
AMF Index

SUMMARY REPORT – 2012 TO 2016

MAY 2016

Presented by CROP

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CONTEXT AND OBJECTIVES

REPORT FOR THE AUTORITÉ DES MARCHÉS FINANCIERS

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CONTEXT AND OBJECTIVES

The *Autorité des marchés financiers* (AMF) commissioned CROP to conduct a quantitative survey of Québec adults for a third edition (2012, 2014 and 2016).

The main goal of the survey is to measure knowledge of vigilant behaviours (perception of usefulness) that Quebeckers have acquired regarding the use of financial products and services and their adoption of such behaviours.

More specifically, the survey aimed to create a global index made up of 10 subindexes and show how these elements have evolved (2012 v. 2016). The data collected will guide the AMF in implementing its awareness campaigns, for example as a guide in choosing themes and defining target consumer groups.

The 10 subindexes cover the following topics:

- *Managing personal finances;*
- *Credit management (interest and indebtedness);*
- *Investments;*
- *Dealing with a representative (advisor);*
- *Insurance (life, automobile and home);*
- *Fraud prevention;*
- *Retirement planning.*



METHODOLOGY

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METHODOLOGY

Population studied

The population studied consists of all Quebeckers 18 years of age or older who speak French or English and are fully or partially responsible for managing their household finances.

Questionnaire

A standard, structured questionnaire was developed in accordance with the research objectives in conjunction with the AMF.

A preliminary test was conducted to ensure the questionnaire met the objectives, the mandate and the respondents' level of understanding. No major problem was raised during this step.

Sample and collection of data

The sample was generated using Web-based data from outside suppliers to ensure the province-wide representation of respondents according to the requirements and terms set by CROP and the AMF. The sample was province-wide so it would be representative of Québec's population in terms of socio-demographics (age, sex, language, region and level of education).

The data were collected electronically (via the Internet) using a panel from February 9 to 17 , 2016. In all, **1,500 questionnaires were filled out**.

Since the sample was non-probability, no margin of error was determined.

Methodology (cont.)

Data analysis

The results were weighted to reflect the distribution of the adult population in Québec according to sex, age, area of residence and language spoken at home.

The data were statistically processed using STAT XP software in order to produce cross tables allowing for a detailed analysis of the results.

The total of some results does not always equal 100% since the calculations are based on percentages rounded to the nearest whole number.

Where the report indicates “DNK,” it means “Does not know.”

Filter questions based on the types of financial products and services held or used by a respondent were included in the questionnaire so the respondent would only answer applicable questions.

The colour coding in the tables is used to identify significant statistical differences when a subgroup of respondents is proportionately **MORE** or **LESS** likely than the rest of the population to display a certain attitude that is statistically significant.

The evolution between 2014 and 2016 is indicated by...

▲ when there is a significant increase

▼ when there is a significant decrease

HIGHLIGHTS

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HIGHLIGHTS

Quebeckers scored an overall average of **61.2%***, a **significant increase** in the AMF Index **compared with 2012** (58.5%). This index is known as the **AMF Index**. The AMF's awareness and education efforts, along with those of other financial educators, therefore seem to be achieving successful results.

Compared with the AMF Index (61.2%), Quebeckers earned **higher marks** in the Credit Management, Investments, Life/Automobile/Home Insurance and Fraud Prevention subindexes.

Compared with 2012, the Personal Finances, Credit Management, Investments, Automobile Insurance and Retirement Planning subindexes increased significantly.

