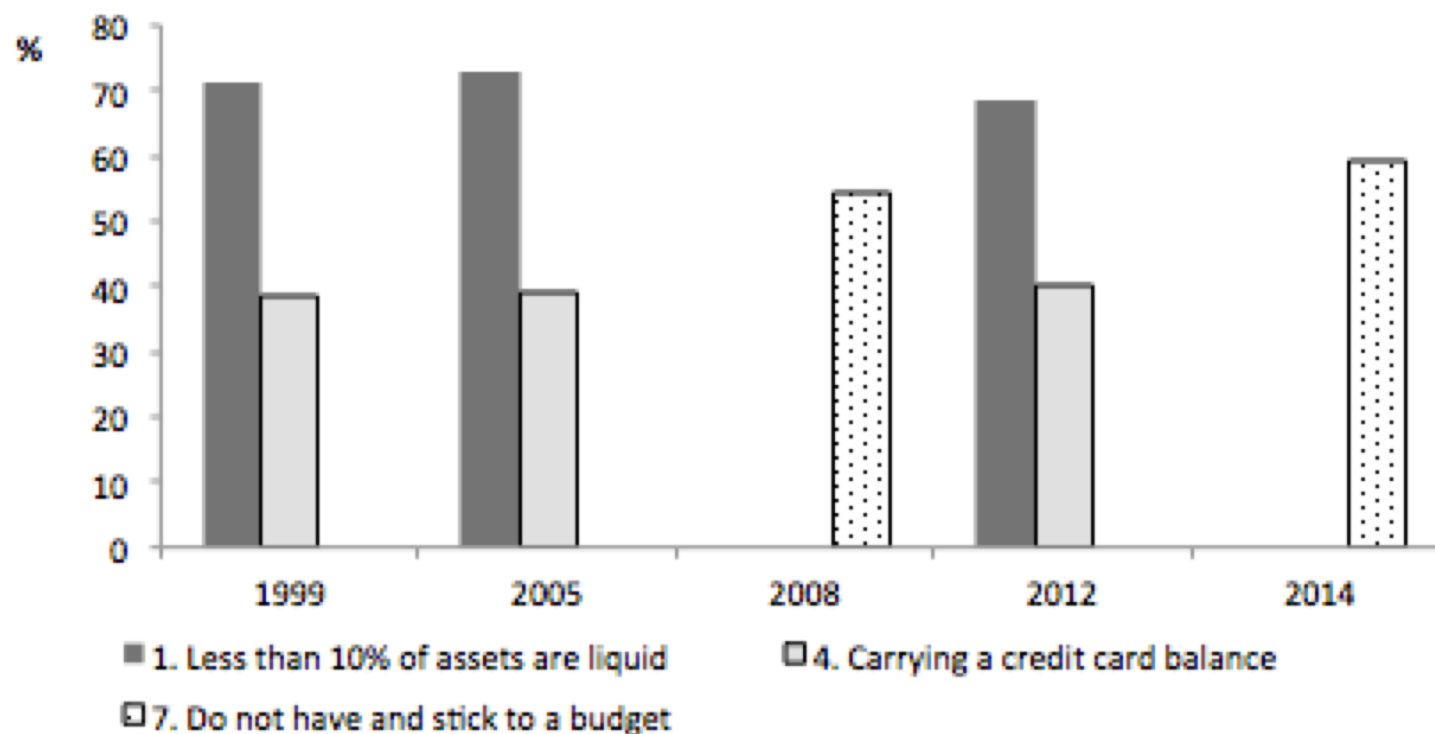
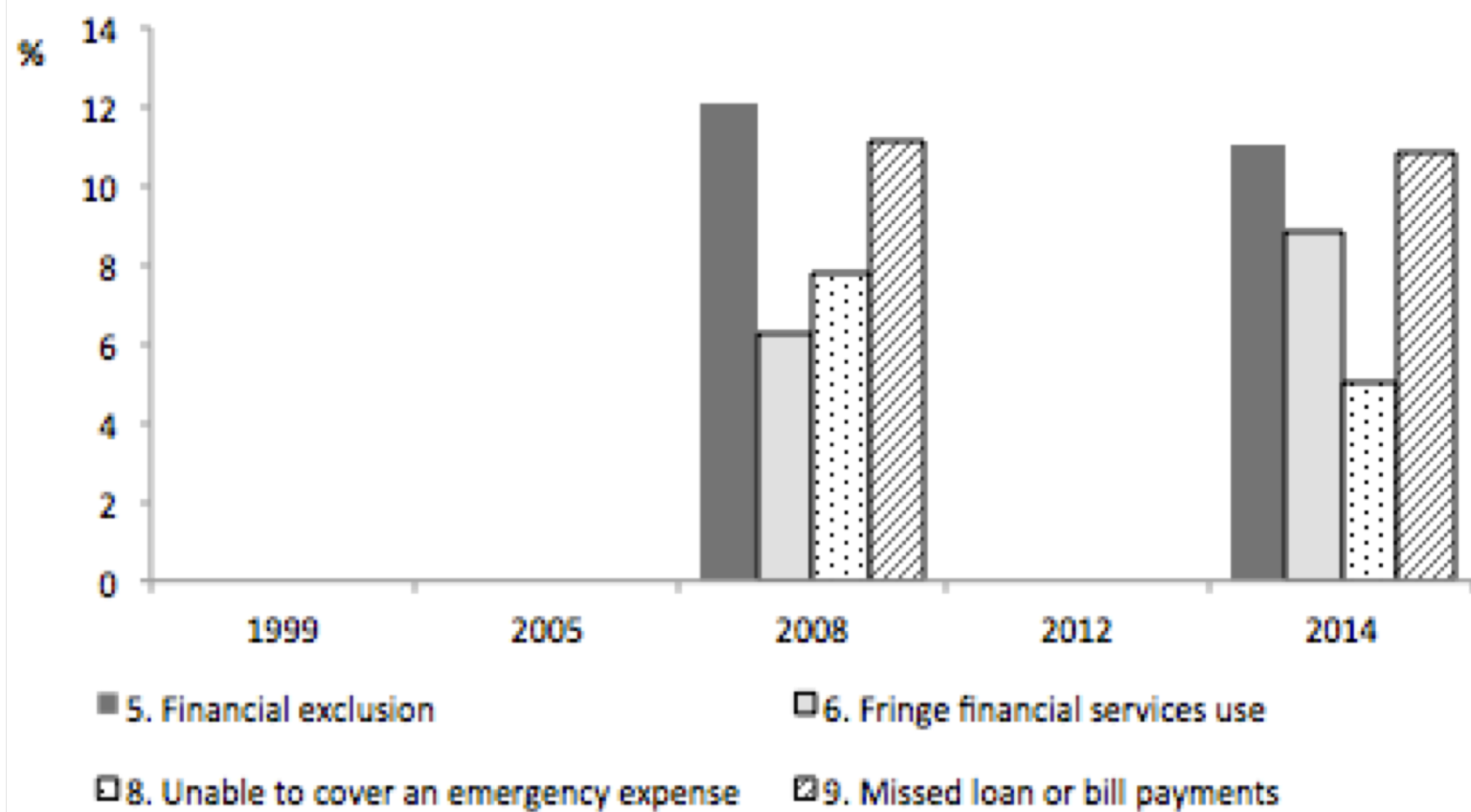


