimalism, sustainability, and community well-being.

## Build Trust and Foster Transparency

At the heart of financial resilience lies trust—trust that financial institutions are not solely profit-driven but genuinely invested in helping their customers thrive. While many banks publicly commit to supporting their clients' financial well-being, the reality often falls short, as participants expressed skepticism about the true motivations behind financial advice and products. This mistrust is often fuelled by the perception that banks prioritize wealthier clients over the needs of the average customer, leaving many feeling overlooked and underserved.

To rebuild trust, financial institutions may consider adopting a structured approach like the Trust Adoption Cycle (Schreiber, 2021). This model suggests that trust is built incrementally by demonstrating three key components: integrity, competence, and reliability, each at different stages of the customer journey. For example:

- Integrity should be demonstrated at the beginning of the customer relationship by providing clear, upfront explanations of fees, interest rates, and product recommendations. Transparency around how financial advisors are compensated is particularly important, perhaps even going a step further to remove potential conflicts of interest by decoupling incentives from product sales, as many customers view such advice with skepticism due to perceived conflicts of interest.
- Competence should be emphasized during customer interactions, through the delivery of user-friendly tools, personalized guidance, and empathetic service that reflects an understanding of diverse customer realities.
- Reliability must be demonstrated consistently over time, through proactive customer support even during the most challenging times.

Beyond transparency, there is an opportunity to redefine relationships with customers by shifting from transactional engagements to personalized, empathetic support. Banks can foster loyalty by offering unbiased, non-judgmental financial guidance tailored to customers' life stages and goals—not just by prioritizing high-net-worth clients. For instance, frontline staff can be trained to recognize and address the unique challenges faced by newcomers, low-income customers, and those experiencing financial stress. Such actions not only strengthen trust but also signal genuine care and commitment to customer well-being.

Building trust means more than just clarifying terms and conditions; it means showing an authentic commitment to customer well-being, making financial support more human, and positioning banks as partners in their customers' financial journeys.

## Simplify Tools and Processes and Integrate Them into Banking Platforms

While many free financial tools exist online—budget planners, credit repayment calculators, and investment trackers—these tools often go unused because they feel disconnected from the platforms people rely on for everyday money management. Participants rarely mentioned using third-party tools, with many defaulting to manual tracking methods like Excel spreadsheets. This points to a missed opportunity for financial institutions to integrate intuitive, personalized tools directly into their mobile banking apps—meeting customers where they are.

Integrating features such as visual credit repayment calculators, budget planners, and savings trackers directly into digital banking platforms can create a seamless user experience, reducing the friction of managing finances across multiple platforms. Personalization is also key. For example, features that show how small spending adjustments impact long-term goals or illustrate progress toward savings milestones can transform abstract financial concepts into relatable, actionable steps. When financial institutions provide such personalized experiences, they can foster stronger customer relationships and leave people feeling truly valued (Komandla, 2018).

The effectiveness of these features is backed by behavioural science research. Goal Setting Theory suggests that people are more likely to stay committed to their financial goals when they can track progress and see tangible milestones along the way (Xiao, 2008). Similarly, the behavioural economics principle of Self-Efficacy highlights that illustrating the long-term impact of small financial changes can help individuals build confidence in their ability to manage money effectively (Dawnay & Shah, 2005). By embedding these psychological insights into financial tools, banks can make financial planning feel more achievable and empowering, rather than overwhelming.

However, integration alone is not enough—simplification is essential. Tools must be designed with plain language, clear visuals, and user-friendly processes to make financial management accessible to all users. Industry experts interviewed for this research emphasized that financial jargon and overly complex processes often alienate customers, particularly newcomers, students, and low-income individuals.

Ultimately, the goal is to remove unnecessary complexity. By embedding these tools into familiar banking platforms and aligning them with customers' day-to-day realities, financial institutions can empower people to manage their finances with confidence and ease.

### Tailor Support to Key Life Moments with Milestone-Based Guidance

Navigating key financial milestones—such as obtaining a first credit card, moving to Canada, starting a family, or planning for retirement—can often be overwhelming due to the complexity of financial systems and the lack of personalized guidance. To properly support customers during significant life transitions, financial services and education programs should be tailored and targeted to specific groups, such as young adults and newcomers who are more likely to have gaps in financial literacy (Lusardi & Mitchell, 2011, 2014). Providing programs and tools such as the following can alleviate confusion and anxiety during pivotal stages of life:

- Offer early education to first-time credit card users with step-by-step visuals on managing payments and building credit.
- Include mandatory onboarding sessions for newcomers to Canada on topics like credit systems, online banking, and budgeting.
- Embed milestone-specific tools within banking platforms, such as saving calculators for first-time parents or budgeting tools and tutorials for students.

By addressing these key moments, financial institutions can reduce customer anxiety and improve financial outcomes during pivotal stages of life. Further, the digital tools and guidance mentioned above need to be integrated directly into banking platforms so that they appear contextually based on a customer's behaviour or account status.

Collaboration with external organizations can further enhance the reach and impact of milestone-based guidance. Banks can partner with non-profit organizations and settlement agencies (as TD currently does with ABC Life Literacy Canada), and even with fintech companies to deliver resources like financial literacy workshops, interactive webinars, and YouTube content on commonly misunderstood topics. Innovative channels, such as Reddit Ask Me Anything (AMA) sessions, can also be used to provide approachable and community-focused financial advice, meeting customers in the spaces where they naturally seek guidance. Such partnerships with organizations that already resonate with audiences and tailored services can play a significant role in addressing gaps in people's understanding of complex financial systems (Prosper Canada, 2015). Using plain language, avoiding jargon, and aligning with users' immediate priorities in these programs can further bridge the gap between financial institutions and those who feel excluded from traditional services (Financial Consumer Agency of Canada, 2021).