	2012	2014	2016 **	
AMF Index	58.5%	60.1%	61.2%	▲
Personal finance management	45.2%	52.4%	53.4%	▲
Credit management	60.6%	68.7%	66.9%	▲
Interest and indebtedness	56.1%	57.1%	54.0%	
Investments	65.5%	67.8%	69.8%	▲
Dealing with a representative (advisor)	42.3%	40.6%	40.3%	
Life insurance	69.5%	68.4%	71.0%	
Automobile insurance	70.6%	73.1%	74.7%	▲
Home insurance	74.6%	74.4%	74.0%	
Fraud prevention	64.0%	63.1%	65.1%	
Retirement planning	48.7%	52.5%	55.8%	▲

* The index translates the level of awareness and adoption of a set of behaviours regarding financial matters which the AMF considers knowledgeable. For example, on average, Quebeckers as a whole scored 61.2% (knowledgeable behaviours) on the questions they were able to answer.

** For this comparison, the changes were compared with 2012.

Highlights (cont.)

The **AMF Index**, which stands at **61.2%**, varies according to certain subgroups of Québec's population.

The following subgroups show a **higher** AMF Index:

- *More affluent households (\$100,000 or more): 67%*
- *Retirees: 66.5%*
- *Individuals age 55 or over: 65.4%*
- *People who hold investment products: 64.8%*
- *Individuals who have a representative: 64.1%*
- *Homeowners: 63.9%*
- *Individuals who say that managing finances is "easy": 63.6%*
- *People not in the workforce*: 63.2%*
- *Individuals responsible for managing the household's finances: 62.1%*

On the other hand, the following subgroups show a **lower** AMF Index:

- *Individuals who have credit cards: 61.6%*
- *Individuals who have loans: 61.0%*
- *People active in the workforce*: 59.7%*
- *Less affluent households (less than \$40,000): 57.7%*
- *Individuals age 18 to 34: 56.3%*
- *Tenants: 56.2%*
- *Individuals who say that managing finances is "difficult" : 55.1%*
- *Individuals who do not have a representative: 52.3%*
- *Individuals whose spouse or other family member has sole responsibility for managing the household's finances: 52%*

* Note to readers: **People active in the workforce** include full-time workers, part-time workers and unemployed workers actively looking for a job, whereas **people not in the workforce** represent retirees, students and full-time homemakers.



DETAILED RESULTS

REPORT FOR THE AUTORITÉ DES MARCHÉS FINANCIERS

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PERSONAL FINANCES

REPORT FOR THE AUTORITÉ DES MARCHÉS FINANCIERS

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Financial products held

(Filter: Respondents, n=1,500)

	n=	TOTAL 2016	TOTAL 2014	TOTAL 2012
Investments				
Yes		66%	69%	64%
No		34%	31%	36%
Mortgage loan				
Yes		35% ▼	39%	39%
No		65%	61%	61%
Personal loan				
Yes		32% ▼	34%	36%
No		68%	66%	64%
Personal line of credit				
Yes		46%	48%	47%
No		54%	52%	53%
Bank credit card				
Yes		95% ▲	92%	92%
No		5%	8%	8%
Store credit card				
Yes		34% ▼	48%	43%
No		66%	52%	57%

A1. Do you currently hold any of the following financial products, either personally or jointly? (% Yes)

Sources consulted to help make financial decisions or to acquire more knowledge

(Filter: Respondents, n=1,500)

