Canadian Financial Diaries Research Project

Environmental Scan of Financial Literacy Providers in Canada

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Environmental Scan of Financial Literacy Providers

Introduction

The Canadian Financial Diaries (CFD) project is a multi-year mixed methods research project that examines the financial lives, challenges, and resilience of Canadians living with low and modest incomes. Through detailed financial diaries and in-depth interviews with 80 participants from across Canada, the project documented how individuals and families managed their incomes, expenses, savings, debt, and financial relationships. In Phase One, researchers met bi-weekly with 28 diarists (in person) over a twelve-month period. In Phase Two, researchers met (virtually) with 52 participants on a monthly basis for 6 months. While meeting with diarists and discussing their financial diaries, researchers not only gathered quantitative data about diarists but also developed trust relationships and learned much about the diarists' lives and the contexts in which they lived out their financial lives. This included the structural and financial barriers and opportunities that diarists faced, the values that informed their financial decision-making and the resilience and financial capability demonstrated by diarists with very constrained resources.

After each of the data collection phases, a period of analysis and writing followed. One interesting finding was that many of the diarists were capable financial managers despite having limited incomes. Many diarists spoke about practicing common behaviours identified by financial literacy programs– saving, budgeting, investing, borrowing, lending and planning for the future- albeit using more informal approaches such as mental budgets and peer lending. These findings contradicted the common stereotype of low-income earners being poor financial managers. Undergirding this stereotype is the assumption that that poverty is a result of a lack of financial literacy, leading to poor financial management, and that the solution to financial wellbeing is to provide financial literacy training.

There is, however, a fundamental tension between financial literacy and poverty. This tension plays out in some methods used to measure financial literacy. The tension is that some measures of financial literacy find that people with low incomes have lower financial literacy than non-poor people. This happens when it is assumed that relevant indicators of financial literacy are universal (e.g., do you understand compound interest?) when in fact financial literacy needs vary and one dimension on which they vary is income and wealth.

The conclusion that low-income people are less financially literate leads to at least two more problematic conclusions. First, that because people with low-income are less financially literate[1] than non-poor people, the cause of their poverty is a lack of financial knowledge. And logically, financial education is the solution to their knowledge deficit and their poverty.[2] It's hard to understand how education around compound interest can help a low-income person who spends what they earn on their immediate needs. What might be more beneficial is information about accessing supports such as government entitlement programs or job training programs.

A second problematic conclusion is that low-income people are in greater need (than non-poor people) for financial education. This becomes a problem if the curriculum is focused on a set of standard learnings including such things as the nature and consequences of compound interest. It might be that this knowledge can be helpful, but it is

[1] According to standardized measures of financial literacy, often based on the 'Big 3' or Big 5' questions. https://gflec.org/education/questions-that-indicate-financial-literacy/

[2] Buckland, Jerry, Jennifer Frimpong, Wendy Nur, and Wayne Simpson. 'Financial capability of people with low income: Results from the Canadian financial diaries,' Poverty Public Policy, 2024, 1-16.

also possible that is not aligned with this person's perceived or real education needs and that it does not help them. For particular socio-economic groups.[3]

What is the relationship between financial literacy and poverty? Are low-income individuals inherently less financially literate? [4] Conventional frameworks, often grounded in rational actor models, emphasize universal measures such as numeracy and compound interest, which may not align with the realities of poverty. How do access to institutions, community supports, and personal capacity (particularly income) shape financial literacy? What might we learn from the use of context-sensitive indicators, recognizing that effective financial management among low-income people often depends less on numeracy and more on social and institutional factors?

Nested within the wider research context of the CFD research Project, this research narrows the lens onto financial literacy. Several methods were used to investigate financial literacy and identify potential indicators tailored to low-income people and households. These included a literature review, an environmental scan of financial literacy providers (both mainstream and those targeting low-income participants), and interviews with representatives of organizations providing financial literacy and empowerment to low-income and marginalized individuals and groups. The remainder of this report is organized as follows: environmental scan, key person interviews, mystery shop, conclusion, and questions for future research.[5]

Environmental Scan

Methods

An online environmental scan of organizations that provide financial literacy was conducted to gain preliminary insights about similarities and differences between financial literacy programming directed at low-income Canadians and households and that targeted at middle-to-upper-income households.

The objective of the environmental scan was to identify a list of financial literacy training providers with the aim of looking at their websites/materials to glean information about the kind of financial literacy training they offer (topics covered, targeted audience, delivery context, etc.). The scan looked at those who tailored their financial literacy training for low-income and marginalized groups, as well as those offering more mainstream, stand-alone approaches to financial literacy education. We hoped to identify or deduce the theory of change and indicators of financial literacy based on the offerings of each provider.

Generative AI (ChatGPT) was used as a tool to identify the names of potential financial literacy providers. Two searches were performed. The first[6] looked to identify those who offered programs for vulnerable and marginalized Canadians. For this group, we chose to include the term 'financial empowerment '.[7] Ten key organizations/programs were

[3] A needs and assets assessment is needed to determine what financial education, if any, is needed.

[4] This was written by OpenAI. (2025, September 15). Abstract of *Financial literacy indicators and poverty* [Large language model-generated text]. ChatGPT. https://chat.openai.com/

[5] Please note that we have shared the report with some of the financial literacy providers mentioned here before finalizing this report, and we have attempted to integrate certain features of this feedback into this draft.

[6] A detailed search log was created. Please see Appendix A: ChatGPT query re financial literacy providers.

[7] *"Which organizations are providing training in financial literacy/ financial empowerment programming specific to low-income and marginalized Canadians at a federal level?"*

identified.[8]. The second AI query[9] looked to identify more mainstream financial education aimed at middle and upper-income Canadians. As with the previous query, an initial question was posed to ChatGPT[10] and then further prompts were used, resulting in a list of seven organizations/initiatives.[11]

In addition to the above, three organizations that were involved with recruiting participants for the CFD project were included in the online website scan of financial literacy providers to low-income individuals - SEED Winnipeg, Momentum Community Economic Development Society, and ABC literacy.[12]

While the AI response offered general high-level information about the types of programs, the aim of this search was to identify the names of providers of financial literacy/empowerment for the web scan. After this step, an environmental scan was conducted of each organization's website to obtain a snapshot of their offerings. The following categories were populated: Key organizations & Programs; Description; Website URL; Options highlighted on the website; Specific groups targeted, Financial Literacy; Notes. The first two categories were used to note the data gleaned by the AI inquiry, and the remaining categories were used for the scan, and utilised to capture information about financial literacy offerings. Notes were made about the types of resources available, target audience, specific tools & trainings offered, topics covered in the training, and where available, the competencies targeted. Wherever available, resources were downloaded or noted for possible future investigation.

Results: Differences between financial literacy providers arising in the scan data

Financial literacy education for both audiences assumes a knowledge gap. Though the topics are similar, there is a greater focus on 'basic'[13] concepts for low-income financial literacy recipients. More mainstream financial literacy targets higher-income earners, who are likely to be professionals or employees with financial benefits who have sufficient income to think about investing for the future (Table 1).

The providers of financial literacy programming aimed at higher-income Canadians were mainly banks, professional associations, and insurance providers. The financial literacy information is presented in a format that could be offered by employers (as part of HR), banks, or professional associations (for professional training and certification), or as a stand-alone service.

