



Money Troubled:

Inside B.C.'s financial health gender gap

March 2018

Highlights

A national independent study with a custom data set developed for Vancity found that:

- B.C. women experience more stress and have less confidence about their financial situations than their male counterparts, across all age groups.
- In key areas, women in B.C. have more concerns about their financial health than women in the rest of Canada, including issues around housing affordability, cost of living increases and sticking to household budgets.
- Female Generation Xers (aged 45 to 54) and female Millennials (aged 18 to 34) in B.C. experience greater financial stress and have less confidence about their financial affairs and outlook.
- Almost half of female Gen Xers and female Millennials in B.C. say that money worries make them physically unwell. Among B.C. women of all ages, the figure is 39%. Among B.C. men of all ages, the figure is 30%.
- More than six in 10 female Millennials and 54% of female Gen Xers in B.C. say that money worries cause them extreme emotional stress. Among B.C. women of all ages, the figure is 52%. Among B.C. men, the figure is 38%.
- More than half of female Millennials in B.C. say that money worries make them lose sleep at night. Among B.C. women of all ages, the figure is 45%. Among B.C. men, the figure is 37%.

Data compiled by Statistics Canada also show that:

- Women working in B.C. are paid less per hour than the national average for women, and their average employment income per year is 35% less than men in B.C. (\$34,149 vs. \$52,171).
- Canadian women are more likely than men to work part-time, and the reason most often cited by women is caring for children.
- Canadian women are twice as likely as men to spend 10 hours a week or more caring for a senior.

To help improve women's financial health and reduce stress, this report puts forward a number of recommendations. These include:

- Companies and employers should examine their human resource practices and pay particular attention to remuneration and promotion policies to ensure they are equitable, fair and free from institutional bias.
- Governments should introduce more financial knowledge courses to school curricula and continue to improve access to child care, while keeping previous commitments to fund and create new child care spaces.
- Individuals can take steps to evaluate and improve their financial knowledge and confidence, find planners and advisors who make efforts to understand their unique concerns, and seek advice and learning opportunities from a variety of trusted sources, groups and platforms.

B.C. women are financially stretched and alarmingly stressed

We've come a long way, really? Despite years of gradual improvements and movement towards gender equality, women of all ages in British Columbia still face more challenges to their financial health and well-being than their male counterparts. It is not a situation unique to our province. Women across Canada typically earn less, have fewer career opportunities and occupy more jobs at the lower end of the pay scale than men. They are also more likely than men to find themselves living on a low income, especially in their senior years.

Meanwhile, Canadian women continue to grapple with gender-based issues at home. Compared to their male partners, women have “greater responsibility for children and other family members as well as for the smooth functioning of the home,” according to Statistics Canada. For many women, the “second shift” is adding hours – and more stress – to their work day.¹

Some argue that progress towards gender parity in Canada has actually stalled over the past 20 years. Canada occupied 16th position in the World Economic Forum's 2017 Global Gender Gap Index, which measures performance indicators such as salary, educational attainment and the number of women in senior workplace and political positions in 144 countries. A decade ago, Canada ranked 14th.² As McKinsey Global Institute reported in 2017, at the current rate of progress, gender gaps in Canada “could take 30 to 180 years to close.”³

Measures and proposals aimed at reducing gender disparities in Canada, introduced in the federal government's 2018 budget, speak to the importance and increasing awareness around such issues. The gender gap problem is now part of regular political discourse at all levels of government, but the findings contained in this report may still surprise, even shock.

Academic and social research is supported by the 2017 Canadian Financial Health Index study and national survey of 5,200 people by Vancouver-based Seymour Management Consulting Inc. Measured across more than 30 different indicators provided to Vancity, the survey results clearly demonstrate that financial stress is a mainstream issue in Canada – and Canadian women encounter more financial barriers and experience more negative financial outcomes than their male counterparts.⁴

Segmented into a custom data set for Vancity in early 2018, the Canadian Financial Health Index survey reveals that while these issues affect both men and women in this province, women are especially challenged when it comes

to issues related to housing affordability, cost of living increases, household budgets and financial literacy. The survey also shows that B.C. women feel more stress and are less confident about their current financial situations than B.C. men. (See Methodology)

Problems with financial health, financial resilience and financial capability are particularly acute for B.C. women between the ages of 45 to 54, the so-called Generation X, and among the Millennials set, women aged 18 to 34.

This report examines the state of financial health among women in B.C. by looking closely at survey results and examining the impact of gender-based gaps on wages, employment, financial literacy and family life. The report also makes recommendations to government, businesses, financial institutions and individuals, so that the gaps may be addressed.

Getting a handle on financial health

The term is frequently used, but it seems there is no single, one-size-fits-all definition. In the context of its Canadian Financial Health Index study, Seymour Management Consulting describes financial health as one's ability to balance their financial needs for today with those of tomorrow, and to get through times of financial hardship. The interrelated components of financial health, financial wellness and financial resilience make up the over-all construct of financial well-being. Someone with good financial health can also be described as having:

- 1) control over day-to-day and month-to-month finances
- 2) the capacity to absorb a financial shock
- 3) the financial freedom to make choices to enjoy life and
- 4) the ability to meet financial goals.⁵

Some elements that influence a person's financial health are within their control; others – such as the performance of regional, national and global economies – are not. Other factors that can influence financial well-being include consumer and financial behaviours, and financial knowledge and skills. It is important to remember that a person with thorough financial knowledge and skills may not be in good financial health.

Research consistently indicates that women from both Canada and the United States have poorer financial health and literacy than their male counterparts.⁶

A made-in-B.C. recipe for stress

It is a well-established fact that living in B.C. is expensive. Metro Vancouver, the province's largest urban centre, has Canada's highest housing prices, with Greater Victoria on Vancouver Island not far behind. Relative to local income levels, Metro Vancouver ranked as the world's third least affordable housing market in 2018, after Hong Kong, China and Sydney, Australia. In 2015, Victoria was rated the world's 34th least affordable housing market.^{7,8}

Affordability pressures obviously impact people's lives. For example, 86% of women in B.C. and 83% of B.C. men agreed that housing affordability is a problem where they live, according to the Canadian Financial Health Index study, compared to 61% of women in the rest of Canada who agreed that it is a problem.