By meeting customers where they are—whether navigating new credit, preparing for a child, or approaching retirement—banks can help reduce financial anxiety and build lasting trust. The goal is to align financial advice with real-life experiences, making support timely, relevant, and truly personal.

## Support Short-Term Needs while Bridging to Long-Term Goals

For many participants, immediate financial priorities—like tracking expenses or avoiding debt—felt all-consuming, leaving little bandwidth for long-term planning. Financial institutions have an opportunity to validate these short-term efforts while gently linking them to bigger financial goals, which can help build trust with customers and reinforce desired financial habits (Hall, 2021). Instead of framing financial tools solely around long-term aspirations, banks can design solutions that highlight the positive impact of small, daily actions. For example, a budgeting app might show how cutting back $50 on discretionary spending this month could speed up credit card repayment or build an emergency fund. Integrating short-term wins into a broader narrative of financial progress can help customers feel motivated and less overwhelmed.

Additionally, automated savings tools could tie small deposits to future milestones, like a vacation fund or investment goal, turning abstract goals into tangible outcomes. Such tools that help users set clear goals and commit to them—by automating tasks like depositing savings—reduce cognitive load and make financial planning approachable, even for those with limited time or financial expertise (Burke & Loiseau, 2017).

Celebrating progress is another key strategy for reinforcing positive behaviours and motivating customers to think beyond immediate needs. Features that acknowledge milestones—such as reducing credit card debt, achieving a savings target, or consistently lowering expenses in specific categories—can boost customer confidence and create a sense of accomplishment. These small victories can inspire participants to expand their focus and gain confidence in their ability to navigate both current and future financial challenges.

By connecting immediate efforts to broader aspirations, financial institutions can help customers feel both in control today and optimistic about the future.

## Embrace Technology for Personalized Support – and Keep It in Check

Technology holds immense potential to enhance financial resilience by offering personalized, real-time support. Generative AI tools, for example, could act as digital financial coaches—alerting users to budget risks, or adjusting savings and investment plans based on spending patterns or economic conditions.

Further, AI-powered decision-support tools could incorporate non-monetary factors into scenario planning, such as proximity to work or childcare, to help customers evaluate complex financial decisions like buying a home or downsizing. These features not only empower customers to navigate their finances proactively but also help them visualize and work toward their financial goals with greater clarity.

The scalability of AI may enable financial institutions to tailor their services to individual needs without losing efficiency. However, industry experts caution that embracing technology requires careful balance. While AI-driven tools can offer predictive insights and personalized coaching, financial institutions must prioritize inclusivity and transparency. AI models should be designed to serve diverse customer needs, actively avoiding biases that could exclude vulnerable populations. Embedding ethical frameworks into AI development and maintaining real-time human oversight of AI systems is crucial—not to undermine technology's capabilities but to build trust by ensuring that automated solutions are fair, ethical, and clearly explained to users (Agu et al., 2024).

By combining innovative technology with human empathy, financial institutions can deliver impactful, personalized support at scale—helping customers navigate their finances with confidence while ensuring that AI-driven insights remain responsible and accessible.

### Empower Informed Housing Decisions and Explore Innovative Ownership Models

This research project does not aim to investigate systemic housing barriers and solutions comprehensively. However, housing remains one of the most significant and complex financial decisions that participants face, requiring clear and empathetic support from financial institutions. Many participants expressed uncertainty about housing—whether to rent, buy, or co-own—as rising costs and mortgage rates complicate traditional financial milestones. Financial institutions have an opportunity to empower customers by offering clear, objective tools and personalized advice that address both financial and lifestyle factors. Crucially, this guidance should extend beyond customers who are ready to obtain a mortgage, ensuring that those exploring their options or facing financial uncertainty also receive meaningful and unbiased support.

Decision-support tools embedded into banking platforms could guide users through structured questions: What are the financial trade-offs of buying a home? How might life events—like starting a family—affect housing choices? Transparent rent vs. buy calculators, stripped of hidden sales agendas, could help customers weigh their options without being steered toward mortgages.

For existing mortgage holders, financial institutions can alleviate stress during economic downturns by offering proactive tools such as personalized refinancing strategies, flexible payment plans, and guidance on managing rising interest rates. These resources can help customers feel more in control of their financial situation while navigating challenging times.

Beyond conventional homeownership, banks can explore innovative models like co-ownership mortgages, inspired by credit unions like Vancity, and share real-life examples of successful collaborative housing arrangements. Clear, digestible information about who these options are most suitable for, potential challenges to plan for, and how to get started can help reduce hesitation and build trust in these emerging solutions. By providing clear information on both financial and legal considerations, financial institutions can demystify non-traditional paths to housing security.

Ultimately, the goal is to align housing advice with people's lived realities—offering not just mortgage pre-approvals but informed, holistic support for whatever "home" means to each customer.

### Leverage Community-Oriented Approaches to Financial Resilience

Community and shared resources emerged as vital components of financial resilience for many participants. Whether through in-person connections with family and neighbours or online interactions in groups like Buy Nothing or parenting networks, participants highlighted how collective support helps mitigate financial challenges. Financial institutions can play an active role in fostering these community ties by collaborating with resource-sharing platforms and organizations that encourage collaborative consumption and financial resilience.