Financial literacy offered to higher-income earners focused on individual knowledge and skill about topics related to wealth-building. The topics offered assumed a certain level of disposable income and the focus was on

[8] Key organizations identified: Prosper Canada; YWCA Canada; YMCA of Greater Toronto; CPA Canada; AFOA Canada; Access Alliance; The Canadian Association for Financial Empowerment (CAFE); Family Services of Greater Vancouver (FSGV); ABLE Financial Empowerment Network; Federal Funding via Employment and Social Development Canada (ESDC) / Social Development Partnerships Program (SDPP).

[9] A detailed search log was created. Please see Appendix B: ChatGPT search for mainstream FL aimed at middle- & higher-income Canadians

[10] *Please create a list of organizations which are providing training in financial literacy/ financial empowerment programming specifically geared towards middle and upper-income Canadians at a federal level?"*

[11] Chartered Professional Accountants of Canada (CPA Canada); Canadian Foundation for Economic Education (CFEE); Financial Consumer Agency of Canada (FCAC); Financial Literacy Counsel Inc.; Acera Benefits; RBC Wealth Management; Canadian Securities Institute (CSI) — though this is a professional education provider rather than direct consumer-education

[12] SEED Winnipeg and Momentum (Calgary) were instrumental in the recruiting phases of the CFD and referred current or past graduates of their programs.

[13] Budgeting, short-term savings, tracking, debt management, access to benefits if applicable

optimizing and preserving wealth. Topics covered included wealth building, investment strategies, estate planning, all focused on long-term asset accumulation and preservation.

Providers of financial literacy programming aimed at low-income Canadians, however, were mostly non-profits, community organizations, and social service agencies. The financial literacy program information was often nested within broader community or empowerment programs[14][15], and was sometimes presented as one of several "pillars" upon which they based their services. The delivery modality was often to embed financial literacy offerings within community-orientated programs such as job training or newcomer assistance.

Financial literacy programs focused on low-income persons focused predominantly on daily financial management practices and the basics of finance (Table 1). Topics mentioned in such programs included things like budgeting, spending, credit, saving (short-term/emergency funds), access to benefits or income tax preparation services. The focus was fixed on short-term financial stability. Topics appeared less future-orientated or investment-focused. Where savings were discussed, these were seen more as ways to buffer financial outflows and unexpected expenses rather than resource for retirement planning. Groups mentioned on these websites included those who are typically seen as more economically vulnerable newcomers, Indigenous peoples, youth, seniors and job seekers- groups often facing several areas of disadvantage.

Table 1: Overview of differences between financial literacy program offerings

Category	**Low-income focused programs**	**Mid-to-high-income-focused programs**
Website differences	Often nested within broader community or empowerment programs; sometimes one of several "pillars"	Presented as stand-alone services or as employment/professional benefits
Delivery modality	Embedded in non-profit or community programs; tied to wider supports such as job training or newcomer assistance	Offered by employers, banks, or professional associations; part of HR benefits or professional training
Providers	Non-profits, community organizations, social service agencies	Banks, investment firms, corporations, professional associations
People targeted	Low-income, marginalized, newcomers, job seekers; often served in multiple areas of disadvantage	Higher-income earners, investors, professionals, employees with financial benefits
Topics mentioned	Budgeting, spending, credit, saving (short-term/emergency funds), access to benefits	Wealth building, investment strategies, estate planning, long-term asset accumulation

[14] Please note that for the purposes of this scan, mention of financial empowerment is not automatically equated with actual delivery of financial empowerment. This topic is explored in more detail in a subsequent section of this report.

[15] For definitions, please see Appendix F: What is financial empowerment?

Category	Low-income focused programs	Mid-to-high-income-focused programs
Focus	Short-term financial stability and empowerment; sometimes linked to programs like home ownership	Long-term and generational goals such as retirement planning, portfolio management, wealth growth

A closer look into two financial literacy providers

To better understand the differences between financial literacy aimed at low-income earners and that offered to those who are more middle- to upper-income earners, one provider was purposively selected from each group included in the environmental scan. Prosper Canada was selected from the low-income focused group and Chartered Professional Accountants of Canada (CPA Canada) was chosen from the higher income focused group. These were chosen due to the availability of information about financial literacy programming included on the website and availability of materials which could be downloaded during the initial scan. This analysis involved scanning the downloaded resources to look in more detail at the financial literacy training offered.

Results

The results reinforce the earlier findings of the website scan. While there appears to be an overlap in topics, and both offer a series of learning opportunities and tools, there are some significant differences found in the programming (table 2). For example, both providers offer materials that cover the topic of taxes, however those aimed at low-income earners offer topics such as tax-free filing clinics and how to access benefits, whereas the materials directed at mid to upper income earners focuses on tax planning in relation to maximizing income from investments and succession planning.

These differences highlight the economic disparities the tax topics covered in the materials of the middle-income financial literacy provider are aimed at professionals- employees with benefits such as matched retirement contributions and others who have sufficient income to purchase more mainstream investment products such as RSPS, mutual funds, etc., or those who may stand to pass along a substantial inheritance to their children. In contrast, the target audience of the low-income financial literacy provider is very low income, and economically, structurally, and/or socially marginalized.

Table 2: A comparison between a low-income financial literacy education provider and a mainstream (mid-to-upper-income financial literacy education provider)[16]

Aspects compared	Mainstream provider	Low-income provider
Financial literacy focus/target audience	Mainstream/mid-to-upper-income	Low-income
Provider	Chartered Professional Accountants (CPA) Canada	Prosper Canada

[16] This table reflects only the information captured by the researcher conducting the scan. As well, this scan endeavoured to identify the main offerings from each provider, and not a comprehensive, detailed review. There may be additional resources and tools that can be found on provider websites.

Type of organization	Professional association	National non-profit/charity focused on economic opportunities, FL, and FE for low-income Canadians.
Delivery context	Online financial literacy program (via the member network) includes sessions for "adults, seniors, small & medium business owners" Topics include financial planning, investing, business finance	Online training/materials & resources for equipping organizations delivering financial literacy and empowerment, training for and in tandem with local partner organizations that provide a wide range of services (including in person).
Target audience	Targeted towards the membership network (professionals, middle to higher income earners	Targeted towards Canadians in poverty, specifically for low- and moderate-income households (specific mention of the following groups: black Canadians; First Nation communities; people living with disabilities). They also run online training, toolkits, etc., for practitioners and organizations.
Website focus	General financial literacy focus: online learning program/toolkit geared towards adults	Financial empowerment and financial literacy focus (access to taxes/benefits; safe financial products; savings & asset building; consumer protection. To expand free financial empowerment services: tax filing, benefit assistance, financial coaching/counselling.
Content (topic) focus	Educational materials to help students and adults increase their financial knowledge and skills	Resources: toolkits (my financial journey toolkit as fillable PDF), handouts,

	An online learning program providing financial information and tools for adults. A money management workshop to help young adults make smart financial decisions.	templates and guides; discover library for specific searches for tools & resources; RDSP calculator; Bridge to Benefits; Benefits Wayfinder. Courses offered on: Financial Empowerment, Financial Literacy (one for facilitators and one self-directed). Access to Benefits, Financial Coaching. Financial Empowerment (this course helps frontline practitioners, advocates, and stakeholders understand the role that financial empowerment plays in expanding economic opportunity for people living in poverty, includes training on there are 3 financial conversations and a trauma-informed approach to financial empowerment.) Prosper Canada Learning Hub link. Financial Literacy: foundational financial literacy knowledge to deliver financial education within your community. Also available are reports about topics like financial vulnerability.
Similarities	On the surface, the content (topic) focus seems similar Both offer tools & resources related to topics	
Differences	Low-income FL providers are not as long-term goal oriented as middle-income FL providers.	