Meanwhile, almost 90% of B.C. women and men agreed that their living costs have increased, compared to 83% of

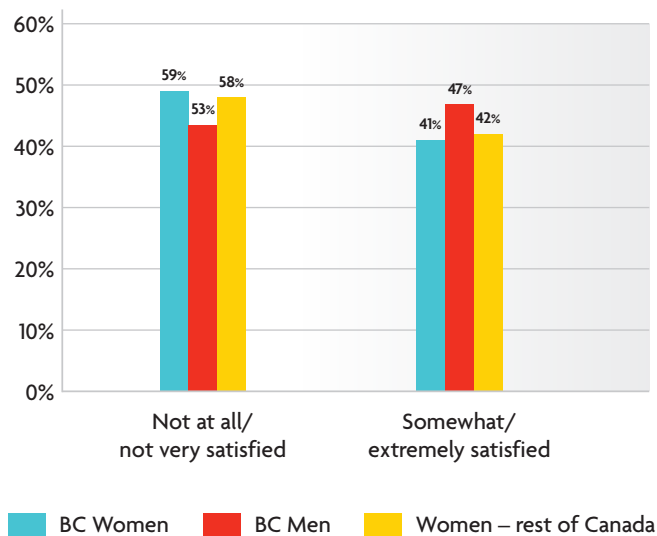
women in the rest of Canada. When it comes to personal or household spending, 40% of B.C. women said they do not have a monthly budget. Of those who do have one, half do not always "stick to it."

It's little wonder, then, that a strong majority of B.C. women – 59% – report they are not satisfied with their current financial situation. Their negative response rate is slightly higher than the national average for women (57%), and a full 6% higher than B.C. men (53%).

These results are even more striking when viewed by age group, with Gen X and Millennial women showing the highest levels of dissatisfaction.

The concern that B.C. women have expressed with regard to their current financial stress levels cannot be attributed to one specific factor. As the Canadian Financial Health Index study suggests, responsibility is shared by a host of local issues, including B.C.'s notoriously high housing costs, which eat into household finances.

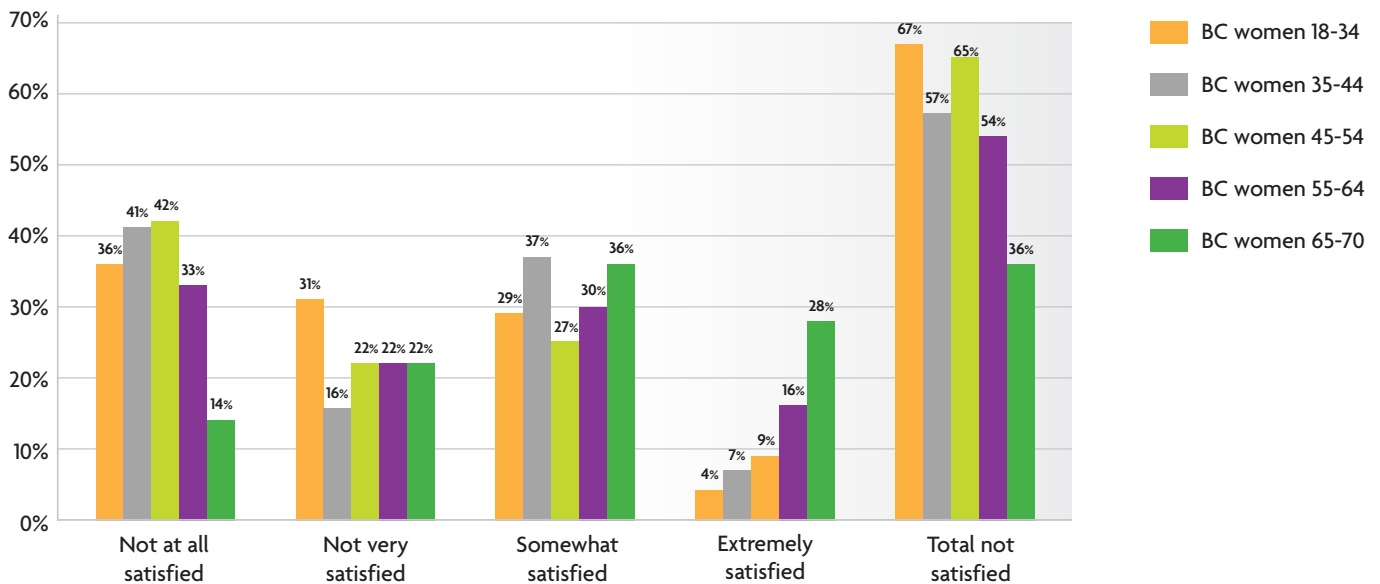
Figure 1: Percentage of B.C. women satisfied with their financial situation compared to B.C. men and the rest of Canadian women



Source: 2017 Canadian Financial Health Index study. All rights reserved.

Vancity recognizes that this report discusses gender in binary terms – as male and female – and does not examine and compare the financial health of people with other identities and expressions, such as trans+, gender variant and two-spirit, who represent about 1 in 200 people.⁹ Statisticians, researchers and analysts should consider that primary data collection and reporting related to financial health can reach beyond gender binary terms and responses.

Figure 2: B.C. women's satisfaction with financial situation by age



Source: 2017 Canadian Financial Health Index study. All rights reserved.

Hurdles in the workplace

The survey shows that meeting day-to-day living expenses is clearly an issue for women in this province. This may be related at least in part to their employment earnings, which lag behind those in the rest of Canada. In 2016, for example, women working in B.C. earned an average of just \$34,149 for the year. The Canadian average earnings for women was \$37,193. The national average for men was \$54,369, and the B.C. average for men was \$52,171.¹⁰

Both the type and amount of work performed by women help explain these wage discrepancies. While the percentage of working women has climbed to almost 60% from about 42% in the last 30 years,¹¹ women are “overrepresented in occupations that are at the lower end of the pay scale,” according to a 2013 study by the Canadian Research Data Centre Network. Historically, “in Canada as in other countries, there has been a significant occupational segregation between genders. Women have chosen a much narrower range of occupations than men, and they represent a large portion of workers employed in the 20 poorest-paid occupations.”¹²

These include the so-called 5 Cs jobs: caring, cleaning, catering, cashiering and clerical. In Canada, about 56% of women were employed in those areas in 2015. According

to Statistics Canada, “this is little changed from 1987, when 59.2% of women were employed in these occupations.”¹³