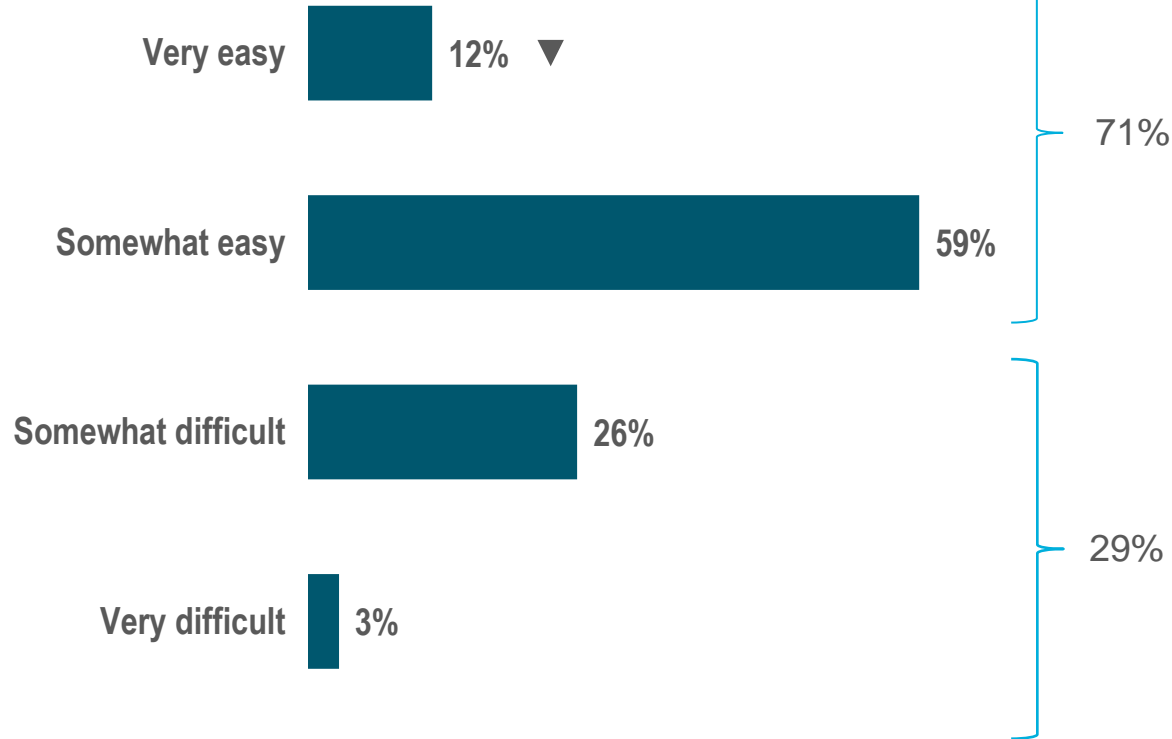
	2016	2014	2012
	n= 1,500	1,500	1,500
My representative (financial advisor) or financial institution	50%	59%	49%
People in my entourage	30%	34%	28%
Documentation on the Internet, in magazines, etc.	30%	37%	28%
The <i>Autorité des marchés financiers</i> (AMF)	4%	5%	5%
A teaching institution	4%	5%	3%
An independent organization devoted to financial education	3%	3%	2%
Other	1%	1%	4%
I have not consulted any sources of information to help me make financial decisions	24%	7%	29%

A representative, people in one's entourage and documentation on the Internet are the main sources of information consulted by Quebeckers to help make financial decisions or to acquire more knowledge.

A3. Over the past year, which sources of information have you consulted to help you make financial decisions or to acquire more knowledge?

Ease of personal finance management

(Filter: Respondents, n=1,500)



	2014	2012
	n=1,500	n=1,500
	17%	16%
	57%	53%
	24%	28%
	2%	3%

The majority of Quebecers view personal finance management as a very easy or somewhat easy task.

B1. Do you view your personal finance management as an easy or difficult task?

Personal finance management

(Filter: Respondents, n=1,500)

Necessity of doing a follow-up of income and expenses at least once a month

	TOTAL 2016 n= 1,500	TOTAL 2014 1,500	TOTAL 2012 1,500
Yes, and I do it / my spouse/partner and I do it	59% ▲	57%	54%
Yes, but my spouse/partner and I don't do it (usually)	9%	10%	11%
No, because I don't have the time or interest	5%	6%	6%
No, because I am doing very well without making a budget	19%	21%	19%
I have never asked myself that question	8%	6%	9%

Necessity of having enough money to live on for 3 months or more without having to resort to borrowing

	TOTAL 2016 n= 1,500	TOTAL 2014 1,500	TOTAL 2012 1,500
Yes, and I have such a sum of money saved	48% ▲	48%	37%
Yes, but I do not have that much money saved	36% ▼	35%	47%
No, that doesn't seem necessary to me	9%	11%	8%
I have never asked myself that question	8%	6%	8%

Since 2012, more Quebecers have been monitoring their income and expenses.