	Type of organization offering financial literacy (National non-profit/charity - low-income financial literacy, and professional organization- middle-income financial literacy). Target audience (low-income financial literacy- economically disadvantaged/marginalized groups and middle-income financial literacy-membership network (professionals, middle to higher income earners. Delivery context (Low-income FL- embedded in other targeted services; High-income FL- stand-alone training.)

Theory of change inferred from offerings

A number of questions arise from the evidence so far. While there was some mention of *financial empowerment* on the websites of financial literacy providers targeting low-income individuals, to what extent do the curriculum and program offerings reflect this? Do the providers indicate an understanding of the gap faced by low-income participants in terms of income and economic opportunities due to systemic inequities, or only a personal knowledge gap, or a mix of the two? To what extent is there an acknowledgment of the financial vulnerability linked to systemic factors? Do the data imply that knowledge acquisition alone is sufficient to address economic disparities, or is there some indication that programming and implementation consider systemic inequities which need to be addressed in tandem with financial literacy?

While reviewing the websites of organizations that provide financial literacy programming for low-income and marginalized Canadians, it became apparent that several organizations described their work not only as financial literacy, but also as *financial empowerment*. Definitions of financial empowerment were identified on the websites of SEED Winnipeg, Momentum Calgary, and Prosper Canada. Across the three organizations, financial empowerment was consistently described as including financial information, education, coaching, and counselling. However, it was also presented as something broader than knowledge acquisition alone. The definitions included access to income-boosting benefits and tax credits, access to safe and affordable financial products and services, opportunities to reduce debt and build savings and assets, and consumer protection. In addition, all three organizations referenced financial inclusion, poverty, limited access to services, predatory lending, and other systemic barriers that can affect financial wellbeing.

These definitions raise an important question: to what extent do the program offerings of low-income-focused providers reflect these broader definitions of financial empowerment? Do the offerings focus primarily on transferring financial knowledge, or do they also provide supports related to income, benefits, financial products and services, savings and asset building, consumer protection, and other barriers identified by the providers themselves? More broadly, do the offerings suggest a theory of change centred on addressing a personal knowledge gap, or one that recognizes financial vulnerability as being shaped by both individual capability and wider social, economic, and institutional factors?

To explore these questions, the websites and program descriptions of the low-income-focused organizations included in the environmental scan were reviewed and compared against the components of financial empowerment identified by SEED Winnipeg, Momentum Calgary, and Prosper Canada. Table 3 compares the financial literacy and related offerings of these organizations against the financial empowerment components identified in the provider definitions.[17]

[17] CPA Canada was part of the original search results and has been included here, although this organization also appeared in the search for organizations providing more mainstream financial literacy.

Table 3. Alignment of low-income focused provider offerings with financial empowerment components[18]

Organization	Financial information, education, coaching and counselling	Benefits /tax credits /income support	Access to safe and affordable financial products and services	Savings, debt reduction and asset building	Consumer awareness and protection /financial risk reduction	Evidence of systemic barriers or systemic change
Prosper Canada	Financial literacy resources; My Money in Canada; financial literacy videos; financial coaching; learning hub	Disability Benefits Compass; Benefits Wayfinder; Bridge to Benefits; strengthening funding for free tax and coaching services; modernizing benefits delivery	Expanding low-cost credit	Trove financial tools; money management and financial planning	Cracking down on predatory lending	Closing the financial help gap; expanding access through community partnerships; breaking down systemic barriers to financial well-being
YWCA Canada	Financial education; one-on-one coaching or counselling; financial literacy training	Tax filing assistance; access to federal and provincial benefits	Improved access to safe financial products	Savings and asset-building tools	Consumer protection education to prevent fraud and financial abuse	Economic equity; anti-poverty work; closing the gender wage gap; challenging systemic barriers to economic security
YMCA of Greater Toronto	Financial literacy embedded in newcomer programming	Not identified in scan	Not identified in scan	Not identified in scan	Not identified in scan	Financial literacy embedded within newcomer services
AFOA Canada	Dollars and Sense curriculum; Money Smarts podcasts; financial wellness training; webinars; youth financial literacy modules	Community Volunteer Income Tax Clinic; National Virtual Tax Clinic	Banking education; opening bank accounts; understanding banking fees; access to financial institutions	Saving; emergency funds; RESPs; investing; credit; financial wellness planning	Scams; salespeople; consumer awareness; protecting money	Explicit discussion of banking barriers, distrust of institutions, rural and remote access barriers, payday lenders, and difficulty accessing benefits
Access Alliance	Sense2Dollars workshops;	No tax filing or benefits services	Introduction to banking;	Saving tools and strategies;	Wise consumer module	Research links financial

[18] This table was generated by using original data from the Excel spreadsheet in Microsoft Copilot to create a table that included website data correlated to components of financial empowerment noted specifically on the SEED, Momentum and Prosper websites.

	relationship with money; banking; saving; retirement planning; consumer education	identified in scan	financial services education	retirement planning on a low income		vulnerability to poverty, unemployment, underemployment, housing insecurity, food insecurity, language barriers, and social exclusion
Family Services of Greater Vancouver	Money Skills; Budgeting; Credit and Debt; Saving and Investing; RDSP; RESP; Money and Relationships	Benefits Wayfinder workshops; tax filing assistance	Banking; credit; investment products; registered savings products	Saving and Investing; Saving for Retirement; RDSPs; RESPs	Frauds and Scams workshops	Acknowledges barriers to filing taxes and accessing benefits; targets low-income people, newcomers, seniors, women, youth, and other vulnerable populations
ABLE Financial Empowerment Network[19]	Promotes financial information, education, coaching and problem solving	Facilitating access to tax filing and government benefits	Better meet banking and advice needs of customers living on low incomes	Improve credit scores, savings, debt levels, and build wealth	Fringe financial service regulation that protects consumers	Financial empowerment described as a poverty reduction approach; promotes policy and systems change
ESDC / FCAC Resources	Financial Basics workshop; Financial Toolkit; budgeting; saving; credit; investing; financial planning	Tax information resources	Bank account and credit card tools and information	Saving and investment resources	Fraud prevention information	Limited discussion identified; focus is primarily educational
CPA Canada	Family finances; estate planning; finances after divorce or job loss; financial literacy books	Not identified in scan	Not identified in scan	Investment and financial planning topics	Not identified in scan	No discussion of systemic barriers identified in scan

[19] ABLE is not an organization but rather a national network of stakeholders, drawn from the name of a conference that community partners used to organize. It consisted of a website to share proceedings from the conference, a national Steering Committee that was consulted as needed on the conference and broader issues impacting the emerging financial empowerment field, and a policy and advocacy committee that met infrequently to put together shared responses to relevant federal govt consultations. Other than that, there was no formal organizational or membership structure.

Do the tailored financial programs for low-income individuals align with financial empowerment principles?