Resilience, as highlighted by Zubair (2021), is deeply rooted in the strength of relationships between nodes within a network and the trust that fosters these connections. Financial institutions can harness this principle by building partnerships with circular economy initiatives such as Buy Nothing groups, Facebook Marketplace, or local resource-sharing hubs. For example, they could offer financial literacy workshops, budgeting webinars, or savings strategies tailored to these communities. Hosting these initiatives directly within platforms that people already use enhances accessibility and builds trust by meeting customers where they are.

Additionally, financial institutions can develop co-branded tools or programs that integrate seamlessly with resource-sharing platforms. For instance, creating shared savings programs for parents or neighbours to pool resources toward common goals—like shared childcare costs—could strengthen trust and collaboration within communities. These digital tools might also include features for tracking progress toward the shared goals, helping participants feel supported and empowered.

This idea is inspired by community savings groups and community lending circles often facilitated by microfinance organizations in low- and middle-income nations, which show that sharing resources can lower costs and strengthen community ties (Mitlin et al., 2011). Financial institutions could build on this by providing simple guides or success stories to demonstrate how customers can set up and manage shared savings programs effectively, helping them feel more confident about participating and reducing hesitation around unfamiliar models.

By embracing community-oriented approaches, financial institutions can go beyond traditional models of individual financial success and promote solutions that reflect the importance of collaboration, mutual support, and shared responsibility. In doing so, they contribute to a more inclusive, resilient ecosystem that aligns financial strategies with social bonds, recognizing the power of community in strengthening financial security.

### Redefine Success with Incentives for Resilience and Sustainability

Current financial systems often reward spending over saving or penalize customers during financial struggles, which can erode trust and discourage resilience. To foster financial resilience, financial institutions need to rethink incentive structures to encourage behaviour shifts. For instance, as industry expert interviews suggest, customers could earn rewards for consistently paying off credit card balances in full and on time, making regular savings deposits, or completing financial literacy milestones. Just as current loyalty programs incentivize spending, these initiatives could reinforce sustainable financial habits and build customer trust.

Additionally, financial institutions can embrace emerging values—like minimalism, environmentalism, and community well-being—by offering tailored products such as community-focused lending and saving programs or sustainability-focused savings accounts. Aligning rewards with customers' personal values strengthens engagement, empowering individuals not just to build wealth, but to create meaningful, values-driven financial lives.

By aligning incentives with evolving customer priorities, financial institutions can redefine what success looks like in financial resilience. This approach not only empowers individuals to shift financial behaviours towards their bigger goals but also reinforces values that strengthen communities and support sustainable living.

## Conclusion: Reimagining Financial Resilience for a Changing World

This research highlights a growing disconnect between the financial needs of Canadians living in large urban centres such as Toronto and Vancouver and the services currently offered by major financial institutions. While banks publicly state their commitment to helping customers thrive, many Canadians—particularly those living paycheck to paycheck—feel unsupported, uninformed, or even penalized by the very institutions that should be enabling their financial resilience.

Through the voices of participants, this study reveals how individuals are navigating an increasingly complex financial landscape, often relying on personal networks, community-based solutions, and self-education to fill the gaps left by traditional financial services. Many are redefining financial resilience beyond conventional metrics like homeownership and wealth accumulation, placing greater emphasis on flexibility and alignment with personal values. Yet, banks and financial service providers have been slow to adapt to these shifting perspectives, continuing to push standardized products and services that fail to meet the diverse realities of their customers.

The recommendations in this study envision a financial services landscape that is more inclusive, transparent, and attuned to the actual needs of individuals and communities. By embedding financial literacy into key life moments, integrating decision-making tools directly into banking platforms, and fostering trust through transparency and proactive guidance, financial institutions have an opportunity to redefine their role in people's lives. Additionally, by supporting alternative financial models—such as incentives for responsible financial behaviour, community-based resource- and expense-sharing, and collaborative homeownership—banks can provide more inclusive services that serve larger segments of the population.

A key question remains: Can large financial institutions truly meet the evolving financial needs of everyday Canadians, or will alternative financial service providers, fintech disruptors, and community-driven models increasingly fill the gap? This question warrants further exploration, particularly as consumers continue to seek out financial solutions that align with their values and lived experiences.

As we look ahead, the future of financial resilience does not lie in a one-size-fits-all approach, but in a system that empowers individuals with the tools, knowledge, and support they need to thrive on their own terms. Financial institutions have a choice: to maintain the status quo, or to become active partners in fostering financial well-being for all. The latter path holds the promise of not only stronger customer relationships but also a more equitable and resilient financial ecosystem for generations to come.

# Appendices

## Appendix A: Interview Questions for Participants Using Financial Services

Introduction: The goal of my project is to understand the experiences and thoughts of people who are experiencing barriers or obstacles in their financial services that make it difficult to have peace of mind or confidence that they're going to be okay financially. That could include difficulties with saving up money or paying down debt. My hope is that these insights will lead to figuring out how banks might better meet people's needs. To understand this overarching goal, I want to ask you a few questions today.

Q1: I'd like to understand your context a bit, starting with – what did you think about 'money' and 'finances' growing up?

- What did you think about the organizations that deal with money such as financial service providers (e.g. banks, credit unions, or other organizations you consider to be a financial service provider)?
- How do you feel about money now? What contributes to that?
- What does a good life in <name of city or area> mean to you?

Q2: What does financial security or resilience mean to you? Is this something you're scared about? What would that look like?

- By "financial" I just mean money. By "financial security or resilience" I mean having peace of mind or confidence that you're going to be okay financially through good times and bad.