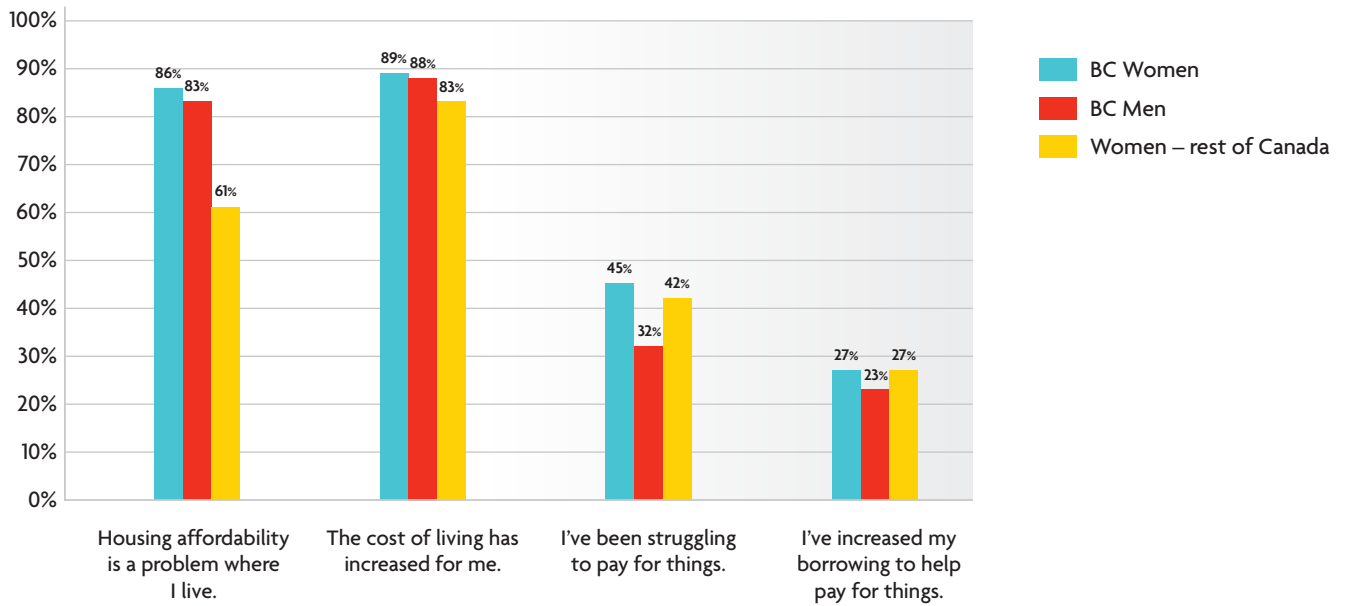
Gender gaps in the work force remain significant, “even among younger, more-educated generations,” says the Canadian Research Data Centre Network.¹⁴ It’s an important point, given the fact that by 2015, women outnumbered men among university degree-holders by 6.5%.¹⁵ What’s more, women now hold 53% of all university degrees in Canada.¹⁶

Average Employment Income for Women in Canada

1.	Alberta	\$43,031
2.	Ontario	\$39,057
3.	Saskatchewan	\$37,207
4.	Manitoba	\$35,168
5.	Quebec	\$34,313
6.	B.C.	\$34,149
7.	Newfoundland	\$34,087
8.	Nova Scotia	\$32,275
9.	New Brunswick	\$31,376
10.	PEI	\$30,613

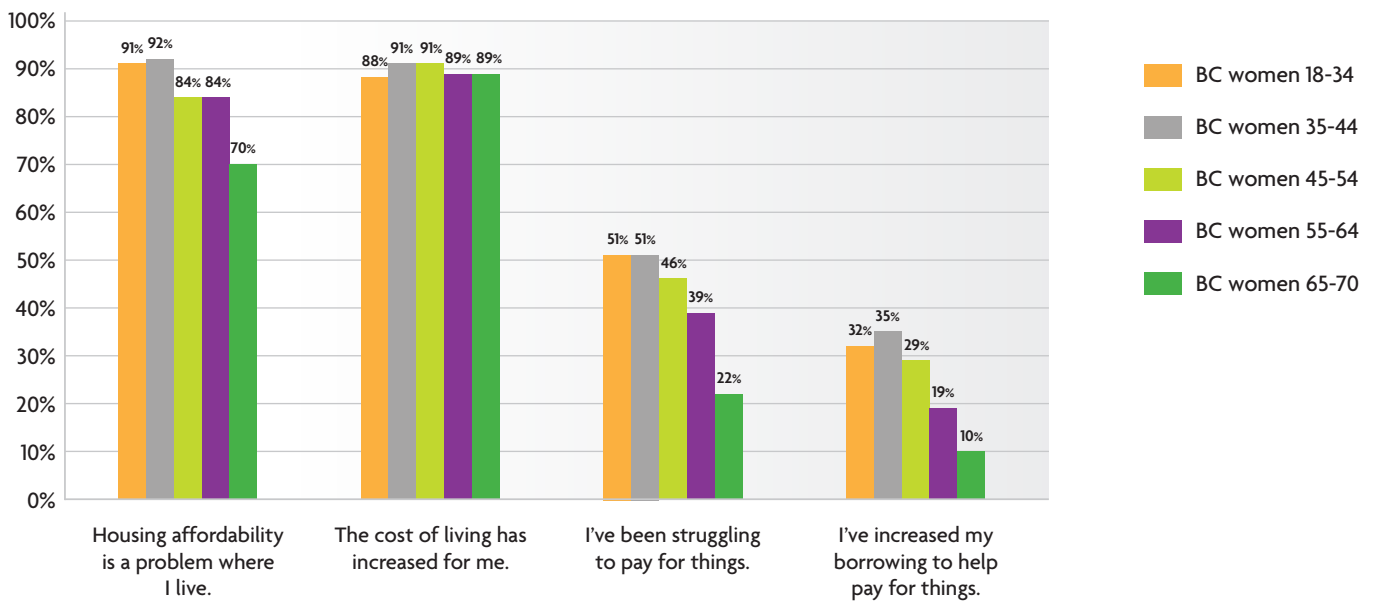
Source: Statistics Canada 2016, from “Total Occupation, National Occupation Classification”

Figure 3: B.C. women attitudes on affordability and cost of living compared to B.C. men and Canadian women



Source: 2017 Canadian Financial Health Index study. All rights reserved.

Figure 4: B.C. women attitudes on affordability and cost of living by age



Source: 2017 Canadian Financial Health Index study. All rights reserved.

The intractable wage gap

Canada's Charter of Rights and Freedoms guarantees gender equality and freedom from gender-based discrimination. The Human Rights Act, passed in 1977, includes a provision for "equal pay for work of equal value." Yet gender pay disparities still exist. According to data compiled by Statistics Canada, the wage gap has actually changed very little in the past two decades. One measure that calculates and compares annual earnings among full-time workers shows that, in 2014, women earned 74.2 cents for every dollar a man earned.