Overall, the findings suggest that low-income focused organizations included in this environmental scan generally offer programs that are consistent with their published definitions of financial empowerment. While financial education and knowledge development are important components of their programming, the offerings extend beyond knowledge acquisition alone. Many organizations also provide supports related to benefits access, tax filing, financial inclusion, savings and asset building, consumer protection and other services designed to address barriers that may affect financial well-being. The data suggest a theory of change that views financial vulnerability not solely as a personal knowledge gap, but as something shaped by both individual financial capability and broader social, economic, institutional, and systemic factors. Knowledge acquisition therefore appears to be one component of financial empowerment rather than a sufficient solution on its own.

Key Person Interviews

To complement the environmental scan, two semi-structured interviews were conducted with representatives from organizations providing financial literacy and financial empowerment programming to low-income populations: one with a representative from Momentum (Calgary) and the other with a representative from SEED Winnipeg. The interviews explored how the organizations define financial literacy and financial empowerment, their program goals and delivery models, the populations they serve, their theories of change, approaches to assessment, and perceived indicators of financial literacy and participant outcomes among low-income populations. Interviews were transcribed and reviewed thematically. [20]

Financial literacy and financial empowerment

One respondent described financial literacy as "the skills and knowledge needed so that people can make informed decisions about their financial life." Another respondent described financial literacy as having knowledge and skills related to managing money and understanding financial systems. Financial empowerment involved applying that knowledge in everyday life, developing confidence and agency, advocating for oneself, accessing resources, and increasing opportunities for financial security. "(Financial literacy is) the basic foundation of understanding how to manage money and understanding (financial terms) and the vocabulary of banking systems, credit systems, budgeting, insurance, investments. I would say that's the extent of literacy. Empowerment takes it a step further and I would say there's confidence in what people do."

Financial empowerment extends beyond information transfer, according to respondents, and includes the ability to act on financial knowledge within the realities of an individual's circumstances. This involves combining financial education with practical supports and opportunities to apply learning. The underlying understanding is that opportunities to practice knowledge and develop skills are critical to growth in financial literacy. For those with very limited incomes, financial empowerment is an essential element to any financial literacy programming.

Theory of change

Both responders described financial literacy and financial empowerment as part of a broader process that supports change over time. One respondent spoke about using a sustainable livelihood framework in which services are matched to an individual's circumstances and stage of readiness. Participants experiencing crisis may first require identification, tax filing, or benefits access, while others may be ready for money management training, business development, or career planning. The interviewee described this process as matching people with the supports most appropriate to where they are in their lives.

One respondent's theory of change included delivery of financial literacy with learning environments that support reflection, informed decision-making, and personal growth. The respondent emphasized peer-to-peer learning, strengths-based approaches, participant choice, adult learning principles, a growth mindset, and trauma-informed practice. Dedicated time for reflection and opportunities to make informed decisions and develop agency were described as

[20] See Appendices G–J for the interview schedule, transcripts, interviewer notes, and themes identified through thematic analysis, including AI-assisted analysis using Copilot.

important mechanisms supporting participants' movement toward sustainable livelihoods. A positive, strengths-based frame is important.

Context matters: programming is tailored to people's circumstances

Both organizations emphasized the importance of tailoring programming to participants' socioeconomic circumstances:

- **Meeting people where they are:** Training is delivered through plain language materials, available in multiple languages, with flexible delivery formats, in a trusted community setting with transportation supports, relationship-building, and attention to cultural context.

  "We meet people where they are at."

- **Creating safe and reciprocal spaces:** One respondent described the importance of creating a space of safety, predictability, perspective taking, and reciprocal learning. The organization uses a trauma-informed model that involves learning from participants as much as they learn from the organization, recalibrating, providing support, and making informed decisions.

  "We host, whether it's a virtual space (or) a physical space, (a space) of safety, predictability, perspective taking. It's reciprocal. We learn from them at participants as much as they learn from us. We recalibrate, we support, we make informed decisions…This is the trauma informed model."

- **Connecting participants to resources, supports, and opportunities:** One organization highlighted connecting participants to resources, supports, and opportunities while tailoring services to community needs. A large part of this approach is relationship-building and collaboration with over one hundred partner organizations that have expertise with particular communities and needs.

  "We're not cookie cutter. We talk to each community and each organisation we work with and ask them what their needs are."

- **Ensuring facilitators can connect with participants:** This agency recognized the importance of facilitators being able to connect with participants. It has staff who are Indigenous and newcomer who support program delivery, as well as volunteer community facilitators who speak participants' first languages and translate materials. Materials are also adapted when it comes to youth.

  "We also understand that it's important to have people who relate to them. So, we have staff who are Indigenous and newcomer that support these program deliveries. … we actually hire volunteer community facilitators that speak for first language as well to translate our materials. We always adapt our materials when it comes to youth."

- **Using adult learning principles, participant choice, and hands-on learning:** The other agency emphasized adult learning principles, participant choice, and hands-on learning. Programs were described as strengths-based, participant-centred, and trauma-informed. Learning opportunities are not prescriptive and are designed to help participants reflect on their experiences, identify goals, and make their own informed decisions.

- **Fostering understanding and trust:** Like SEED, Momentum recognized the importance of fostering understanding and trust. Facilitators use personal storytelling, generic stories, case studies, and relatable examples based on lived experiences so that people feel like they are not alone.

"The facilitators do a lot of storytelling…their personal storytelling or generic stories, so that people feel like they're not alone. So, it's embedded in our curriculum, (this) theme of storytelling, of like case studies, and it's relatable because they're based on lived experiences."

- **Considering location and accessibility:** Location matters as well. One organization chose to stay within a low socioeconomic quadrant of the city so that it would be accessible to participants, recognizing that people could bike, walk, and so forth.

  "We chose actively to stay within a low socioeconomic quadrant of the city so that it's accessible to people and we. We recognize that not all of our participants drive, so we chose it's an inner-city neighborhood and people can bike, walk and so forth. So that's active in our decision making when we chose the location."

Financial literacy is embedded within broader supports

Both interviewees described financial literacy as one component of a wider set of supports. Financial education was frequently linked with access to benefits, tax filing, savings programs, matched savings, identification documents, financial coaching, employment supports, business development, and community partnerships. Respondents characterized financial literacy as one tool among many used to improve financial wellbeing.

Practitioners recognize structural barriers

Both respondents discussed structural barriers, noting that low-income individuals face barriers related to poverty, geography, language, transportation, childcare, digital access, and systemic exclusion. They described participants facing issues such as low wages, housing affordability pressures, food insecurity, rigid social assistance rules, racism, newcomer barriers, geographic isolation, lack of access to services, and economic exclusion. These realities shape both program design and delivery. One interviewee spoke about how participants sometimes internalized financial challenges as personal failures when they were in fact responding to wider social and economic conditions. Peer learning, discussion, and group reflection to help participants recognize these broader influences.

"Sometimes zooming it out helps for participants and asking who else they might know or have they witnessed or observed something similar that someone might have experienced or inviting them to a cohort base and asking them to listen to what other… It's like it's not individual failings that you're not a poor money manager. In fact, you're one of the best money managers. It's external of yourself". (Momentum)

The SEED interviewee referenced 'hallway conversations' where participants shared about financial struggles. Although working on externalizing internalized failure was not a formal part of the learning, this was sometimes the outcome of relationships and engagement between participants and facilitators.