Q3: What are your typical day-to-day interactions like with your financial service provider <any organization that deals with money> to manage your money (or use participant's words that describe what financial security or resilience means to them)? Again, you do not need to name any of the financial institutions.
[Examples of interactions with banks: depositing a cheque, paying bills, using a savings account, etc. Do you get support from family members or others to access services - what do you do?]

- Can you tell me what you like about your current experience?
- Can you tell me about any challenges you face?
    - How do you currently solve these challenges?
- How has your experience changed over time?

Q4: Can you tell me a story about a recent time when you had a positive experience with your financial service provider to help you 'manage savings or pay down debt' (or use participant's words that describe what financial security or resilience means to them)? You do not need to name any of the financial institutions.

- What were some of your hopes or goals going into the experience?
- What did you do?

- How did you feel?
- What kinds of tools or advice were helpful in your experience, if any?
- Was this typical of your experience of using that product/service? Why or why not?
- Can you describe an out-of-the-ordinary experience of using that product/service?

Q5: Can you tell me a story about a recent time when you had a negative or challenging experience with your financial service provider to ‘manage savings or pay down debt’ (or use participant’s words that describe what financial security or resilience means to them)? You do not need to name any of the financial institutions.

- What were some of your hopes or goals going into the experience?
- What did you do? How did you go about solving some of those challenges?
- How did you feel?
- Was this typical of your experience of using that product/service? Why or why not?
- Can you describe an out-of-the-ordinary experience of using that product/service?

Q6: When it comes to money, do you have services or people that aren’t a traditional “financial services provider” to help with money? (e.g. Family or people in informal networks, online tools or services, etc.) You do not need to name the people or organizations involved.

- How did you learn about these?
- How do you feel about using these?
- What do you feel is missing, if at all? Why?

Q7: What do you think could be done to improve the experiences you’ve had with financial service providers to help you achieve financial security or resilience (or use participant’s words that describe what financial security or resilience means to them)?

## Appendix B: Interview Questions for Industry Experts

Introduction: The goal of my project is to understand what banks and credit unions in Canada might do differently to help people who are experiencing financial barriers including difficulty paying down debt or generating savings. To get to that goal, I want to ask you a few questions today about what you've experienced and observed from designing for financial services that are meant to help people experiencing these difficulties.

Q1: Can you tell me about your experience in designing or innovating on financial services?

- What led you to focus your work/time on innovating on financial services or products?

Q2: How would you describe the space of designing for 'financial empowerment / wellness / security / resilience' or 'equitable financial services' to someone who knows very little about it?

Q3: What does "innovation" mean to you when designing for 'financial empowerment / security / resilience' or 'equitable financial services'? Why?

- What's a great example of such an innovation you're seeing today?
- What makes it a great example?
- What is making that innovation possible?
- What is preventing that innovation from being more widely available/adopted?

Q4: What are the key challenges and barriers with innovating on 'financial empowerment / security / resilience' or 'equitable financial services'?

- What drives these challenges?
- How have these challenges shifted over time?
- What do you see as gaps or opportunities in this space? Why?

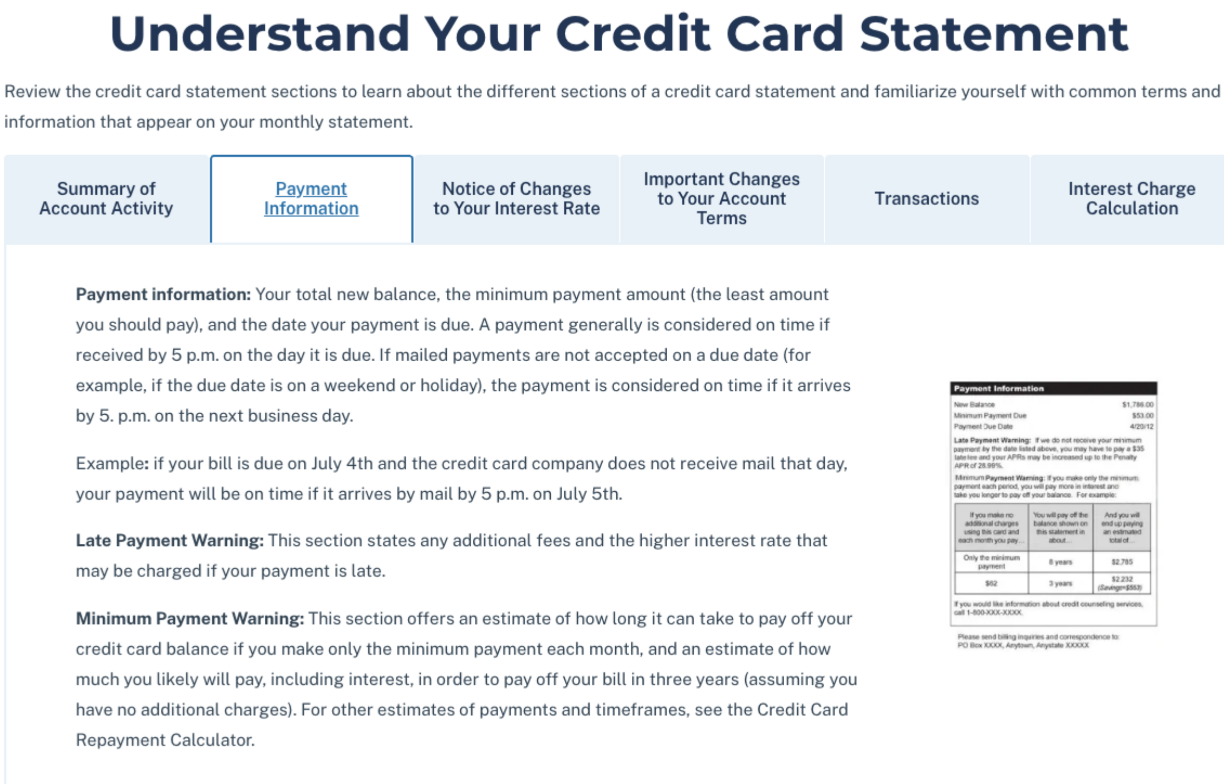
Q5: How do you see the landscape of 'financial empowerment / security / resilience' or 'equitable financial services' shifting over the next 5-10 years?