Given that women work fewer hours than men at their full-time jobs – usually because they attend to more family-related responsibilities – a better measure is hourly wages. Using this metric, women are still short-changed. In 2016, Statscan reports, women earned 88 cents for each dollar earned by men.¹⁷

In a 2016 Organization for Economic Development comparison of 40 countries (with the 28 European countries represented as one), Canada had the eighth widest gender wage gap, worse than places such as the United States, the United Kingdom and Mexico.¹⁸

And according to the Canadian Women's Foundation, "A large portion of the wage gap remains unexplained and is partly due to discrimination. An estimated 10-15% of the wage gap is attributed to gender-based wage discrimination."¹⁹

The 2018 federal budget, announced in late February, proposes to address the gender wage gap "with a proactive pay equity regime that will be tabled later this fall." The measure would "ensure that women working in federally regulated industries receive equal pay for work of equal value." The government says it will apply to around 1.2 million individuals.²⁰

(Not) smashing the glass ceiling

Given their higher education achievements, it should be expected that women have finally cracked the "glass ceiling" and found more parity in the workplace. But that isn't necessarily the case. Results from a variety of surveys reveal that, at least in corporate Canada, women are less likely than men to be promoted to the next level, "at almost every stage of their careers."²¹

Workplace inclusion is another issue that continues to stymie Canadian women. McKinsey Global Institute reports that 35% of women believe their gender played a role in their "missing out on a raise, a promotion or a chance to get ahead, compared with 15% of men." And while Canadian women are no longer underrepresented in public sector leadership positions, only 25.6% of senior managers in the private sector in 2015 were women.²²

Minerva BC, a Vancouver-based non-profit that delivers leadership programs to women and girls, examined 50 business organizations in the province in 2017, and found that women held only 19% of their board positions, on average, and just 20% of their senior executive leadership positions. More than one quarter of the companies had no women on their senior executive teams at all. This despite the fact that "companies with more women on boards and in leadership positions outperform those with fewer women," Minerva BC noted in its 2017 report.²³

Gender bias can be subtle and is difficult to quantify, but should not be dismissed when trying to understand these issues.²⁴ According to a 2012 U.S. study conducted for the Wall Street Journal, "women are often evaluated for promotions based on performance while men are often evaluated on potential."²⁵

The authors of *The New Soft War on Women*, a book focused on marginalization and discrimination in the workplace, argue that "gender discrimination hasn't disappeared – far from it. It has simply gone underground, where it is more subtle, harder to spot, and often more dangerous than the old in-your-face bias."²⁶

There are currently no data that specifically measure financial health and well-being outcomes related to gender bias and employment in Canada; however, results from the Canadian Financial Health Index study reveal that more than one-third of women in this province feel insecure in their job or work situations, causing them stress and negatively impacting their sense of financial security and resilience. The percentage is highest for women in the Millennials category (44%), followed by Gen X women (41%).

Another metric to consider is workforce participation. Statistics Canada reports that female participation in the national labour force is much higher today than in the post-war period, when many Generation X children were born. But the labour participation growth rate for women has been slowing since 1991, from about 1.4% that year to 0.3% in 2015.²⁷

The effect has been particularly dramatic in B.C., where the employment rate for women – defined as a measure of the extent to which available labour resources (women available to work) are being used – remains below average, despite a strong economy and corresponding labour shortage.

In 2015, for example the employment rate among women in B.C. was 75.9%. The national average for women was 77.5%. The employment rate for B.C. men was 85.4%, slightly higher than the national average for men.

How is this difference explained? One factor, according to Statistics Canada, is the effect of raising children. “Mothers typically earn less than both women without dependent children, and fathers,” StatsCan says.²⁸ Women are more likely than men to work part-time, usually because they spend more time than men caring for children.²⁹

The high cost of child care and the low availability of regulated childcare spaces in urban centres such as Metro Vancouver also play a role in the gender employment gap, according to Statistics Canada, “to the extent that they inhibit mothers’ participation in the labour market.”³⁰ Women are also twice as likely as men to spend 10 hours a week or more caring for a senior.³¹

Financial stress in the workplace

While Canadian women tend to more negative outcomes in financial surveys and stress tests, it cannot be overlooked that challenges exist regardless of gender. A 2015 survey conducted by Willis Towers Watson, an international risk management company, found that only 44% of Canadian workers overall were satisfied with their financial situation, compared to 55% in 2013.

The survey also found that 30% of Canadian workers believe their current financial concerns negatively impact their lives, compared with 18% in 2013. And 53% said they are worried about “their future financial state.” That marks an increase of 7% from 2013. According to Willis Towers Watson, “The research shows that financial worries affect employees’ productivity, engagement and health... Almost a quarter of the Canadian employees surveyed identified themselves as struggling.”³²

A more recent workplace survey, conducted in 2017 for the Canadian Payroll Association, shows that stress levels continue to rise, with 47% of Canadians living paycheque to paycheque and 35% feeling overwhelmed by debt.³³

This corroborates the Canadian Financial Health Index study, which found that 55% of Canadians say they are “not very” or “not at all” satisfied with their current financial situation, with 47% agreeing that money worries cause them “extreme emotional stress.”³⁴

First shift, second shift

The difference in the amount of time men and women typically spend taking care of household operations and family responsibilities is sometimes described as the “family gap.” Research continues to demonstrate that women do more domestic work than men. This includes care of children, housework, yard work and home maintenance.³⁵

This has held true even in marriage and common-law situations where a couple had children and a woman in the relationship was the sole wage earner; in those cases, the sole wage earner still spent an average of 51 hours per week caring for children. In situations where the other partner was the sole wage earner, the woman who did not earn an income spent an average of 81 hours per week caring for household children.³⁶

A more recent Statistics Canada report from 2017 reaffirmed that Canadian women “have retained ‘ultimate’ responsibility for childrearing and household operation, in accordance with traditional gender roles, even as they have assumed earning responsibilities.” Canadian men are doing more household chores than in the past, but women still perform the bulk of the work, spending 3.6 hours of unpaid housework per day in 2015, compared to 2.4 hours by men.³⁷