Context-sensitive or 'tailored' indicators of financial literacy

Both organizations reported using pre- and post-program assessments, although the focus of their assessment tools differed from conventional financial literacy knowledge tests. One organization uses pre- and post-evaluation tools that focus on confidence, budgeting skills, knowledge of where to seek financial advice, and participants' ability to respond to challenges. The respondent emphasized the importance of participant confidence and the ability to respond to life shocks as important indicators. When discussing evaluation results, the interviewee repeatedly referred to important

outcomes like, confidence, hope, resources, knowledge, and whether participants had developed the ability to move forward independently.

The other organization reported using both pre/post assessments and asset mapping. Assessment questions focus on increasing money management skills, confidence, application of financial skills, savings, debt management, and participant-defined progress. The interviewee also described indicators such as budgeting, comparison shopping, emergency savings, debt awareness, credit report knowledge, tax filing, financial goals, knowing where to get help, comfort interacting with financial institutions, and feeling good about one's finances.

Neither respondent described using the "Big 3" or "Big 5" financial literacy knowledge questions as a primary assessment tool. When asked, one interview responded, “No, we asked about have you increased your skills in money management? Have you increased your confidence? Are you applying your money management skills and were you helped by the curriculum?”

Instead of using standard financial literacy indicators, both organizations talked about indicators related to confidence, practical money management, applying skills, seeking financial advice or support, financial goals, resilience, and navigating everyday financial situations. Both interviews highlighted the importance of knowing where to get help, making informed decisions, and having the confidence to act on available information and resources.

“When I read our evaluation summaries (my question) is did we provide hope? Did we provide those resources, the knowledge, the confidence to be able to do that on their own?”

Skills or outcomes mentioned included:

- confidence managing money
- ability to create and follow a spending plan
- knowledge of where to seek help
- use of benefits and supports
- financial
- savings behaviour
- resilience during financial shocks
- ability to make informed decisions
- capacity to advocate for oneself
- financial wellbeing and hopefulness

Both organizations emphasized growth, confidence, and practical management rather than abstract financial knowledge (Table 4).

Table 4. comparison of interview findings[21]

Theme	One	Two
Literacy vs empowerment	Empowerment includes confidence, agency, advocacy	Empowerment includes informed action, protection, sustainability
Delivery model	Trauma-informed, peer learning, strengths-based	Meet people where they are, sustainable livelihood framework
Structural barriers	Food insecurity, cost of living, social conditions	Language, transportation, poverty, social assistance rules
Indicators used	Confidence, skills, behaviour change	Confidence, resilience, ability to navigate shocks
Comparison to conventional measures	Focus on agency and self-efficacy	Focus on confidence and practical capability

In summary, respondents thought that financial knowledge alone is not a sufficient intervention for low-income and vulnerable individuals and communities facing structural barriers and financial inclusion. Financial empowerment is an essential part of the equation. In addition to knowledge, confidence, agency, informed action, and sustainability are important aspects of financial capability. Context, such as structural barriers facing participants—language, transportation, food insecurity, rigid social assistance policies, racism, access to services, affordability pressures, and financial inclusion—are acknowledged. Both organizations design programs that integrate financial literacy with resources and supports, such as matched savings programs, benefits access, coaching, and community supports. These supports provide resources that better enable clients to participate economically and thus strengthen financial skills learned. Financial literacy and empowerment are measured by looking at practical indicators such as confidence, behaviour, resilience, and the ability to navigate financial challenges as opposed to response to abstract questions about investments.

[21] This table was generated by AI (Microsoft Copilot) using interview transcripts as inputs.

Mystery Shop of a Financial Literacy Quiz Using Two Personas

During the review of materials discovered during the environmental scan, a link to a financial literacy quiz was identified. A review of the quiz raised questions about how effectively it measured financial literacy, particularly for people with low income.

Methods

To explore this question, the quiz was completed by the same researcher using two different 'personas'. Both personas were constructed as financially aware and capable managers of their finances, with the primary difference being income level, one person with middle income and another person with low income. The researcher entered into the quiz as a kind of mystery shopper, two times, using these different personas. The goal was to compare the quiz experience and results.

Wherever possible, responses related to routine financial management practices—such as budgeting, paying rent or mortgage payments, and keeping up with bills—were kept as similar as possible. Both personas were assumed to engage in responsible financial management practices. The low-income persona, however, was characterized by severe financial constraints with occasional difficulty keeping up with bills due to insufficient income rather than poor financial management.

The higher-income persona was conceptualized as a financially capable individual with access to employer benefits, retirement plans, investment opportunities, professional financial advice, and other opportunities commonly available to individuals with higher incomes and accumulated assets. The low-income persona was modelled on the financially capable but resource-constrained diarists observed in the Canadian Financial Diaries project.

The low-income persona reported fewer sources of financial knowledge, fewer retirement planning options, and fewer investment opportunities because of limited disposable income and restricted access to financial products. The higher-income persona had access to a wider range of financial products, retirement planning tools, employer-sponsored benefits, and professional financial advice.

Results

Some quiz questions assessed activities in which the low-income persona could not fully participate because of income constraints. Consequently, certain follow-up questions and response options were only available to the higher-income persona. This was particularly evident in questions related to retirement planning and investing (Table 5).

The low-income but capable manager was informed they scored **lower than most Canadians**, whereas the higher-income but equally capable manager was informed they scored **higher than most Canadians**. The low-income persona received feedback emphasizing the need to improve financial knowledge and behaviour despite the two personas being constructed to represent similar levels of financial awareness and financial management capability. The principal difference between them was income level and the range of financial options available to them.

A major difference emerged in response to the question, *"Which of the following sources of revenue are included in your financial plan for retirement? [Select all that apply]."* The higher-income persona was able to select a range of options, including RRSPs, employer pension plans, business income, and expected inheritances. In contrast, the

low-income persona relied largely on CPP and lacked the disposable income necessary to participate in many of the retirement and investment vehicles listed. The result was fewer eligible responses and a lower score.

The feedback also differed considerably in *tone*. The low-income persona received messages emphasizing deficiency, the need for improvement, and the need for assistance. The higher-income persona received positive reinforcement emphasizing competence, control, and successful financial planning. Although both personas were directed to similar resources, the framing of the feedback differed substantially (Table 5).

Table 5. Quiz results for low-income and high-income good financial managers

Category	Poor capable manager	Well-to-do capable manager
Keeping track	Scored below most Canadians; advised to improve budgeting and money tracking skills.	Scored higher than most Canadians; praised for keeping track of money and budgeting effectively.
Making ends meet	Scored below most Canadians; advised to make changes to improve financial management.	Scored higher than most Canadians; praised for living within means and managing expenses.
Planning ahead	Scored below most Canadians; advised to improve financial planning and goal setting.	Scored higher than most Canadians; praised for planning for expected and unexpected expenses.
Staying informed	Scored the same as most Canadians; advised that there was room for improvement.	Scored higher than most Canadians; praised for staying informed and making good financial decisions.

Discussion

The findings suggest that the quiz measures more than financial knowledge alone. Scores appear to be influenced by the ability to participate in financial activities and products that require access to income, savings, investments, and financial services. In this sense, the assessment appears to capture not only financial literacy, but also financial circumstances and the degree of inclusion within mainstream financial systems.

The underlying assumption appears to be that individuals who engage in a greater number of approved financial behaviours are more financially literate. The marking rubric implicitly assumes that the behaviours being rewarded are primarily the result of acquired knowledge put into practice and not influenced by differing levels of economic opportunity, disposable income, or access to financial products and services.