- What are you most worried about? Why?
- What are you most excited about? Why?
- [If not covered already] What surprises you about this space?

## Appendix C: Learning from Existing Tools for Managing Credit Card Payments

***Figure 1.*** *U.S. Government's Interactive Credit Card Statement*

The U.S. government's interactive credit card statement explains and demonstrates the long-term cost implications of making only minimum payments.



# Understand Your Credit Card Statement

Review the credit card statement sections to learn about the different sections of a credit card statement and familiarize yourself with common terms and information that appear on your monthly statement.

| Summary of Account Activity | Payment Information | Notice of Changes to Your Interest Rate | Important Changes to Your Account Terms | Transactions | Interest Charge Calculation |
|---|---|---|---|---|---|

**Payment information:** Your total new balance, the minimum payment amount (the least amount you should pay), and the date your payment is due. A payment generally is considered on time if received by 5 p.m. on the day it is due. If mailed payments are not accepted on a due date (for example, if the due date is on a weekend or holiday), the payment is considered on time if it arrives by 5. p.m. on the next business day.

Example**:** if your bill is due on July 4th and the credit card company does not receive mail that day, your payment will be on time if it arrives by mail by 5 p.m. on July 5th.

**Late Payment Warning:** This section states any additional fees and the higher interest rate that may be charged if your payment is late.

**Minimum Payment Warning:** This section offers an estimate of how long it can take to pay off your credit card balance if you make only the minimum payment each month, and an estimate of how much you likely will pay, including interest, in order to pay off your bill in three years (assuming you have no additional charges). For other estimates of payments and timeframes, see the Credit Card Repayment Calculator.

**Payment Information**

| | |
|---|---|
| New Balance | $1,786.00 |
| Minimum Payment Due | $53.00 |
| Payment Due Date | 4/20/12 |

**Late Payment Warning:** If we do not receive your minimum payment by the date listed above, you may have to pay a $35 late fee and your APRs may be increased up to the Penalty APR of 28.99%.

Minimum **Payment Warning:** If you make only the minimum payment each period, you will pay more in interest and take you longer to pay off your balance. For example:

| If you make no additional charges using this card and each month you pay… | You will pay off the balance shown on this statement in about… | And you will end up paying an estimated total of… |
|---|---|---|
| Only the minimum payment | 8 years | $2,785 |
| $62 | 3 years | $2,232 *(Savings=$553)* |

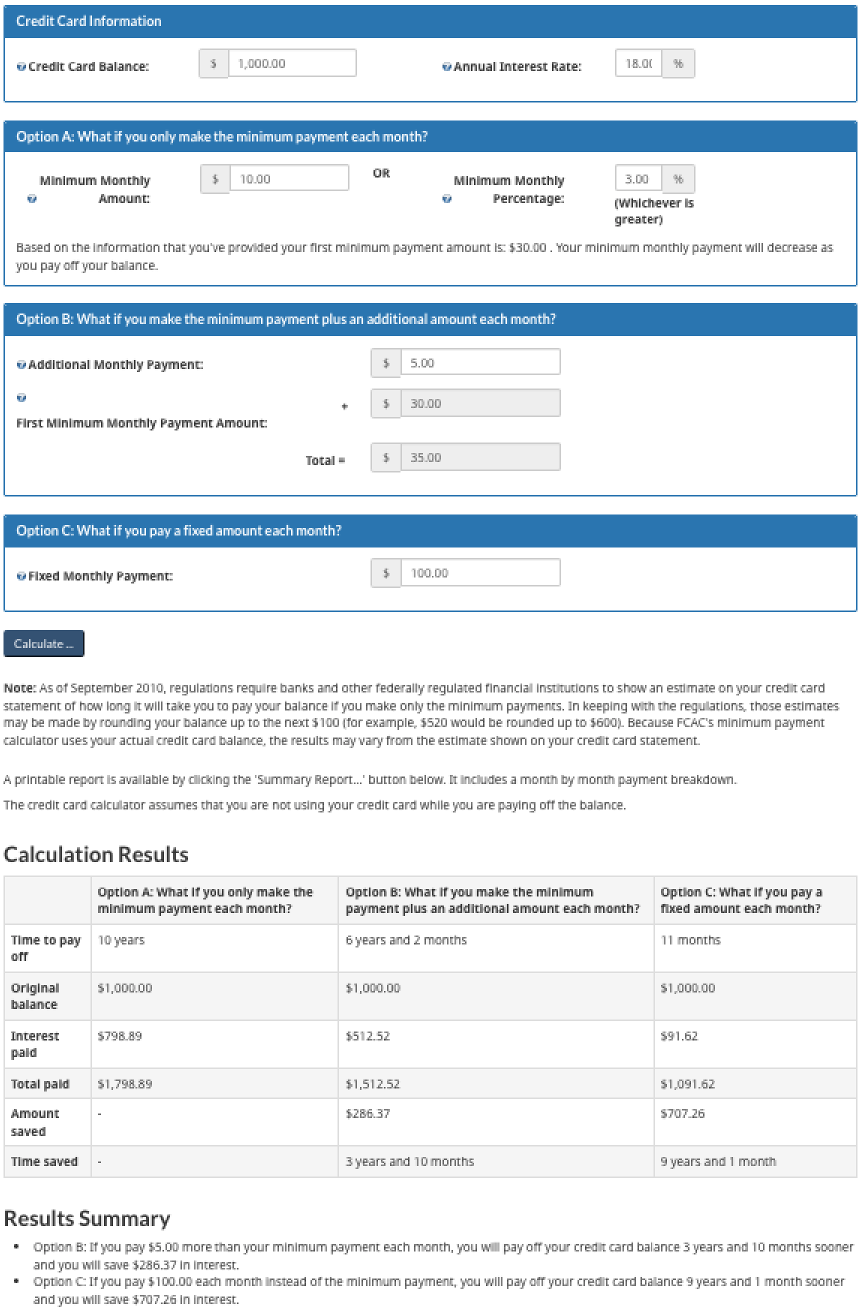
If you would like information about credit counseling services, call 1-800-XXX-XXXX.

