

Focus: Banks and Financial Literacy



Focus Sheet

FAST FACTS

Over 99 per cent of adult Canadians have a bank account with a financial institution,¹ and millions turn to banks daily for advice to help them save, plan for retirement, start businesses and buy homes.

The Bottom Line

Financial literacy is an essential life skill. Developing an understanding of money at a young age will help people better manage their money in the future, but people of all ages need to have the necessary tools to make informed financial decisions. The banking sector has long recognized that it has a role to play in supporting and strengthening financial literacy, and banks support many programs to help Canadians.

Banks are an active and essential part of the daily life of most Canadians – over 99 per cent of adult Canadians have an account with a financial institution – and so millions turn to banks every day for services and advice to help them save, plan for retirement, start businesses and buy homes.

Banks' commitment to financial literacy

Banks already provide their customers and potential customers with a wealth of educational material, information, tools and services to help them make the best financial choices. But the



banks' commitment goes well beyond providing financial advice to customers.

Banks are leaders in supporting financial education activities in communities across the country, helping millions of Canadians improve their financial skills. They do this by:

- providing financial support and volunteers for a variety of financial literacy programs run in communities across the country by educational and not-for-profit groups
- creating their own financial education programs and services for clients and the general public
- providing financial and volunteer support for the good work that not-for-profit credit counselling agencies do in local communities across Canada

Bank sector contributions to Canada's National Strategy on Financial Literacy

The Government of Canada's [*Make Change that Counts: National Financial Literacy Strategy*](#) is a call to action to make the financial ecosystem more accessible, inclusive, and effective for all Canadians. The banking sector is supportive of the strategy's goals. The CBA submitted its recommendations on the renewal of the Strategy in January 2021: <https://cba.ca/renewing-canadas-national-strategy-for-financial-literacy>

The Canadian Bankers Association (CBA) has been a proponent of advancing financial literacy, education and wellness for more than 40 years. Through the CBA's recommendations to the federal Task Force on Financial Literacy, as a contributor to the development of the *National Strategy*, and as a partner on the creation of two financial literacy programs, the CBA has worked collaboratively with the Financial Consumer Agency of Canada to strengthen the financial literacy of Canadians.





Bringing financial basics to the classroom

Banks recognize that providing young Canadians with information and tools to understand the importance of money management at an early age helps improve the financial literacy of Canadians as a whole.

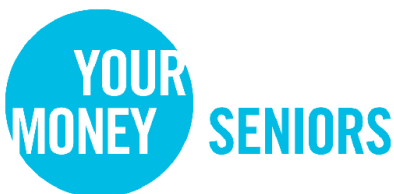
In addition to the initiatives sponsored or led by the individual banks to promote financial literacy, the banks have also jointly supported a non-commercial in-class seminar since 1999 called [Your Money Students](#). To date, banker volunteers have delivered more 8,500 seminars to more than 256,000 students across Canada, teaching them the basics of how to save, budget, and protect their money.

In 2019, the Canadian Bankers Association launched a refreshed and modernized version of Your Money Students. Improvements to the program include:

- A modern design and visual identity to enhance learning outcomes for today's young Canadians;
- Improved delivery methods to increase engagement in the classroom;
- An interactive web-based "Lifestyle Reality Check" budgeting app; and
- Cloud-based technology to modernize program administration and coordination with volunteers and teachers.

Improving the financial literacy of seniors

The CBA's Your Money Seniors program, developed in collaboration with the Financial Consumer Agency of Canada in 2014 and updated in 2020, provides seminars to seniors on the topics of:



- cash management in retirement
- avoiding financial fraud
- preventing financial abuse



[Your Money Seniors](#) is presented by bankers in the community volunteering their time and expertise and is available to seniors' groups across the country.

How banks are helping

Banks have long supported or offered programs to help improve financial literacy, with many listed here: cba.ca/financialwellness.

Examples include:

- [Talk with Our Kids About Money Day](#) – Organized by the Canadian Foundation for Economic Education and sponsored by Scotiabank, this program provides materials for both teachers and parents to serve as a catalyst for discussions about money.
- MagnusCards – Sponsored by CIBC, this free app coaches people with cognitive special needs through everyday situations, including banking, grocery shopping, taking the bus or even doing laundry.
- [The Prosper Canada Centre for Financial Literacy](#) – Funded by TD Bank Group, the Centre is dedicated to supporting financial literacy capacity across Canada and helps organizations serving low income Canadians with training and program support.
- [Entrepreneurship 101](#) - CIBC, in partnership with MaRS, developed this course covering the fundamentals of starting and building a new venture: testing the market, defining a business model, and organizing finances.
- [Junior Achievement Programs](#) – These popular programs are offered in schools and teach money management skills as well as business and entrepreneurship education. Several banks in Canada are supporters of Junior Achievement including CIBC, RBC, TD Bank Group, Scotiabank, National Bank of Canada and BMO Financial Group.
- [Learning with Leo](#) – Created by RBC, this free app is designed to provide practical and fun ways to teach children ranging from age three – six about the concepts and value

of money. It includes game and activities that help them develop a foundation of basic money skills.

- [Money Matters](#) – Sponsored by TD Bank Group, Money Matters is a free financial literacy and education savings program for adult learners developed by ABC Life Literacy Canada.
- [Help with Managing Money on Campus](#) - with support from National Bank, the Canadian Foundation for Economic Education will be creating a program to help support the financial education and capability of university and college students. by National Bank, the Answer Bank offers articles and information for families, home-owners, students, and business owners.

Bank support for credit counselling



There are many community organizations delivering education on financial skills to Canadians and many of these programs are supported by banks and involve bankers. Not-for-profit credit counselling agencies provide help for individuals who are having difficulty repaying their debts, including guidance on budgeting and money management and, if necessary, intervention on repaying debts through structured debt management plans. Banks provide volunteers for credit counselling boards and donate millions of dollars to support the work credit counselling agencies undertake in their communities to provide financial education and counselling.

¹ World Bank, Global Findex Database 2017:
<https://bit.ly/3cPauyB>

The Canadian Bankers Association is the voice of more than 60 domestic and foreign banks that help drive Canada's economic growth and prosperity. The CBA advocates for public policies that contribute to a sound, thriving banking system to ensure Canadians can succeed in their financial goals.

Canadian Bankers Association www.cba.ca

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