Viewed through this lens, the low-income persona received a message suggesting insufficient financial knowledge and a need for improvement, while the higher-income persona received confirmation of competence and successful financial management. The recommendations offered to improve results were largely identical for both personas, despite the fact that the primary distinction between them was not financial capability but access to financial resources and opportunities.

These findings raise several questions. Can low-income Canadians score as highly as higher-income Canadians on financial literacy assessments when they have fewer opportunities to participate in savings, investment, and retirement planning activities? To what extent do such assessments measure financial capability as opposed to financial

circumstances? How might comparisons to “most Canadians” shape an individual's sense of financial capability, confidence, and willingness to engage with financial education, recommended financial behaviours, and financial institutions? Finally, do such assessments risk reinforcing common assumptions that poverty is primarily the result of a lack of financial knowledge rather than a combination of financial capability, opportunity, and economic circumstances?

Impacts of Positive and Negative Framing and Comparison

One 2025 psychology article that examined the effects of positive framing when providing financial advice presented relevant insights for this study. [22] The authors argue for greater attention to the "psychological and emotional dimensions of financial decision-making." [23] The study notes that positive framing has demonstrated benefits in psychological interventions and suggests that more research is needed to understand how the presentation of financial information affects the way it is received and acted upon. The authors posit that "the positively framed message may be more persuasive" (p. 4)[24] and may result in greater compliance. This has implications for financial literacy, which is informed not only by financial knowledge but also by financial behaviour.

The study further suggests that when peer comparisons are framed positively, individuals may feel more optimistic and in greater control of their financial situation, whereas negative framing may exacerbate financial stress and other less favourable associations (p. 9).[25] The authors also note that "it is common for people to evaluate their financial situation relative to others" (p. 8).[26] Positive peer comparisons are associated with better financial wellness, higher levels of optimism, and a stronger sense of control, while negative comparisons are associated with increased stress and negativity.[27]

These findings are particularly relevant to the two-persona financial literacy quiz results described above. The high-income scenario generated positive feedback and a positive frame, whereas the low-income scenario generated feedback framed in largely negative terms. The quiz repeatedly compared respondents to "most Canadians," using phrases such as "You scored lower than most Canadians" and "You scored higher than most Canadians." In light of the framing literature, it is reasonable to ask how these different forms of feedback might affect quiz participants' perceptions of their own financial capability, confidence, and willingness to engage with financial learning and recommended financial behaviours.

The framing issue is especially relevant given that the quiz appears to assess several concepts associated with more mainstream financial literacy programs, including detailed retirement planning and participation in investment-related financial products. As noted in the environmental scan, these topics were less prominent in the financial literacy programming directed toward low-income audiences, where the focus tended to be on budgeting, income supports, tax filing, saving, credit, and day-to-day financial management. This raises additional questions about the appropriateness of comparing low-income participants to "most Canadians" using a tool that may privilege forms of financial participation that depend on income, assets, and access to financial products.

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Conclusion

Revisiting assumptions about financial literacy and poverty

A central question underlying this study is the relationship between financial literacy and poverty. Conventional approaches often assume that low-income individuals are less financially literate than non-poor individuals and that financial education is therefore a solution to poverty. However, findings from the Canadian Financial Diaries project complicate this assumption (Buckland et al., 2024). While some diarists managed their finances poorly, several low-income diarists demonstrated strong or even exceptional financial management skills despite severe financial constraints. Participants described behaviours commonly associated with financial literacy, including budgeting, saving, borrowing, lending, planning, and managing competing financial priorities, often through informal approaches such as mental budgets, peer lending, and flexible financial strategies developed in response to scarcity.

These findings suggest that poverty and financial literacy may not be as closely linked as commonly assumed. They also raise questions about whether conventional financial literacy measures adequately recognize effective financial management under conditions of financial constraint. If financial literacy is understood as the ability to make informed financial decisions and manage available resources effectively, then individuals who successfully navigate persistent financial challenges may possess forms of financial knowledge and capability that are not fully captured by mainstream assessment tools. Or traditional tools might privilege knowledge and skills misaligned with the financial skills low-income people need.

The practitioner interviews also challenged the assumed link between poverty and financial illiteracy. Both interviewees described low-income participants as having financial knowledge and skills relevant to their circumstances, and noted that confidence, access to resources, and opportunities to act on financial knowledge were important pieces to the financial puzzle.

The interviews also revealed that practitioners prefer using more context-relevant financial literacy indicators as opposed to conventional financial knowledge questions. ore relevant indicators were confidence, practical application of day-to-day money skills, the ability to make informed decisions, the ability to weather financial shocks with resilience, and knowing where to find information or help.

Financial literacy and financial empowerment

The environmental scan revealed differences between financial literacy programming directed at low-income populations and programming aimed at more affluent Canadians. Financial literacy programs targeting low-income and marginalized groups were frequently embedded within broader financial empowerment, employment, settlement, housing, or community support programs. Many organizations explicitly acknowledged systemic barriers faced by their clients such as poverty, exclusion, language barriers, limited access to benefits, lack of trust in financial institutions, predatory lending, and difficulties accessing safe financial products and services.

Definitions of financial empowerment identified on the websites of Prosper Canada, SEED Winnipeg, and Momentum Calgary consistently included financial information, education, coaching, and counselling. However, they also included access to benefits and tax credits, access to safe and affordable financial products and services, savings and asset-building opportunities, consumer protection, and efforts to address systemic barriers. These definitions aligned well with the

way that interviewees described financial empowerment— agency, confidence, informed action, access to resources and supports, and the practical application of financial knowledge.

The program offerings generally reflected these broader definitions. Financial literacy was often delivered alongside tax filing assistance, benefits access, financial coaching, consumer protection initiatives, employment services, and other supports. These findings suggest that organizations working directly with low-income populations do not view financial vulnerability simply as a personal knowledge gap. Rather, their programming recognizes that financial outcomes are shaped by both financial capability and broader social, economic, institutional, and structural factors.

The interview findings similarly emphasised that financial literacy for low-income people is delivered as part of a holistic ecosystem of supports, and in conjunction with a diverse set of community partnerships.

The environmental scan also suggested that financial literacy programming differs not only in delivery and content but also in the financial time horizons it promotes. Programming targeted toward low-income and marginalized populations frequently focused on immediate financial concerns such as meeting basic needs, managing debt, increasing income, accessing benefits, and avoiding financial crisis. In contrast, financial literacy resources directed toward the broader population more often emphasized longer-term objectives such as retirement planning, investing, asset accumulation, and wealth building. These differences appropriately reflect the realities of differing financial circumstances; however, they raise questions about how opportunities for long-term financial planning are distributed. If low-income participants successfully complete all available financial literacy programming designed for their circumstances, to what extent does this prepare them to participate in the forms of financial planning and wealth-building activities promoted within mainstream financial literacy frameworks?

Practitioners also described tailoring services to individual circumstances and abilities. Both organizations emphasized meeting people where they are, adapting delivery to community needs, and matching services to participants' current situations and goals.

The financial literacy quiz and the role of income

The results of the mystery shop exercise of the financial quiz suggest a different theory of change. The financial literacy assessment rewarded participation in financial activities such as retirement planning, investing, and the use of various financial products. Two personas were constructed to represent equally capable financial managers whose primary difference was income level and access to financial resources.