Please send billing inquiries and correspondence to:
PO Box XXXX, Anytown, Anystate XXXXX

*Note.* From "Understand Your Credit Card Statement", by the National Credit Union Administration, 2025. (https://mycreditunion.gov/life-events/checking-credit-cards/credit-cards/statement).

***Figure 2.*** *Government of Canada's Credit Card Payment Calculator*

The Government of Canada provides an interactive credit card payment calculator to compare timelines and costs for different repayment strategies, and suggests alternative strategies to manage credit card payments and increase savings.



Credit Card Information

Credit Card Balance: $ 1,000.00

Annual Interest Rate: 18.0( %

Option A: What if you only make the minimum payment each month?

Minimum Monthly Amount: $ 10.00 OR Minimum Monthly Percentage: 3.00 % (Whichever is greater)

Based on the information that you've provided your first minimum payment amount is: $30.00 . Your minimum monthly payment will decrease as you pay off your balance.

Option B: What if you make the minimum payment plus an additional amount each month?

Additional Monthly Payment: $ 5.00

First Minimum Monthly Payment Amount: + $ 30.00

Total = $ 35.00

Option C: What if you pay a fixed amount each month?

Fixed Monthly Payment: $ 100.00

Calculate ...

**Note:** As of September 2010, regulations require banks and other federally regulated financial institutions to show an estimate on your credit card statement of how long it will take you to pay your balance if you make only the minimum payments. In keeping with the regulations, those estimates may be made by rounding your balance up to the next $100 (for example, $520 would be rounded up to $600). Because FCAC's minimum payment calculator uses your actual credit card balance, the results may vary from the estimate shown on your credit card statement.

A printable report is available by clicking the 'Summary Report...' button below. It includes a month by month payment breakdown.

The credit card calculator assumes that you are not using your credit card while you are paying off the balance.

### Calculation Results

| | Option A: What if you only make the minimum payment each month? | Option B: What if you make the minimum payment plus an additional amount each month? | Option C: What if you pay a fixed amount each month? |
|---|---|---|---|
| Time to pay off | 10 years | 6 years and 2 months | 11 months |
| Original balance | $1,000.00 | $1,000.00 | $1,000.00 |
| Interest paid | $798.89 | $512.52 | $91.62 |
| Total paid | $1,798.89 | $1,512.52 | $1,091.62 |
| Amount saved | - | $286.37 | $707.26 |
| Time saved | - | 3 years and 10 months | 9 years and 1 month |

### Results Summary

- Option B: If you pay $5.00 more than your minimum payment each month, you will pay off your credit card balance 3 years and 10 months sooner and you will save $286.37 in interest.
- Option C: If you pay $100.00 each month instead of the minimum payment, you will pay off your credit card balance 9 years and 1 month sooner and you will save $707.26 in interest.

*Note.* From "Credit Card Payment Calculator", by Government of Canada, 2024. (https://itools-ioutils.fcac-acfc.gc.ca/CCPC-CPCC/CCPC-CPCC-eng.aspx).

# References

ABC Life Literacy Canada. (2024). *Free Financial Literacy Program*. ABC Money Matters. https://abcmoneymatters.ca/

*About BMO | BMO Financial Group*. (n.d.). Retrieved August 23, 2023, from https://www.bmo.com/main/about-bmo/

*About Us I CIBC US*. (n.d.). Retrieved August 23, 2023, from https://us.cibc.com/en/about-us.html

Agu, E. E., Abhulimen, A. O., Obiki-Osafiele, A. N., Osundare, O. S., Adeniran, I. A., & Efunniyi, C. P. (2024). Discussing ethical considerations and solutions for ensuring fairness in AI-driven financial services. *International Journal of Frontline Research in Multidisciplinary Studies*, *3*(2), 001–009. https://doi.org/10.56355/ijfrms.2024.3.2.0024

BMO. (n.d.). *New to Canada: Banking & Bank Accounts for Newcomers—BMO Canada*. Retrieved January 10, 2025, from https://www.bmo.com/main/personal/newcomers-to-canada/

Burke, L., & Loiseau, J. (2017). *Nudges for Financial Health: Global Evidence for Improved Product Design*. Innovations for Poverty Action. https://poverty-action.org/sites/default/files/publications/Nudges-for-Financial-Health.pdf