Indicators

Indicator	Description	Source
1. At least 10% of assets are liquid	Based on ratio of liquid assets to total assets. Total assets include pension assets on a termination basis. Liquid assets include cash deposits, investments outside of RRSPs, RESP savings and term desposits.	SFS
2. Negative or \$0 net worth	Based on equivalized net worth (including pensions).	SFS
3. Low income and net worth	Based on equivalized net worth and equivalized family income. Net worth is low if it is \$0 or negative. Income is low if it is below ½ of the median or \$16,103.	SFS
4. Carrying a credit card balance	Based on a \$1 or greater balance in debt owed on all credit cards (including store cards).	SFS
5. Financial exclusion	The respondent reports having no deposit account or no one in the economic family has a credit card.	CFCS
6. Fringe financial services use	The respondent reports personal or family use in the last 12 months of any of payday loans, pawnshops or cheque cashers.	CFCS
7. Having and sticking to a budget	The respondent reports that the economic family does have a budget and that it stays within that budget “always” or “usually”.	CFCS
8. Unable to cover an emergency expense	The respondent is unable to name one or more methods (ranging from use of savings to formal and informal borrowing) to meet an emergency expense and reports that he or she would not be able to such an expense. The expense is set at \$500 if family income is below \$60,000 and \$5,000 for family income of \$60,000 or more.	CFCS
9. Missed loan or bill payments	The respondent reports having fallen behind by two months or more on regular loan or bill payments in the last 12 months. The question may refer to either personal or family obligations.	CFCS
10. Missed housing payments	The respondent reports having fallen behind by two months or more on regular rental housing or mortgage payments in the last 12 months. The questions may refer to either personal or family obligations.	CFCS