Despite comparable financial awareness and management capabilities, the low-income persona scored lower than most Canadians while the higher-income persona scored higher than most Canadians. Importantly, the lower score did not appear to result from poorer financial management. Rather, the low-income persona had fewer opportunities to participate in the financial activities being assessed. The low-income persona could not reasonably access many of the retirement planning and investment vehicles included in the quiz and therefore had fewer available response options.

These findings suggest that the assessment measures not only financial knowledge and behaviour, but also participation in financial products and activities that may require disposable income, accumulated assets, employer-sponsored benefits, and access to financial institutions.

Notably, the quiz does not appear to account for the implications of poverty or low income on assessment outcomes. Non-participation in financial activities is treated as evidence of lower financial literacy without considering whether

income constraints make participation difficult or impossible. As a result, financially capable individuals who effectively manage scarce resources may receive lower scores than wealthier individuals who have access to a broader range of financial products and planning opportunities.

Framing, comparison, and financial capability

The literature on framing provides an additional lens through which to interpret these findings. Positive framing and positive peer comparisons are associated with greater optimism, a stronger sense of control, and improved financial wellness, whereas negative framing and negative peer comparisons may contribute to stress and other less favourable outcomes.

Viewed through this lens, the feedback generated by the financial literacy quiz is noteworthy. The low-income persona received messages emphasizing deficiency, improvement, and the need for assistance, whereas the higher-income persona received positive reinforcement emphasizing competence, control, and successful financial planning. The quiz repeatedly compared respondents to "most Canadians," using phrases such as "You scored lower than most Canadians" and "You scored higher than most Canadians."

The combination of peer comparison and contrasting feedback frames raises questions about how such results influence participants' perceptions of their own financial capability, confidence, and willingness to engage with financial learning opportunities. If financially capable low-income individuals consistently receive poorer scores because they have fewer opportunities to participate in the activities rewarded by the assessment, the feedback may unintentionally reinforce perceptions of inadequacy rather than competence.

This question may be especially important given the emphasis that the practitioner interviews placed on confidence, positive framing and a strengths-based approach.

Implications for financial literacy measurement

Taken together, the findings reveal a tension between the assumptions embedded in conventional financial literacy assessments[28] and the realities acknowledged by organizations working directly with low-income populations. This tension was evident not only in the environmental scan but also in the practitioner interviews, where financial wellbeing was consistently described as being shaped by both personal financial capability and by broader social, economic, and structural factors. While financial empowerment providers recognize that finances are shaped by both capability and opportunity, the financial literacy assessment appears to place greater emphasis on knowledge and participation in financial products without adequately accounting for the effects of poverty and economic exclusion.

The findings also suggest the possibility that different forms of financial literacy are being recognized, taught, and measured across different socioeconomic contexts. Whereas programs for low-income populations emphasize the management of scarcity, mainstream assessments and educational resources appear more likely to reward participation in activities associated with financial surplus, such as investing, retirement saving, and asset accumulation. This distinction raises important questions regarding whether conventional measures of financial literacy adequately capture the capabilities required to successfully manage finances under conditions of constraint.

[28] According to standardized measures of financial literacy, often based on the 'Big 3' or Big 5' questions. https://gflec.org/education/questions-that-indicate-financial-literacy/

The results further highlight the need for financial literacy measures that are able to distinguish between financial capability and financial opportunity. An individual's score may be influenced not only by their financial knowledge, skills, and behaviours, but also by their access to income, assets, financial products, institutional supports, and opportunities for participation within the formal financial system. Measures that do not account for these differences risk conflating poverty with lower financial literacy.

Consistent with this observation, both organizations in the environmental scan reported using indicators that measured aspects beyond abstract financial knowledge, choosing instead to measure confidence and the ability to enact every day, relevant financial knowledge and skills, along with the ability to look for additional information when needed.

These findings point to a need for more relevant and meaningful indicators of financial literacy that can capture the varying needs and circumstances of low-income Canadians. Future measurement approaches may need to better account for income constraints, economic and systemic inclusion or exclusion, effective financial management under conditions of scarcity, and the broader social and institutional factors that shape financial opportunities.

Questions for Future Research

The findings from this study raise several questions that warrant further investigation.

Financial literacy, poverty, and measurement

If low-income individuals score lower on conventional financial literacy quizzes, does this indicate lower financial literacy, or does it reflect the reality that they are navigating a different financial landscape?

For individuals who do not have disposable income available for investing and therefore have little or no investment experience, is knowledge of investment products an appropriate indicator of their ability to manage day-to-day finances effectively?

To what extent do financial literacy assessments measure financial knowledge and behaviours, and to what extent do they measure access to financial opportunities, assets, and financial products?

When financially excluded individuals seek advice outside mainstream financial institutions because of limited access or lack of trust, does the absence of a relationship with a financial advisor necessarily indicate lower financial literacy, or does it reflect broader patterns of economic and institutional exclusion?

Are existing financial literacy assessments more closely aligned with mainstream financial literacy programming than with the financial empowerment approaches commonly used by organizations serving low-income and marginalized populations?

How do indicators such as confidence, resilience, informed decision-making, and knowledge of where to seek help compare with conventional financial literacy measures in predicting financial wellbeing among low-income individuals.

Knowledge transfer and financial learning

To what extent does financial literacy programming function as a process of knowledge transfer, and how much of the knowledge conveyed is ultimately embraced, adopted, and integrated into participants' financial practices?

When financial literacy programming emphasizes activities that may be inaccessible because of income constraints, how do participants interpret and respond to that information?

Does the transfer of financial knowledge strengthen participants' sense of financial capability and self-efficacy, or can it unintentionally reinforce feelings of inadequacy, exclusion, or failure when recommended practices are beyond their reach?

What factors influence whether financial knowledge is translated into meaningful behavioural change under conditions of financial scarcity?

What role do confidence, self-efficacy, and agency play in translating financial knowledge into action?

Financial time horizons and future orientation

How do differences in financial literacy programming influence the financial time horizons promoted to participants?

While a focus on immediate needs may be appropriate for individuals living with financial insecurity, how does such programming influence longer-term financial aspirations, future planning behaviours, and perceptions of financial possibility?

Does participation in programming focused primarily on budgeting, debt management, and immediate financial stability affect participants' ability to develop a future-oriented perspective that includes wealth-building, asset accumulation, and retirement planning?

To what extent are opportunities for long-term financial planning distributed unevenly across socioeconomic groups through the content and structure of financial literacy programming?

Financial identity, confidence, and self-perception

How do financial literacy assessments and feedback influence participants' perceptions of their own financial capability, confidence, hopefulness, and willingness to engage in future financial learning and financial behaviours?

How does the use of positive and negative framing, particularly when combined with peer comparisons, affect participants' sense of financial competence and agency?

Does financial literacy programming contribute to different forms of financial identity across income groups?

If low-income participants are primarily exposed to programming focused on budgeting, spending control, debt management, and meeting immediate needs, while higher-income participants are encouraged to view themselves as investors, planners, and wealth builders, how do these differing educational emphases shape participants' understanding of their place within the broader financial system?

How do these differing conceptions of financial identity influence confidence, aspirations, and perceived opportunities for financial advancement?

How do financial literacy and financial empowerment differ in their effects on participants' confidence, agency, and sense of financial control?