In female lone-parent households, where a mother assumes virtually all major responsibilities, employment rates and income levels tend to be lower than the national and provincial averages. In 2015, for example, women constituted 81% of lone parents in Canada. Of those female lone parents, 72% were employed, compared to 76% of mothers in couples, according to Statistics Canada. Data from 2008 shows that female lone parent families had the lowest average total income of all family types in Canada.³⁸ (On a more positive note, the income gap between female and male lone parent families is shrinking. Female lone parent families had incomes worth 53% of those of male lone parent families in 1998; by 2008 this figure was 70%, reports Statistics Canada.³⁹)

It is not surprising, therefore, to learn that women across Canada are significantly more stressed about their financial situations than men. The family gap has real impact, and may help explain why 32% of Canadian women say they are too busy to think about their finances beyond the day-to-day. The percentage is even higher among women in B.C. (35%), 8% higher than B.C. men.⁴⁰

Generation Stressed

They’ve been called Generation X, the sandwich generation, and more recently, “the unluckiest generation ever.”⁴¹

People born in the years 1965 to 1980 were thought by many sociologists to have certain pronounced characteristics and behavioural patterns as adolescents and young adults, such as apathy and cynicism. Some of the negative stereotypes have been replaced with more positive labels, such as entrepreneurial and hard-working.

But there are concerns that members of Generation X are in worse financial health than people in other age groups. Family responsibilities – looking after both children and aging parents – have many feeling stressed out and squeezed for time. And money.

Now in their forties and early fifties, Gen Xers were among the hardest hit by economic crashes and re-sets in 2000 and 2008, and among the slowest to recover, in part because of their participation and timing in the real estate market.⁴²

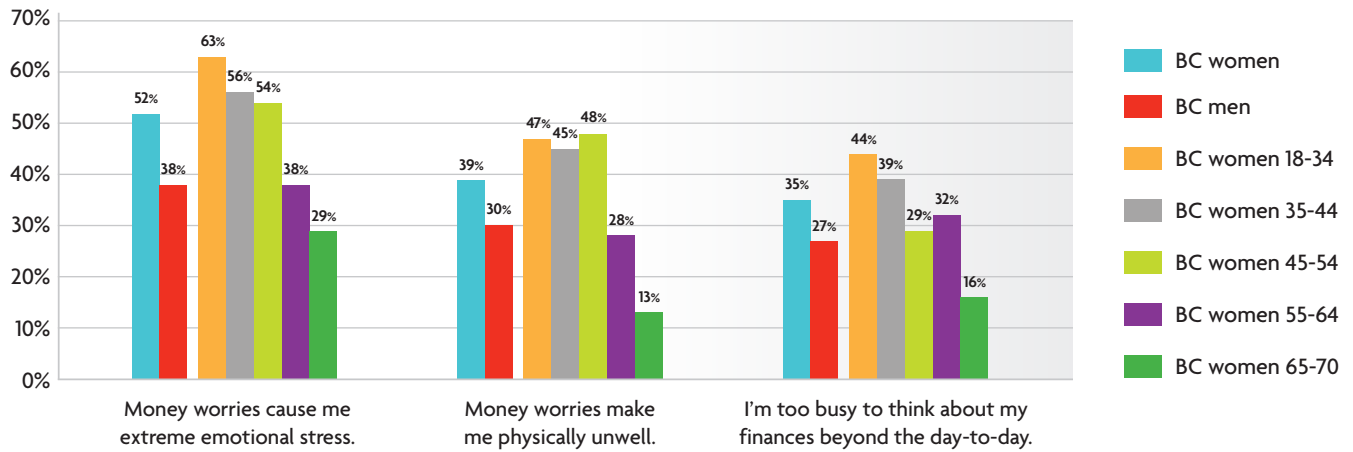
The Canadian Financial Health Index study and customized data set for Vancity demonstrate that women in B.C. who belong to Generation X are particularly challenged when it comes to financial stress. B.C. women in the 45- to 54-year-old age category reported the most negative feelings and concerns in five of eight key financial stress response categories related to debt and savings.

They were also more inclined than women in all other age groups to say that money worries make them “physically unwell” (48%) and to acknowledge they have worried about having enough money to retire (50%). B.C. Gen X women are less confident than others that they “can get through periods of financial hardship resulting from unplanned events.”

It cannot go without mention that B.C. women in the 18- to 34-year-old age group – the so-called Millennials – also reported higher-than average levels of money-related stress, and were most likely to agree they are “too busy to think about their finances beyond the day-to-day.”

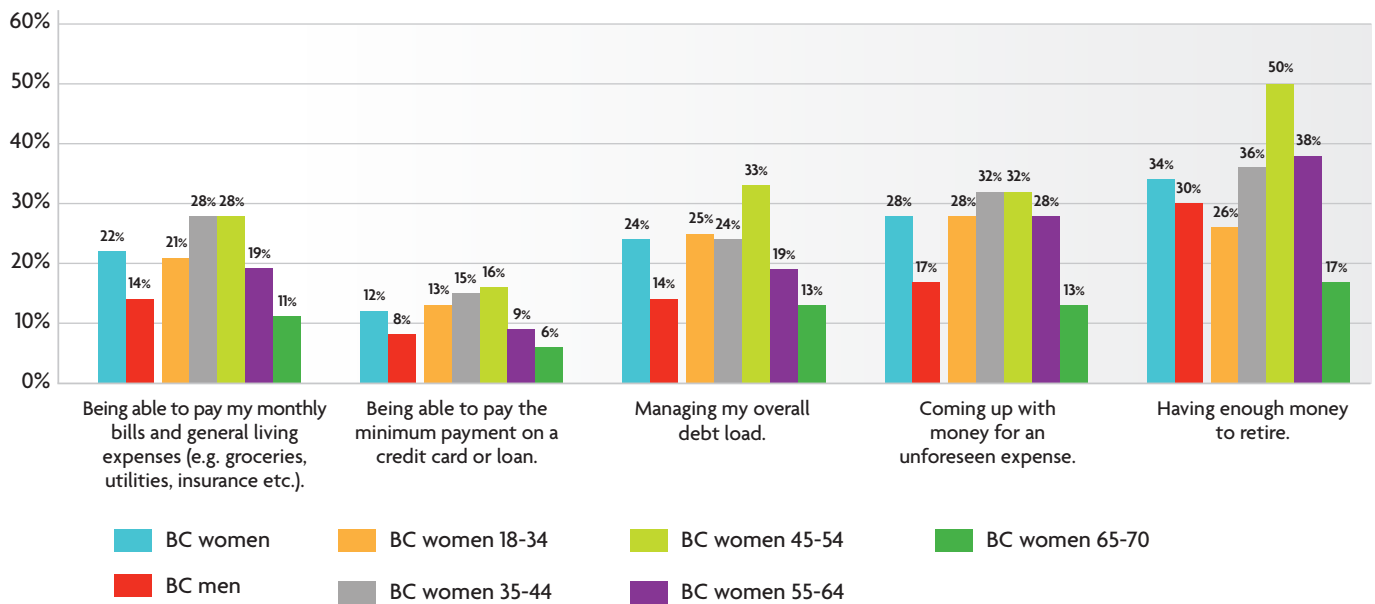
The Millennials findings align with other recent studies and surveys around financial health that break down responses by age category. A 2017 PricewaterhouseCoopers survey on employee financial wellness in the United States found the percentage of Millennials stressed about their finances “was in line with the percentage of Gen X employees who are stressed about their finances (59%).” Their report noted that Millennials “are confronting many of the challenges their Gen X co-workers face, including providing financial support for parents while also caring for their own children.”⁴³

