

Canadian Financial Diaries

Goals & Early Qualitative Insights



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Outline of presentation

- The Plan for diaries
- Very early qualitative insights:
stories about some participants in
phase 1

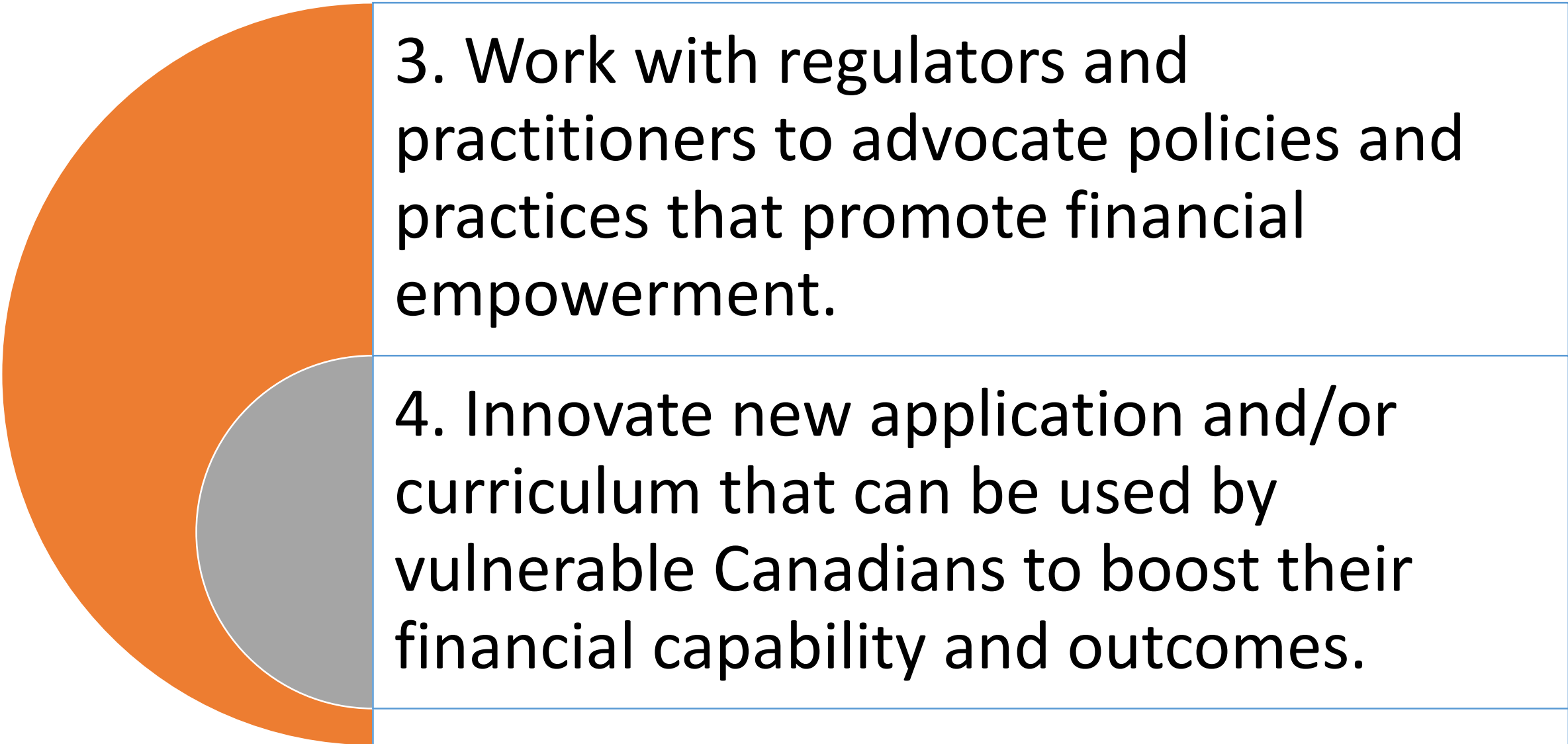
Objectives



1. Use the Financial Diaries method to understand the financial lives and finances of vulnerable Canadians in a rapidly changing socio-economic context.

2. Adapt the Financial Diaries research methodology to include quantitative and qualitative components.

Objectives



3. Work with regulators and practitioners to advocate policies and practices that promote financial empowerment.

4. Innovate new application and/or curriculum that can be used by vulnerable Canadians to boost their financial capability and outcomes.

Why is it needed?

Data is ideally disaggregated by characteristics such as age, income, ethnicity, geography, etc.

National aggregate statistics shed little light on the *causes* of financial instability.

**We know very little
in Canada about
household financial
dynamics**

National aggregate statistics shed little light on the finances of vulnerable people.

Better knowledge is needed to advise better practice and policy.

