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2012 omnibus poll: Canadian budgeting, saving and investing behaviour

Prepared by



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Half (46%) of Canadians always budget their money, but one-quarter (24%) don't budget at all.

When it comes to saving and investing, most Canadians don't save or invest for their child's education (42%), retirement (44%) or big ticket items (44%).

According to research commissioned by Investor Education Fund (IEF), half of Canadians (46%) always budget their money, but one-quarter (24%) say they don't budget their money at all. Other Canadians tend to budget for specific purchases or contingencies. Two in 10 (17%) Canadians budget for big ticket items only, such as events, vacations and gifts, while only 13% say they budget for emergencies.

- Women (49%) are more likely than men (43%) to always budget their money, while men (28%) are more likely than women (21%) to say they don't budget.
- Middle-aged Canadians (27%), aged 35-54, and Canadian seniors (28%), aged 55+, are more likely to say they don't budget their money compared to young Canadians (16%), aged 18-34. By contrast, younger Canadians (49%) are more likely to always budget their money compared to middle-aged (44%) and senior (45%) Canadians.
- One-quarter of Canadians making less than \$40,000 annually (26%), between \$40-\$60,000 annually (26%), and between \$60-\$100,000 annually (24%) say they don't budget their money, compared to two in 10 (19%) of those making over \$100,000 annually. Conversely, those making between \$40-\$60,000 annually (50%) and less than \$40,000 annually (46%) are also more likely to always budget their money, compared to those making between \$60-\$100,000 annually (42%) and \$100,000+ annually (42%). Canadians with higher incomes of \$60-\$100,000 annually (21%) and \$100,000+ annually (25%) are more likely to budget for big ticket items than those making lower incomes less than \$40,000 annually (15%) or \$40-60,000 annually (10%).



- Interestingly, there is no significant difference between parents and those without children when it comes to budgeting. A minority of parents (43%) and those without children (46%) say they always budget their money. One-quarter of parents (23%) and those without children in the household (26%) say they never budget their money. However, parents (20%) are more likely to budget for big ticket items than those without children (15%).

When it comes to savings and investing, many Canadians continue to have a laissez-faire attitude. One-third (34%) of Canadians do not save or invest at all when it comes to their own finances, while four in 10 (44%) don't save or invest for their retirement or big ticket items they wish to purchase. When averaged across all survey categories, half of Canadians (48%) do not save or invest at all. Of those that do invest and save, most prefer to do so on a monthly basis. Below is a complete breakdown of the frequency that Canadians save and invest for important events or purchases.

	Child's Education	Retirement	Big Ticket Items
Weekly	3%	9%	10%
Monthly	18%	27%	27%
Annually	9%	20%	18%
Don't Invest/Save	70%	44%	44%

- When it comes to saving or investing for their children's education, four in 10 (42%) parents say they never save or invest at all, while another four in 10 (35%) say they invest monthly.
- Two-thirds (67%) of Canadians making less than \$40,000 annually do not save or invest for their retirement, especially compared to Canadians making more annually (\$40-\$60,000 annually – 36%, \$60-\$100,000 annually – 34%, over \$100,000 annually – 22%). Parents (13%) are more likely than those without kids to save or invest for retirement (8%), while those



without kids (47%) are more likely to not save or invest for their retirement at all compared to parents (40%). Half of younger Canadians (53%) say that they don't save or invest for retirement, while only a minority of middle-aged (38%) and senior (44%) Canadians do the same.

- When factoring in saving or investing for big ticket items, Canadians making over \$100,000 annually are more likely to save weekly (14%) and monthly (37%) compared to those in lower income brackets. Younger Canadians (14%) are more likely to say they save weekly for big ticket items compared to middle-aged (8%) and senior (6%) Canadians. However, middle-aged (47%) and senior (48%) Canadians are more likely to say that they never save or invest for big ticket items than younger Canadians (33%).

These are some of the findings of an Ipsos Reid poll conducted between August 7 and August 13, 2012, on behalf of IEF. For this survey a sample of 1,319 Canadians, of which 500 had children in their household, from Ipsos' Canadian online panel was interviewed online. Weighting was then employed to balance demographics to ensure that the sample's composition reflects that of the adult population according to Census data and to provide results approximate the sample universe. A survey with an unweighted probability sample of this size and a 100% response rate would have an estimated margin of error of +/- 2.7 percentage points, 19 times out of 20, of what the results would have been had the entire population of adults in Canada been polled. All sample surveys and polls may be subject to other sources of error, including, but not limited to coverage error and measurement error.