

# Primerica's Financial Security Scorecard Reveals Lack of Financial Preparedness Among Middle-Income Canadians

*Not Saving Enough for Retirement Tops the List of Concerns*

- 61% made at least one really bad financial decision, losing an average of \$29,000
- Only 36% think they are saving enough for retirement
- Just 38% are confident they could pay for an emergency expense

TORONTO--(BUSINESS WIRE)-- Primerica, Inc. (NYSE: PRI), a leading provider of financial services to middle-income families in North America, today released its [2019 Canadian Financial Security Monitor](#) which found many Canadians remain anxious about their long-term financial security. Based on a survey of 1,000 middle-income Canadians with household incomes between \$20,000 and \$100,000, the Monitor found that many families are not taking the essential steps necessary to secure their financial future.

Primerica's Monitor provides a detailed snapshot of middle-income Canadians' financial preparedness, habits, and concerns. It revealed that only one-third of respondents feel confident in their understanding of general financial concepts such as budgeting, saving, and investing. Those who have met with a financial professional showed stronger financial knowledge and preparedness based on the Monitor's Financial Security Scorecard. Not surprisingly, when given the choice between meeting with a licensed professional in-person or doing their own online research to make a major financial decision, the majority (64%) of participants would choose to talk with a professional.

Retirement savings is the number one financial concern for middle-income Canadians (62%). However, the majority don't view retirement savings as a critical element of success until after age 50, leaving less time to set aside funds needed to secure a comfortable retirement. Many are concerned that their family might not be able to pay their bills if they die (52%).

"Primerica has spent over three decades serving Canada's middle market, and we were not surprised that the Monitor revealed that most working families don't feel confident enough to take the steps necessary to achieve financial security," said John Adams, CEO of Primerica Canada. "Every day, Primerica's representatives are focused on helping middle-income families across the country. We break down financial concepts into straightforward language and provide a roadmap to help them determine the right next steps toward a more secure financial future."

## **Costly Financial Mistakes**

Nearly two-thirds of respondents (61%) acknowledge making at least one really bad financial

decision, with an average loss of more than \$29,000.

### **Many Concerned About Credit Card Debt**

High credit card debt remains a concern for middle-income Canadians. Their average credit card debt is over \$3,300 and nearly half do not pay off their credit card balance every month. Millennials fair worse than their older counterparts, with almost twice as many paying only the minimum required or less each month (21% vs. 11%.)

### **Need to Prepare for Emergencies**

Just over one third are confident they could pay for an emergency expense, and 65% worry about how their families would cope financially if faced with a major medical expense, or if there was a significant economic recession.

### **The Benefit of a Financial Professional to Long-term Preparedness**

To measure long-term preparedness, the Monitor included a *Financial Security Scorecard*.

Survey respondents were graded based on whether or not they engage in the following financial preparedness fundamentals:

- Making more than the minimum payment on credit card bills every month;
- Having \$50,000 or more In life Insurance coverage;
- Saving every month, regardless of amount;
- Investing some of their money in accounts outside of traditional savings accounts;
- Having enough savings to cover three months of expenses if the primary breadwinner loses his or her job.

Over one quarter of middle-income Canadians (27%) reported doing two or fewer of these financial fundamentals. Those who met with a financial professional showed stronger results: 82% of those who met with a financial professional earned a C or better, compared to just 54% of those who have not met with a financial professional.

“Our Financial Security Monitor confirms that financial security is something that everyone strives for and most people would benefit from the assistance of a financial professional in mapping a course toward that goal,” Adams added. “Due to our 33 years of experience helping middle income families prepare for their financial futures, Primerica is uniquely positioned to provide that critical part of the financial equation.”

### **About the Primerica Financial Security Monitor**

This survey was designed and conducted by Golfdale Consulting, an independent research and insights firm, on behalf of Primerica. The nationally-representative online survey polled 1,000 middle-income Canadians, resulting in a margin of error of about 3 percentage points at a 95% confidence level. The poll was completed in February 2019 to better understand their knowledge, attitudes and behaviors related to their personal finances. Respondents were ages 18 and older and had total annual household incomes between CAD\$20,000 and \$100,000. For the full report, visit <http://www.primericacanada.ca/public/canada/our->

[impact.html](#).

## **About Primerica, Inc.**

Primerica, Inc., headquartered in Duluth, GA, provides financial services to middle income households in North America. In Canada, Primerica is headquartered in Mississauga, Ontario. Primerica representatives educate their clients about how to better prepare for a more secure financial future by assessing their needs and providing appropriate solutions through term life insurance and segregated funds through Primerica Life Insurance Company of Canada, mutual funds through PFSL Investments Canada Ltd., as well as debt consolidation loans, disability insurance and other financial products. Across North America, Primerica insured more than 5 million lives and had over 2 million client investment accounts at December 31, 2018, and it was the #2 issuer of Term Life insurance coverage in 2018. Primerica stock is included in the S&P MidCap 400 and the Russell 2000 stock indices and is traded on The New York Stock Exchange under the symbol "PRI."

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Keith Hancock, Primerica

Tel: 470-564-6328

Email: [keith.hancock@primerica.com](mailto:keith.hancock@primerica.com)

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