Figure 1: Incidence of financial vulnerability, various indicators (SFS 1999, 2005 and 2012; CFCS 2008, 2014)





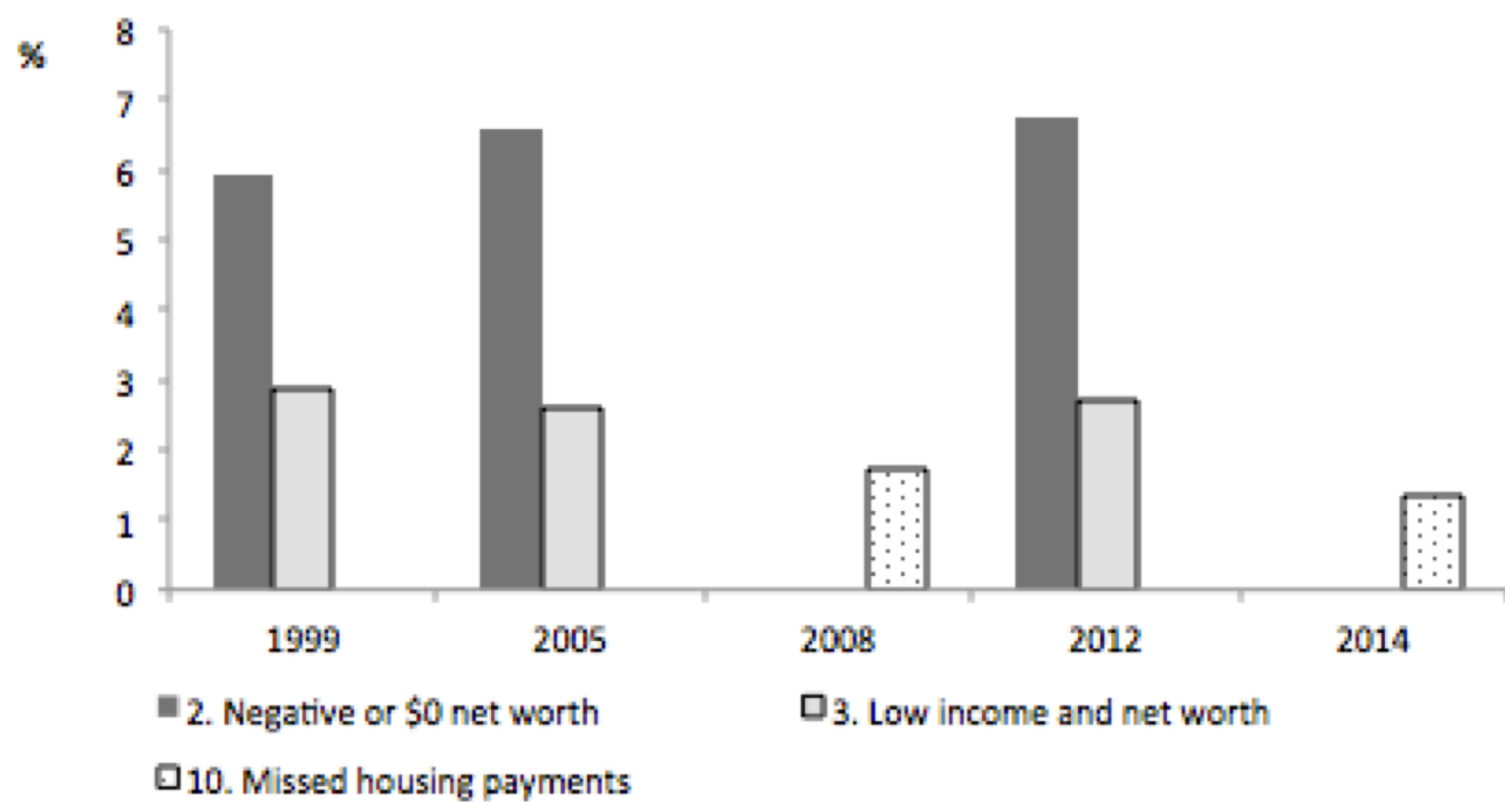
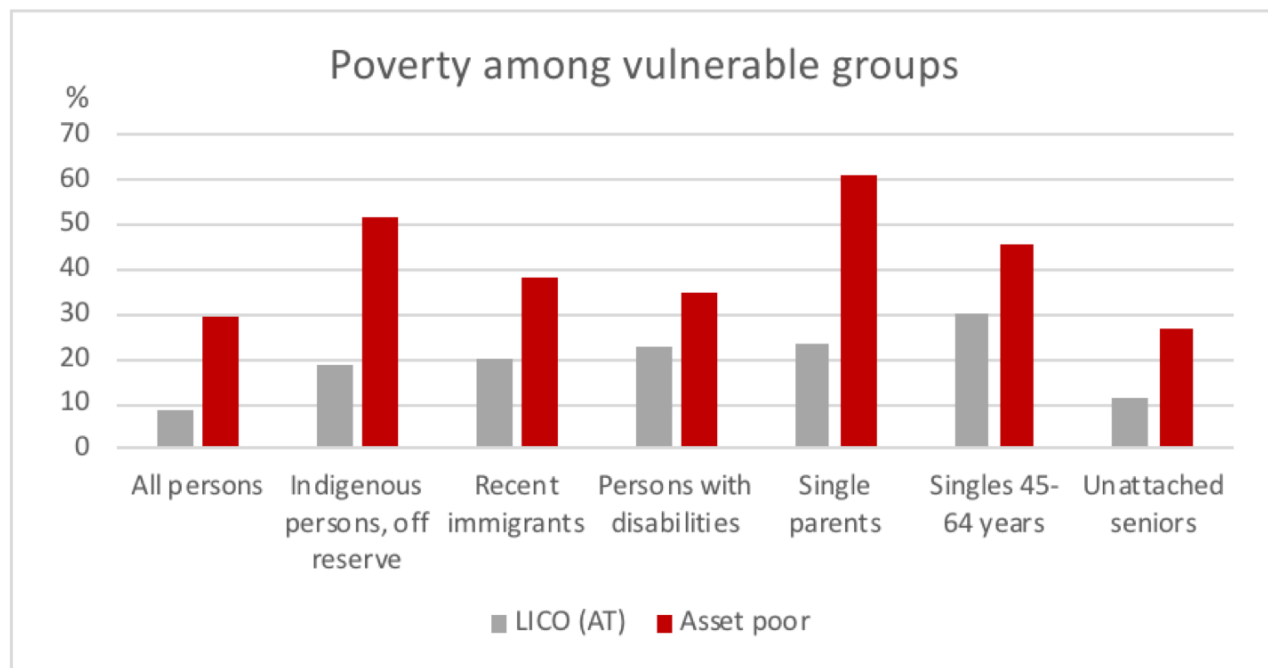


Figure 1: Incidence of poverty in Canada, comparing vulnerable groups by measures using income and assets



Sources: ESDC (2016) "Towards a Poverty Reduction Strategy – A backgrounder on poverty in Canada and author's calculation using 2012 cycle of the Survey of Financial Security, Master Data File. Note: The 2012 data is the most available.

Table 2: Poverty among working age adults, 1999, 2005 and 2012

	1999	2005	2012
LIM	15.6	16.7	15.3
Asset poverty: financial assets insufficient to sustain a household for			
1 <u>mo</u> at LIM	36.9	34.6	32.8
3 <u>mo</u> at LIM	54.1	53.8	48.8
6 <u>mo</u> at LIM	65.9	65.9	61.7

Source: Rothwell and Robson (2017)