Financial empowerment and pathways to inclusion

If low-income participants complete all available financial literacy and financial empowerment programming designed for their circumstances and successfully adopt the associated skills and practices, what does success look like?

Do current financial empowerment approaches create meaningful pathways into longer-term financial planning, asset building, and wealth accumulation, or do structural barriers continue to limit these opportunities?

To what extent can financial literacy programming alone facilitate movement from financial stability to broader forms of financial inclusion and participation?

What additional institutional, economic, or policy supports are required to enable individuals who have developed strong financial management skills under conditions of scarcity to access the opportunities rewarded by mainstream financial literacy frameworks?

These questions suggest a need for additional research examining not only how financial literacy is measured, but also how it is taught, experienced, internalized, and translated into financial wellbeing across different socioeconomic contexts. They further point to the importance of understanding the relationship between financial capability, financial opportunity, and the broader structural conditions that shape financial lives.

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Appendices

Appendix A: ChatGPT query re financial literacy providers (separate document).

Appendix B: ChatGPT search for mainstream FL aimed at middle- & higher-income Canadians (separate document).

Appendix C: Well to do manager persona results (separate document).

Appendix D: Poor 'good' manager persona results (separate document).

Appendix E: Selected results from ChatGPT inquiry for scholarly research connecting framing theory and financial literacy (below)

Appendix F: What is Financial Empowerment ? (scan of definitions of financial empowerment of selected websites)

Appendix G: Appendix G- Key Informant Interview Schedule (below)

Appendix E: Selected Results from ChatGPT inquiry for scholarly research connecting framing theory and financial literacy

1. Financial Literacy and Framing Effects Amplification

o A study titled "When more is less in financial decision-making: financial literacy magnifies framing effects" found that, counterintuitively, higher financial literacy can amplify certain cognitive biases like framing effects and loss aversion. (PubMed)

o the authors interpret this using dual-process theories, suggesting that more financially literate individuals may engage with financial choices more deeply, but also be more susceptible to how options are framed.

2. Investment Decisions, Financial Literacy & Framing

o in research on millennial investors in Jakarta, "The Influence of Financial Literacy, Experienced Regret, Framing Effect and Mental Accounting …" shows that framing (how investment options are presented) interacts with financial literacy and other psychological factors to influence investment decisions. (Staial Furqan Journal)

o This kind of study shows a direct link between knowledge (literacy), emotion (regret), and how the framing of financial choices affects behavior.

3. Mortgage Decisions

o A paper in the Journal of Financial Literacy & Wellbeing discusses mortgage borrowers. It notes that financially literate borrowers are less sensitive to framing effects when comparing lump-sum debt vs equivalent repayment streams. (Cambridge University Press & Assessment)

o That is, literacy can help people "translate" different presentations of debt, reducing the bias introduced by framing.

4. Behavioral Biases and Financial Planners

o There's work on financial planners' decision-making too: "Impact of Cognitive Biases …: Sunk Cost, Framing and Problem Space" examines how framing effects influence financial planners' funding decisions. (CCSE)

o This links professional financial decision-making and framing, showing that the theory applies beyond lay consumers.

5. Debiasing & Forecasting

o A recent (preprint) theoretical work, "Financial Forecasting and Cognitive Biases …", explores how framing affects financial forecasting and proposes mitigation strategies. (Preprints)

o This connects framing theory to the predictive part of financial literacy — not just decision-making, but how forecasts themselves can be biased by framing.

6. Positive Framing & Financial Wellness

o an article in the Financial Planning Research Journal examines how positive framing (e.g., "you're doing better than your peers") affects financial wellness. (Paradigm)

- This has implications for how financial literacy programs or planners communicate — using framing deliberately to promote better behavior or well-being.

7. Risk Preferences & Financial Literacy

- A study ("The analysis of the impact of the framing effect on the choice of financial products …") finds that financial literacy (and its residuals) correlates with risk preference errors, and that these errors vary under different frames. (OUCI)
- This suggests that financial literacy influences how people interpret risk depending on framing.

Appendix F: What is financial Empowerment?

The following table lists the aspects included in the definition of financial empowerment used by three of the organizations included in the environmental scan of those who deliver financial literacy/empowerment for low-income/marginalized individuals or household: Seed Winnipeg; Momentum (Calgary); and Prosper

Prosper Canada	**Seed Winnipeg**	**Momentum (Calgary)**
We design and test new ways to help people with low and moderate incomes build their financial security, closing the financial gap	Financial information, education, coaching and counselling to build financial capability.	Financial information, education and coaching to build financial capability and confidence
making it easier to get help with benefits, modernizing benefits delivery, strengthening funding for free tax and coaching services	Access to income boosting benefits and tax credits to increase incomes.	Tax filing and benefits assistance to increase incomes
making it easier to get help with money management and financial planning. Our reports, submissions, and briefings push for concrete fixes: closing the financial help gap, strengthening funding for free coaching services, cracking down on predatory lending, and expanding low-cost credit.	Access to safe and affordable financial products and services to enhance financial inclusion.	Help accessing safe and affordable financial products and services to enhance financial inclusion

Our reports, submissions, and briefings push for concrete fixes: closing the financial help gap, strengthening funding for free coaching services, cracking down on predatory lending, and expanding low-cost credit.	Opportunities to reduce debt, grow savings and build assets to build financial security.	Connection to saving and asset building opportunities to build financial security
cracking down on predatory lending and expanding low-cost credit.	Consumer awareness and protection to reduce financial risk.	Consumer protection and education to reduce financial risk.

We design and test new ways to help people with low and moderate incomes build their financial security. Working closely with community partners, we listen to what people need, then co-create tools, programs, and supports that fit their real-life situations.

Through this initiative, we work with public libraries and other trusted local spaces to bring financial empowerment services directly to where people already are. Instead of expecting people to seek out unfamiliar programs, we're embedding support into places they know and trust—making it easier to get help with benefits, money management, and financial planning. By testing and refining this model with community partners, we're building a scalable approach that can be adopted across Canada, expanding access to financial help for people who might otherwise go without it.

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Appendix G- Key Informant Interview Schedule

Financial Literacy Interview Questions

1) How do you define financial literacy? Financial empowerment?

2) Can you tell us about your financial literacy (and empowerment) programs?
a. What are the program's goals, activities, and outcomes?
b. Can you provide us a copy of your financial literacy program curriculum, including the content of the course/s and the pedagogy?

3) Describe for us the people and communities you serve, or partner with, and the socio-economic context in which these activities occur.
a. Do the experiences of the people you work with, and the context in which they live, affect your financial literacy programming? If yes, how?
b. Do you find that some participants face structural (or other) barriers which they internalize?
i. Is this a concern, and if so, how do you address this?
ii. How are these barriers externalized? Are there opportunities for group conversations about structural barriers, and for participants to externalize these?

4) What is the theory of change that informs your financial literacy and empowerment programs, i.e., can you explain how the activities you engage in lead to the results/outcomes you plan for?

5) What are the indicators that you use to measure the financial literacy of your participants?
a. Do you measure participants' financial literacy before, during or after completing your course?
b. Can you share with us the tool/method you use to undertake the measurement.
i. Do you ask about the 'big 3' or 'big 5'?
ii. Do you have suggestions as to appropriate FL indicators for low-income people? What are your thoughts around this?