What the diaries can provide

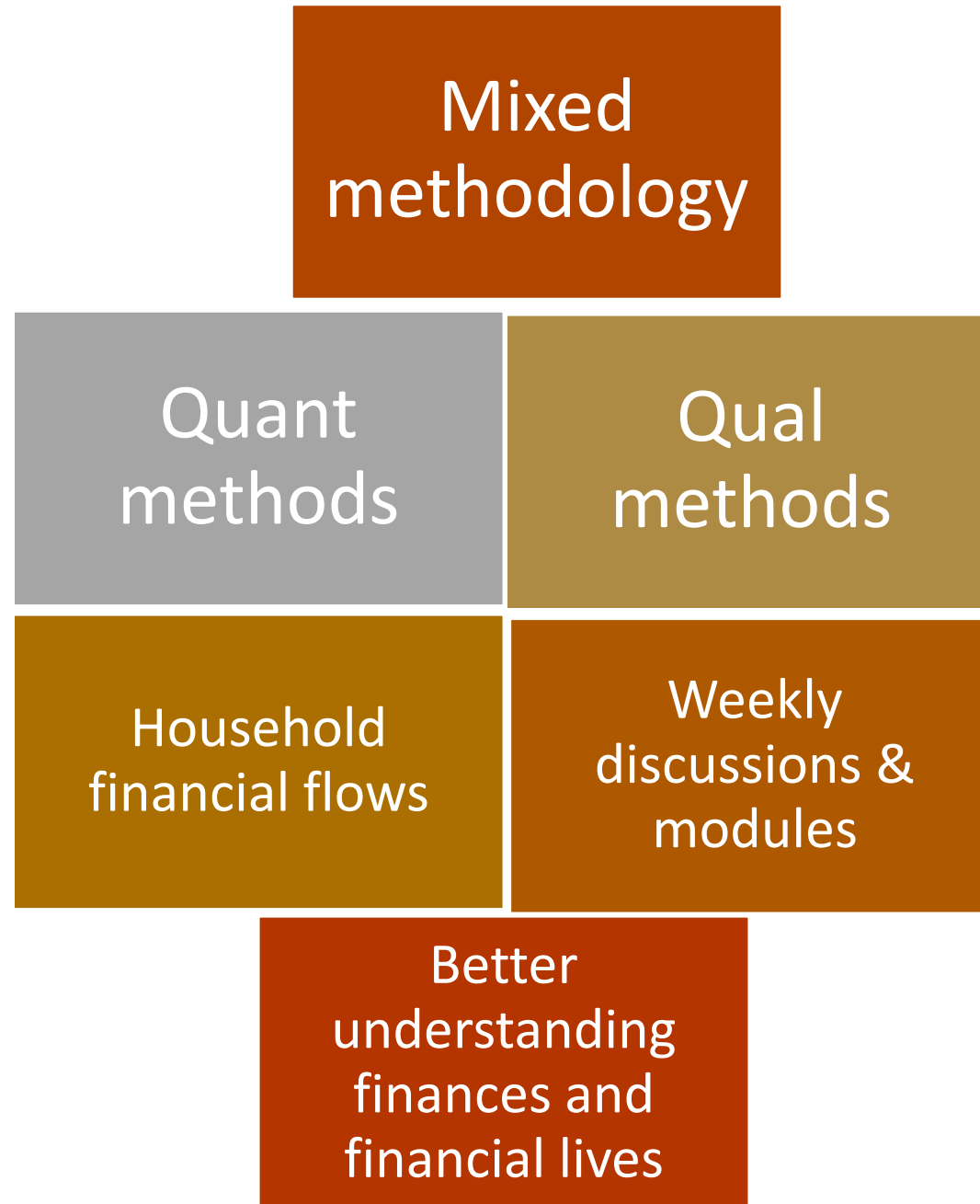
Diaries will involve

- In-depth (quantitative and qualitative) for 12 months
- Interactive (dialogue with participants) data on household finances requires the building of relationship and trust with participants
- Open-ended interviews on income tax return/refund, financial wellbeing and literacy

Participants are encouraged to

- Record finances daily
- Meet with staff on a weekly, and later, bi (or possible tri)-weekly basis
- We will seek to qualitatively assess how tracking affects money management and behavior

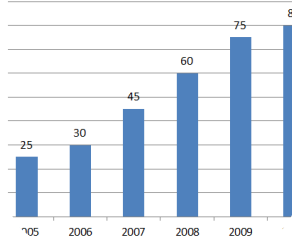
Mixed methodology



Early insights

Phase 1

ic Trading. Percentage of Mark.



-25 diarists, average of 23 weeks, over 6,000 total transactions




-18 low income & 7 modest income; Average age 42 years old; 88% female; 12% Indigenous Identity; 48% born outside Canada

-72% internet at home; 96% smart phone / tablet / computer

Mixed methodology



Mixed methodology



A large white rounded rectangle with a blue footer bar. The footer bar contains the word "Data" in white text. A circular graphic with mathematical symbols is positioned at the bottom right of the box.