Figure 5: Percentage of British Columbians who agree with the following statements



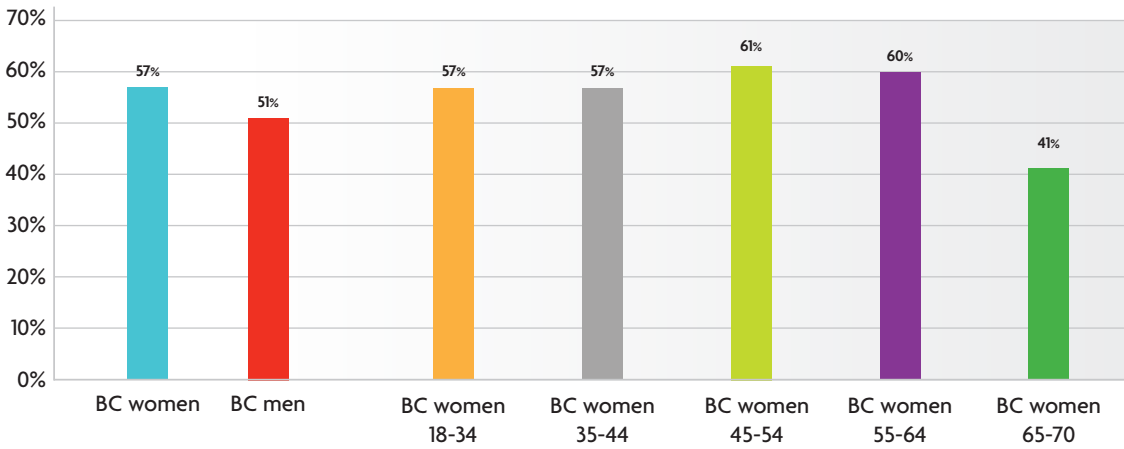
Source: 2017 Canadian Financial Health Index study. All rights reserved.

Figure 6: Percentage of British Columbians who have worried about each of the following over the past 12 months.



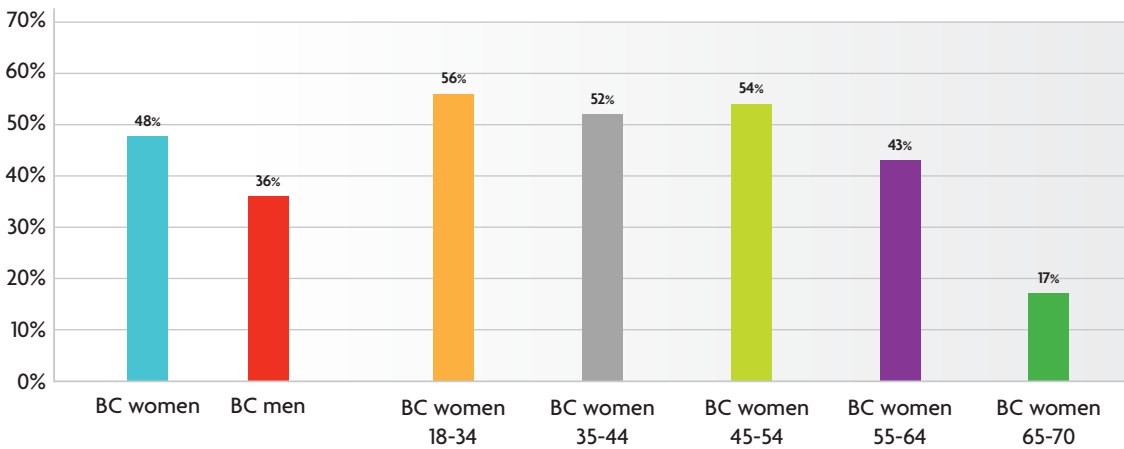
Source: 2017 Canadian Financial Health Index study. All rights reserved.

Figure 7: Percentage of British Columbians “not very confident” and “not at all confident” that they can get through periods of financial hardship resulting from unplanned events



Source: 2017 Canadian Financial Health Index study. All rights reserved.

Figure 8: Percentage of British Columbians “somewhat stressed” and “extremely stressed” over their ongoing and future financial obligations



Source: 2017 Canadian Financial Health Index study. All rights reserved.

Financial knowledge and confidence

A person's financial knowledge and confidence in making sound and informed financial decisions affects their financial capability and, ultimately, their financial health and well-being over the short, medium and longer term. Financial knowledge and confidence can be supported through financial information education, or a focus on "financial literacy" tools and support. Put simply, financial literacy is the ability to understand how money works. Unfortunately, obtaining the requisite knowledge and tools to achieve a positive financial outcome isn't so simple, and doesn't necessarily translate to improved actions or outcomes.

Controllable and non-controllable factors come into play. As humans, not all of our consumer or financial decisions are rational. They can be disconnected from our goals.

Contemporary research on the subject demonstrates that Canadian women score lower on financial literacy tests and express less confidence in their financial knowledge than men. Statistics Canada found that in 2014, women were less likely than men to consider themselves to be "financially knowledgeable" (31% versus 43%) and were less likely to state that they "know enough about investments to choose the right ones that are suitable for their circumstances" (48% versus 63%).⁴⁴

In a financial knowledge quiz of 14 questions related to inflation, interest rates, credit reports, stocks, risk, and debts and loans, Canadian women who took the test had a lower average score (8.7 correct answers) than men (9.3 correct answers). Scores were low across gender when it came to five key questions about interest, inflation and risk diversification. Only 22% of Canadian-born men answered all five key questions correctly, while just 15% of Canadian-born women recorded a perfect score.^{45,46}

Some posit that, in general, men show more interest than women in financial affairs, and research does indicate they are more inclined than women to self-manage and self-direct their savings and investments. Women are, in general,

more likely to seek financial and investment advice from experts, and are more averse to taking financial risks.⁴⁷

Women are often responsible for the majority of a family's purchasing decisions.⁴⁸ Given that many consumers, including women, find it challenging to navigate financial decisions in their lives, this added burden and the financial tradeoffs and decisions that need to be made can cause additional financial stress.