Canadian Imperial Bank of Commerce. (n.d.). *Start Your Banking Journey as a Newcomer to Canada | CIBC*. Retrieved January 10, 2025, from https://www.cibc.com/en/journeys/new-to-canada.html

City of Vancouver. (2023). *Vancouver Rent Bank*. City of Vancouver. https://vancouver.ca/people-programs/financial-aid.aspx

Credit Counselling Canada. (2021). *Financial Literacy Education*. Credit Counselling Canada. https://creditcounsellingcanada.ca/financial-literacy-education/

Dawnay, E., & Shah, H. (2005). *Behavioural economics: Seven principles for policy-makers*. Theoretical new economics. https://neweconomics.org/uploads/files/cd98c5923342487571_v8m6b3g15.pdf

Family Services of Greater Vancouver. (2022). *Financial Empowerment: Coaching*. Family Services of Greater Vancouver. https://fsgv.ca/programs/community-programs/financial-empowerment/fe-coaching/

Financial Consumer Agency of Canada. (2021). *Make Change that Counts: National Financial Literacy Strategy 2021-2026* [Program descriptions;education and awareness]. https://www.canada.ca/en/financial-consumer-agency/programs/financial-literacy/financial-literacy-strategy-2021-2026.html

Financial Consumer Agency of Canada. (2023). *Financial tools and calculators* [Navigation page]. https://www.canada.ca/en/services/finance/tools.html

*Financial Planning: A Pathway to Improved Financial Resilience* (p. 67). (2023). Financial Resilience Institute. https://www.finresilienceinstitute.org/wp-content/uploads/2024/02/Planning-for-Financial-Resilience_Full-ReportJuly2023FINAL.pdf

*Financial Vulnerability Challenges for Low-Income Canadians* (p. 9). (2024). Financial Resilience Institute. https://www.finresilienceinstitute.org/wp-content/uploads/2024/01/Low-Income-Intelligence-Memo_Final-2.pdf

Freimond, K. (2019, April 26). Co-ownership on the rise in Metro Vancouver housing market. *Vancouver Sun*. https://vancouversun.com/homes/buying-selling/co-ownership-on-the-rise-in-metro-vancouver-housing-market

Government of Canada, F. C. A. of C. (2024, August 1). *Credit Card Payment Calculator*. Credit Cards. https://itools-ioutils.fcac-acfc.gc.ca/CCPC-CPCC/CCPC-CPCC-eng.aspx

Hall, C. C. (2021). Promoting Savings for Financial Resilience: Expanding the Psychological Perspective. *Current Directions in Psychological Science*, *30*(1), 49–54. https://doi.org/10.1177/0963721420979603

Hornstein, J. (2023, November 29). *The most (and least) expensive cities for renters in Canada | CIC News*. https://www.cicnews.com/2023/11/the-most-and-least-expensive-cities-for-renters-in-canada-1141503.html

*How to Read Your Credit Card Statement—RBC Royal Bank*. (n.d.). Retrieved February 16, 2024, from https://www.rbcroyalbank.com/credit-cards/cardholders/read-your-credit-card-statement.html

Immigration, Refugees and Citizenship Canada. (2024, November 15). *Welcome to Canada: Publications for newcomers*. https://www.canada.ca/en/immigration-refugees-citizenship/corporate/publications-manuals/publication-welcome-canada-what-you-should-know.html

*Inside Scotiabank*. (n.d.). Retrieved August 23, 2023, from https://tc.scotiabank.com/content/scotiabank/tc/en/about-scotiabank/inside-scotiabank.html

J.D. Power. (2022, October 20). *2022 Canada Retail Banking Satisfaction Study*. J.D. Power. https://www.jdpower.com/business/press-releases/2022-canada-retail-banking-satisfaction-study

J.D. Power. (2023, October 19). *2023 Canada Retail Banking Satisfaction Study*. J.D. Power. https://www.jdpower.com/business/press-releases/2023-canada-retail-banking-satisfaction-study

Komandla, V. (2018). Transforming Financial Interactions: Best Practices for Mobile Banking App Design and Functionality to Boost User Engagement and Satisfaction. *Global Research Review in Business and Economics*, *10*(05), 91–101. https://doi.org/10.56805/grrbe.24.10.5.64

Last, J. (2015). *"Disposable Income": Possibilities for Long-term Saving in Canada* [MRP]. OCAD University. https://openresearch.ocadu.ca/id/eprint/425/

Le, K. (2024, June 16). *Global study ranks two Canadians cities high on list of most expensive places to buy a home*. CTVNews. https://www.ctvnews.ca/toronto/article/global-study-ranks-two-canadians-cities-high-on-list-of-most-expensive-places-to-buy-a-home/

Lusardi, A., & Mitchell, O. S. (2011). Financial literacy around the world: An overview. *Journal of Pension Economics & Finance*, *10*(4), 497–508. https://doi.org/10.1017/S1474747211000448

Lusardi, A., & Mitchell, O. S. (2014). The Economic Importance of Financial Literacy: Theory and Evidence. *Journal of Economic Literature*, *52*(1), 5–44.

