

PROBLEM

ESTIMATED
**DEBT
TO
SAVINGS***
RATIO

1:3 | **2:1**
1991 | 2011

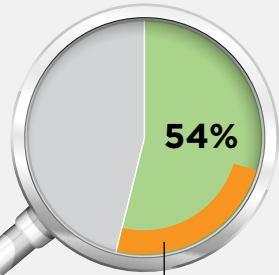
Savings crisis: 20 years in the making

Against the backdrop of decreasing savings and increasing debt, a recent Investor Education Fund survey** explored the consequences of inaction and a household savings crisis, 20 years in the making.

CONTRIBUTING FACTORS

WHERE IS THE BUDGET?

Canadians do not budget regularly...



...and 24% do not budget at all.

LIMITED SAVINGS

Canadians NOT saving/investing for:

44%



Retirement

44%



Big ticket items

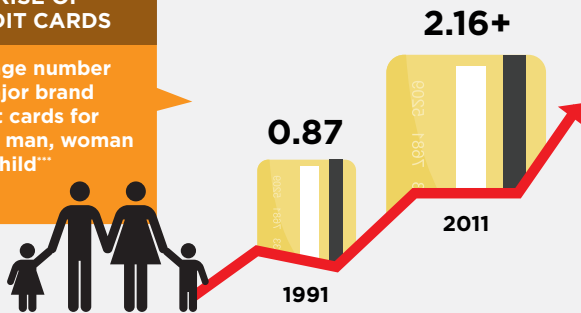
42%
of Canadians
with children



Children's education

THE RISE OF CREDIT CARDS

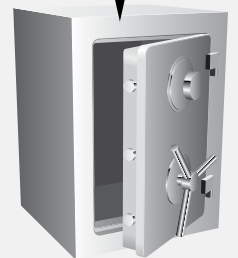
Average number of major brand credit cards for every man, woman and child***



SAVINGS INACTION****

Percentage of people who do not save at all.

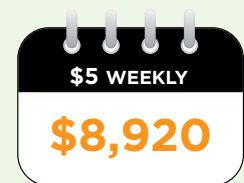
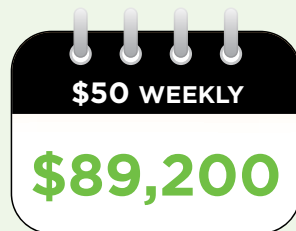
48%



OPPORTUNITIES

SMALL STEPS MATTER

Invested at 5% compounded monthly over 20 years:



Results generated using the Compound interest calculator found on GetSmarterAboutMoney.ca.

* Roger Sauvé. *The Current State of Canadian Family Finances 2011-2012 Report*. Ottawa: The Vanier Institute of the Family, 2012.

** Investor Education Fund omnibus survey conducted by Ipsos Reid from August 7 to 13, 2012.

*** Canadian Bankers Association. Credit Card Statistics - VISA and MasterCard. February 23, 2012; Statistics Canada census data.

**** Average calculated across "retirement," "big ticket items," "children's education" and "own finances" survey categories.