More surprising, perhaps, is the suggestion that marital status may have an impact on financial literacy, as well. A Canadian-led study in 2012 looked for potential explanations to the gender gap, and determined that "married women are significantly more financially literate than unmarried women, which is not the case for men. Indeed, married women are financially more literate than married men."

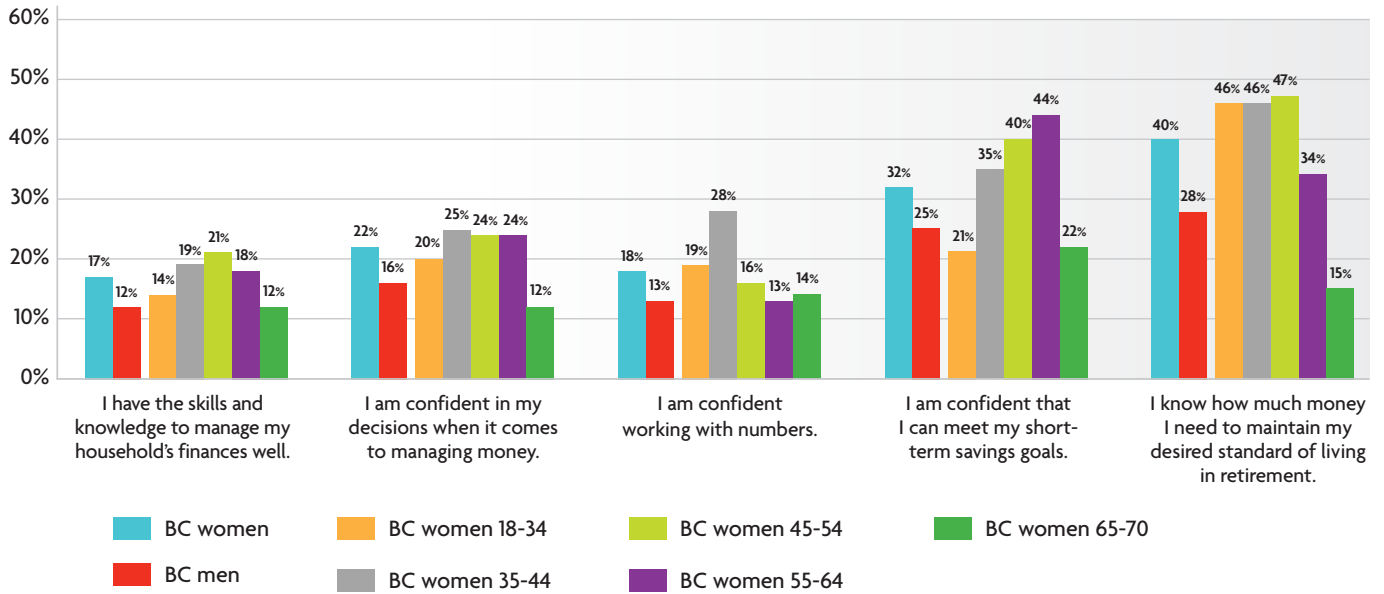
The authors also found that while married couples tend to agree on the division of financial decision-making within the household, "both men and women report that women are more likely to be responsible for paying the bills."⁴⁹

Heaped onto the pile of other household operations and responsibilities, the bill-payment duty likely adds to the amount of financial-related stress experienced by some women, especially those who may not feel confident with budget management.

The Canadian Financial Health Index study found that a large majority of women across Canada feel they have the skills and knowledge to successfully manage their household's finances. The percentage of B.C. women who feel otherwise (17%) is slightly higher than the corresponding percentage of women in the rest of the country (15%).

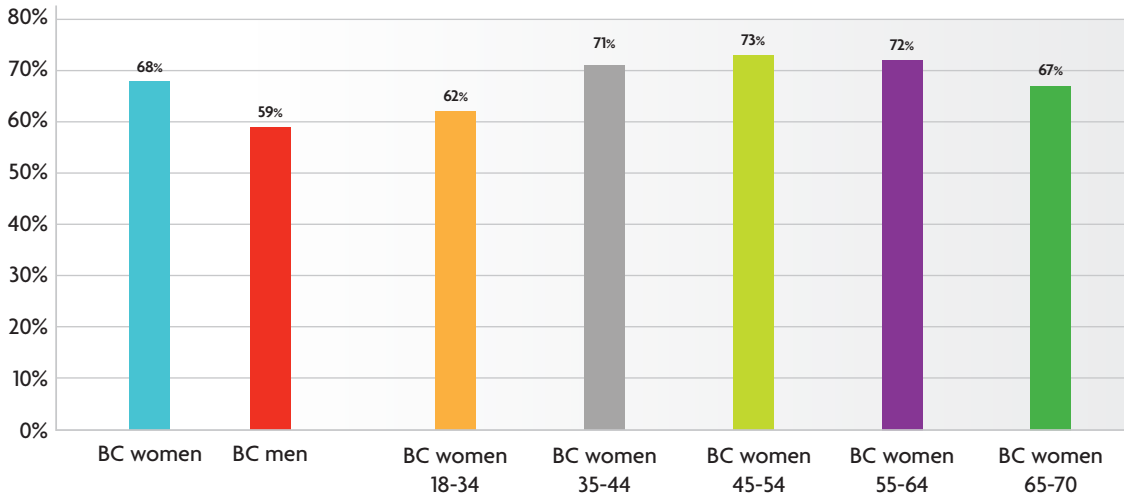
Furthermore, almost 22% of B.C. women surveyed say they do not feel confident their money-management decisions, compared to 16% of B.C. men and 20% of women in the rest of Canada. Asked if they feel confident working with numbers, 18% of B.C. women disagreed. Less than 13% of B.C. men, and 17% of women in the rest of Canada disagreed.

Figure 9: Financial knowledge and confidence: percentage of respondents who disagree with the following statements



Source: 2017 Canadian Financial Health Index study. All rights reserved.