MD Financial Management. (n.d.). *Rent vs. Buy calculator*. MDM. Retrieved January 27, 2025, from https://mdm.ca/learn/rent-or-buy-calculator

Mitlin, D., Satterthwaite, D., & Bartlett, S. (2011). *Capital, capacities and collaboration: The multiple roles of community savings in addressing urban poverty* (Human Settlements Working Paper Series). International Institute for Environment and Development. https://www.iied.org/10611iied

National Credit Union Administration. (2025, February 4). *Understand Your Credit Card Statement | MyCreditUnion.gov*. https://mycreditunion.gov/life-events/checking-credit-cards/credit-cards/statement

NPS Prism. (2024, December 16). *2024 Global Banking NPS Benchmarks Report*. NPS Prism by Bain & Company. https://www.npsprism.com/blog/global-banking-nps-benchmarks-2024

Prosper Canada. (2015). *Financial Literacy and Newcomers to Canada*. Prosper Canada Centre for Financial Literacy. https://prospercanada.org/getattachment/3ff26769-c2d4-4d9e-82e9-f56467e4eb31/Financial-Literacy-and-Newcomers-to-Canada.aspx

Prosper Canada. (2019). *My money in Canada*. https://moneymanagement.prospercanada.org/

Province of British Columbia. (n.d.). *Income assistance*. Province of British Columbia. Retrieved August 24, 2023, from https://www2.gov.bc.ca/gov/content/family-social-supports/income-assistance

*Purpose, Vision and Values—RBC*. (n.d.). Retrieved August 23, 2023, from https://www.rbc.com/our-company/purpose-vision-and-values.html

Rail, P. (2024, April 16). Living paycheque-to-paycheque: “Canadians are under stress,” warns Equifax. *CTV News*. https://www.ctvnews.ca/business/living-paycheque-to-paycheque-canadians-are-under-stress-warns-equifax-1.6849035

RBC. (2023, March 6). *It All Adds Up to Making Cents: Financial Literacy Learning Series*. RBC Future Launch. https://www.rbc.com/en/future-launch/it-all-adds-up-to-making-cents/

RBC Royal Bank. (2025). *Use the Rent vs Buy Calculator to See if Now is the Time to Buy*. Royal Bank of Canada Website. https://www.rbcroyalbank.com/mortgage/tools/rentvsbuy/index.html

*Rent vs. Buy Calculator*. (2025). Calculator.Net. https://www.calculator.net/rent-vs-buy-calculator.html

Ritchie, S. (2023, September 1). Almost half of Canadians living paycheque to paycheque, while support grows for Poilievre's Conservatives: Poll. *CTV News*. https://www.ctvnews.ca/business/almost-half-of-canadians-living-paycheque-to-paycheque-while-support-grows-for-poilievre-s-conservatives-poll-1.6544243

Rose, G. (2024, February 6). 16 Best Cash-Back Credit Cards in Canada for February 2024—NerdWallet. *NerdWallet Canada*. https://www.nerdwallet.com/ca/credit-cards/best-cash-back-credit-cards

Royal Bank of Canada. (2025). *Advice and Financial Solutions for Newcomers to Canada*. RBC Royal Bank. https://www.rbcroyalbank.com/en-ca/new-to-canada/newcomers/

Schreiber, B. (2021). *Designing For Trust: Futures of Digital Financial Experiences Beyond the Smartphone Era* [MRP, OCAD University]. https://openresearch.ocadu.ca/id/eprint/3155/

Scotiabank. (n.d.-a). *Rent or Own Calculator | Scotiabank*. Scotiabank. Retrieved January 27, 2025, from https://dmts.scotiabank.com/tools/mortgage/rentorown/en/index.html

Scotiabank. (n.d.-b). *Scotiabank Newcomer Offer | Scotiabank StartRight®*. Retrieved January 10, 2025, from https://startright.scotiabank.com/content/scotiabank/startright/ca/en/newcomers-to-canada.html

Statistics Canada. (2023, February 22). *Research to Insights: Consumer price inflation, recent trends and analysis*. https://www150.statcan.gc.ca/n1/pub/11-631-x/11-631-x2023003-eng.htm

Suwanda, A. (2024, January 23). BMO Supporting Canadian Newcomers' Financial Literacy Through Partnership with PeaceGeeks' "Welcome to Canada" App [Press release]. *Canada Newswire*. https://www.newswire.ca/news-releases/bmo-supporting-canadian-newcomers-financial-literacy-through-partnership-with-peacegeeks-welcome-to-canada-app-805243190.html

TD Bank. (n.d.). *Newcomers to Canada | TD Canada Trust*. Retrieved January 10, 2025, from https://www.td.com/ca/en/personal-banking/solutions/new-to-canada

*TD Ready Commitment | TD Canada Trust*. (n.d.). Retrieved August 23, 2023, from https://www.td.com/ca/en/about-td/ready-commitment

Vancity. (2023). *Family Services of Greater Vancouver Financial Skills Programs*. Vancity. https://www.vancity.com/AboutVancity/VisionAndValues/ValuesBasedBanking/FinancialLiteracyAndBasicBanking/SkillsPrograms/

WoodGreen. (n.d.). *Financial Literacy Workshops*. WoodGreen. Retrieved January 9, 2025, from https://www.woodgreen.org/programs/financial-literacy-workshops

Xiao, J. J. (2008). Applying Behavior Theories to Financial Behavior. In J. J. Xiao (Ed.), *Handbook of Consumer Finance Research* (pp. 69–81). Springer New York. https://doi.org/10.1007/978-0-387-75734-6_5

Zubair, A. (2021). *Resilient by Design: Enabling Agility and Resilience in Ontario's Small and Medium Enterprises* [MRP, OCAD University]. https://openresearch.ocadu.ca/id/eprint/3388/

**Image Source**

Cover page:

Fuad, H. (2025). *A pair of hands holding each other with leaves coming out of them* [Graphic]. Unsplash. https://unsplash.com/illustrations/a-pair-of-hands-holding-each-other-with-leaves-coming-out-of-them-VF67SQUzNto?utm_content=creditShareLink&utm_medium=referral&utm_source=unsplash