Data



- With limited time I would like to share stories about two very interesting participants I am working with.

Stories



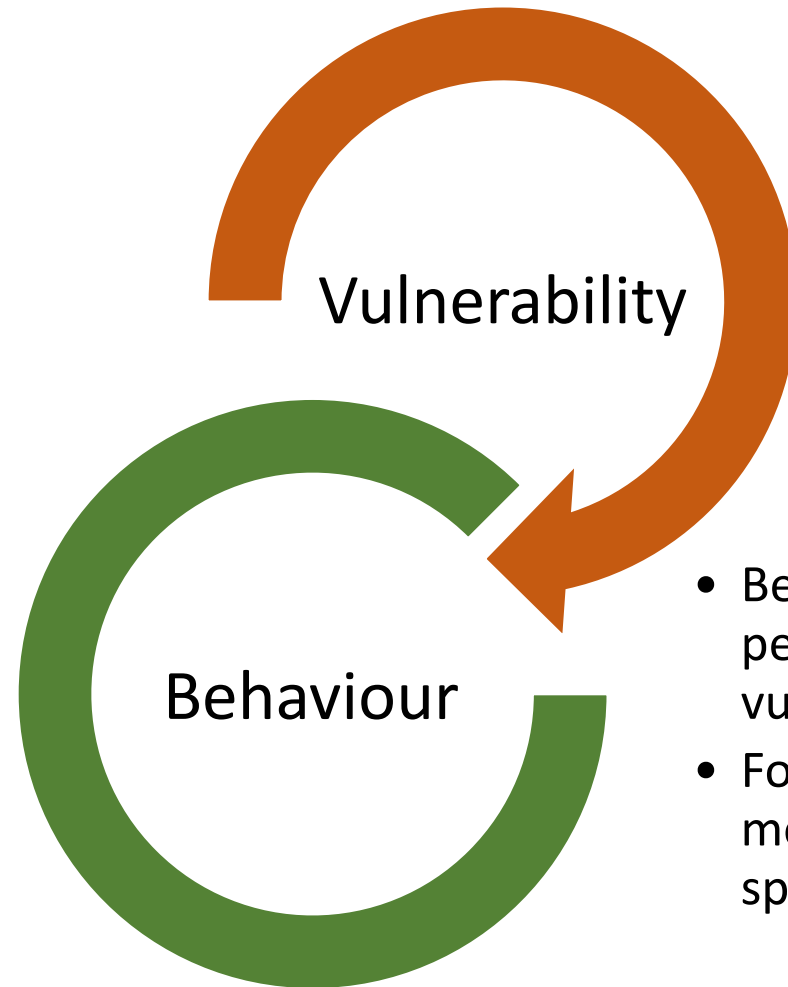
CFD participants operate within a *vulnerability context*¹



- Vulnerability context are those characteristics that make the person more susceptible to economic shocks or in the face of economic shocks make the person less able to recover.
- Education, employment, social capital, income, English skills

1. Drawing on a long tradition in social economic studies including entitlement, sustainable livelihoods, and most especially, the capability approach (Sen 1999, Nussbaum 2006).

CFD participants demonstrate *more/less resilient behavior*²



- Behaviours that we see are enabling the person to cope better or worse given their vulnerability and changing external factors
- Fostering social capital, searching for more/better work, learning new skills, spending habits, thinking ahead

2. The capability approach (Sen, 1999; Nussbaum, 2006) finds that people face a range of capabilities and choose within that set certain functionings. The approach recognizes the unequal distribution of capabilities.

'Diane' & 'Marina' demonstrate some more and some less resilient behavior in 27-week diary



- Diane and Marina are both single women
- Casual employment
- Low annual income, \$9,000-\$10,000
- Diane's experience with EIA (Manitoba's welfare program): I was at the staff's "beck and call"; when I discontinued it "I was free"
- Some family support for Diane (father)
- Community support for Marina (retail shop owner): complicated
- Housing uncertainty: upcoming rent hike for Diane

'Diane' & 'Marina' demonstrate some more and some less resilient behavior in 27-week diary



- Work hard to maintain family (father) or community supports (shop owner)
- Diane gets important supports from social agency
- Diligent with diary
- Hard-working at work
- Modest spending habits
- Time horizon varies

'Diane' & 'Marina' demonstrate some more and some less resilient behavior in 27-week diary



- Diane struggles to assert interests in informal employment
- Diane has a short-term time horizon & does not like to think about future
- Marina does not feel comfortable exploring new options, e.g., employment
- We are mid-way through their diaries so the story is still unfolding

**Ideas?
Comments?
Questions?**

**Please
contact us**

Thank-you



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