Figure 10: Percentage of British Columbians who have not taken steps to build their financial knowledge over the past 12 months



Source: 2017 Canadian Financial Health Index study. All rights reserved.

Addressing the gaps

Addressing financial health gender gaps requires more effort from companies, employers and governments. There already exists a large body of research on gender gap issues; however, most of the public's attention and media focus remain on the wage gap. Opportunities exist for more discussion on the impacts that family, employment and participation gender gaps have on women, the economy and society.

One recent study, by McKinsey Global Institute, notes that “advancing women’s equality in Canada has the potential to add \$150 billion in incremental GDP in 2026, or a 0.6% increase to annual GDP growth... Put another way, this figure is equivalent to adding a new financial services sector to the economy. Each province stands to gain between 0.4 and 0.9% each year, with the most potential growth in British Columbia, Ontario, Prince Edward Island, and Quebec.”⁵⁰

British Columbians have already demonstrated a keen awareness of gender-based issues, and, in a poll conducted last year, 65% of B.C. residents surveyed said they believe there has been progress made in gender equality over the past 25 years.

The B.C. government announced in its 2018 budget measures aimed at delivering child care access and benefits to more families, which will allow more women to work full-time. Meanwhile, the federal government acknowledged in its 2018 budget that its proposed pay equity legislation “needs to be part of a broader array of policy tools such as the Government’s investments in early learning and child care, enhanced training and learning financing, enhanced parental leave flexibility, pay transparency, and the continued appointment of talented women into leadership positions.”⁵¹

Finding financial confidence and knowledge – regardless of one’s gender, age and life experience – is the first step a person can take to manage and improve financial health. Awareness and education are key, starting with an honest self-assessment and a frank discussion with a spouse, close family member, friend or financial service representative.

Studies show that women and men approach financial matters differently. For example, women are generally more risk-averse than men when making investment decisions. This can be a positive because, as other research demonstrates, women tend to fare better with their

investments over the long term,⁵² while finding more peace of mind with a cautious, conservative approach. And while women generally are less inclined than men to enjoy or find immediate satisfaction making investment and financial decisions, they are more likely to seek advice and work collaboratively with others.⁵³

Unfortunately, gender bias can still creep into investment and financial planning scenarios. A survey conducted in the U.S. found that in couples, men are almost twice as likely as women to feel they have their financial advisor’s attention during face-to-face meetings. The same U.S. survey found that women would much prefer their advisors ask about their financial issues than listen to the advisors talk about their own credentials.⁵⁴

More work is required – at various levels and among individuals – to recognize, acknowledge and mitigate financial health gaps, as suggested in the following recommendations:

Governments

- Introduce more financial literacy courses to school curricula.
- Develop education strategies to diversify vocational interests among young women and girls.
- Strive for universal access to child care and keep previous commitments to fund and create new spaces.
- Encourage a more balanced division of household operations and child care by the two parents.
- Recognize the value of unpaid labour that parents provide in child-raising and caregiving, and consider novel tax credits.

Companies and Employers

- Examine human resource practices and pay particular attention to remuneration. Develop equal pay policies and adhere to them.
- Examine promotion policies and ensure they are equitable and fair: Are women left behind because of institutional bias?
- Review and develop robust leave policies, particularly parental leave, and depending on resources, introduce measures that allow women to take longer paid maternity leave.
- Evaluate the feasibility of child-care benefits and onsite childcare for employees.

Financial institutions

- It is vital that financial institutions are aware that women often face greater financial pressures than men. Reinforce the message with planners and advisors. Financial planners and organizations would be wise to offer information and coaching sessions designed with female clients in mind.
- Understand that some women may wish to deal with female advisors only. Encourage all planners and advisors to seek gender or unconscious bias training.
- Offer financial literacy workshops in branches, in the community and in self-service digital formats that are accessible online. Workshops and scheduling should be flexible so that people can improve their financial skills without necessarily leaving their home.
- Provide money planning advice to all members and clients, not just those with high net worth.
- Offer options for socially-responsible investing. Women tend to care more than men about where their money is invested, and about whether this is a consideration for people managing their money.
- As part of a regular service transaction, ask the client or member about their savings plans and education savings plans for their children, and offer suggestions.

Individuals

- Take steps to evaluate your financial knowledge. Begin with the Statistics Canada “Canadian Capability Survey, Objective Personal Assessment” quiz.
- Ask your financial institution to meet with an advisor. Your personal wealth should not determine whether an advisor is made available to you. Do not hesitate to ask for a female advisor if that’s your preference.
- Become familiar with financial planning terms and strategies before seeking professional financial advice. Rather than simply taking direction, take control, by discussing, evaluating and learning.
- Create a list of all bank accounts, credit card accounts and investment accounts that you and your partner own jointly and independently.
- If you have a spouse, learn about their own financial picture: their earnings, savings, and retirement plans. Ensure you and your partner both have a will.

- Include your children in discussions about financial health, emphasizing to them the importance of saving money and managing expenses.
- Learn about available tax credits and benefits available to you and your families, such as registered retirement savings plans (RRSPs), registered education savings plans (RESPs) and tax-free savings accounts (TFSA).
- Get in the habit of putting a percentage of all income into a savings or rainy day fund. Consider setting up a regular, automatic savings deposit, and allow yourself to be “nudged”– or reminded – about savings goals and deadlines, by your financial institution or via your personal calendar.
- Look at available online resources and consider networking and discussion groups focused on financial health and gender gaps.

Methodology

The 2017 Financial Health Index survey was conducted between March 14 and April 30, 2017, and included 5,200 primary or joint financial makers across all provinces, excluding Quebec. Respondents ranged from 18 to 70 years of age and were recruited through a large national market panel. The sampling plan included stratified samples across Canada’s 32 largest census metropolitan areas (CMAs) and quota sample of rural areas (vs. urban and sub-urban cores) to ensure representative by geography. Screeners in the questionnaire ensure representative demographic distributions by age and gender. Finally, a boost sample of low-income earners was invoked.

In British Columbia, the Vancouver, Victoria, Kelowna and Abbotsford-Mission CMAs (i.e., urban/sub-urban core) are represented, collectively representing 90.3% of the analytical sample. Additionally, approximately 9.7% of B.C. respondents live in rural areas. All survey data were further weighted by province, gender, age, household income and Indigenous respondents prior to analysis and reporting.

This report provides the weighted total B.C. sample data, broken out by female vs. male respondents, as well as age cohort within female respondents.

Neither Vancity nor Seymour Management Consulting Inc. are responsible for the accuracy of secondary research contained in this report.

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