However, a majority of Quebecers do not have enough money to live on for 3 months without having to resort to borrowing. They are aware of the importance of having such a sum of money but do not have it.

B2. Is it necessary for you to do a follow-up of your income and expenses (or those of your household) at least once a month, for example with the help of a budget and a balance sheet or another similar method?

B3. Is it necessary for you to have a sum of money saved that would allow you to live for 3 months or more in the event of problems (e.g. job loss, accident, illness), without having to resort to borrowing (e.g. to buy groceries, rent or mortgage payments, insurance, automobile loan, etc.)

Personal finances: summary



Fewer people seem to have a store credit card compared with two years ago.



More Quebecers check how much money is coming in and going out.



However, a majority of Quebecers are unable to set aside enough money to use as a cushion in case of an unexpected event, although they realize they should.

CREDIT MANAGEMENT (INTEREST AND INDEBTEDNESS)

REPORT FOR THE AUTORITÉ DES MARCHÉS FINANCIERS

Use of and attitude regarding credit cards

(Filter: Respondents who have a bank or store credit card)

Use of credit card for cash advances

	TOTAL 2016 n= 1,447	TOTAL 2014 1,452	TOTAL 2012 1,432
Yes, and I do so	8%	10%	7%
No, but I do it although I know that it can be expensive	18%	17%	20%
No, because it can turn out to be very expensive	67%	68%	69%
I have never asked myself that question	7%	5%	4%

Advisability of paying the full balance on a credit card at the end of every month

	TOTAL 2016 n= 1,447	TOTAL 2014 1,452	TOTAL 2012 1,432
Yes, and I always do so	60% ▲	62%	46%
Yes, but I don't always do so	33% ▼	33%	48%
No, because it's convenient to pay small amounts over several months	6%	4%	5%
I have never asked myself that question	2%	1%	0%

Two Quebecers out of three believe it can be expensive to use their credit card to make cash advances, a relatively stable proportion since 2012.

Almost two thirds of Quebecers say they always pay the full balance on their credit card at the end of the month, a significant increase in behaviour considered to be desirable.

These *vigilant* behaviours contribute to the significant increase in the “credit management” subindex.

C2. Do you think it is advisable to use your credit card to withdraw money (cash advances)?

C3. Do you think it is advisable to pay the full balance on your credit card at the end of each month?

Interest and indebtedness

(Filter: Respondents who have a mortgage loan, a line of credit or a personal loan)

Necessity of ensuring ability to make payments on long-term debts

	TOTAL 2016 n= 1,108	TOTAL 2014 1,148	TOTAL 2012 1,138
Yes, and I have done so	45%	48%	43%
Yes, but I have never done so	28%	27%	29%
No, because it doesn't seem relevant to me	9%	9%	7%
No, because I have the ability	6%	6%	5%
I have never asked myself that question	12% ▼	11%	16%

Advisability of shopping around for interest rates before borrowing

	TOTAL 2016 n= 1,108	TOTAL 2014 1,148	TOTAL 2012 1,138
Yes, and I do so	63% ▼	66%	69%
Yes, but I don't do so (usually)	21% ▲	19%	16%
No, because I don't think I could get a better rate	8%	7%	7%
I have never asked myself that question	8%	7%	8%

Close to two Quebecers out of three shop around for interest rates when borrowing, a practice that has slowed compared with 2012.

Less than half of Quebecers ensure they are able to make payments on long-term debts.

D1. Do you think it is necessary to ensure your ability to make payments on long-term debts in the event of an increase in interest rates?

D2. Do you think it is advisable to shop around for interest rates before you borrow, for example, inquiring about mortgage interest rates at several institutions or from a mortgage broker?

Interest and indebtedness: summary



In 2016, more Quebecers pay the entire balance on their credit card than in 2012.



However, close to one quarter of them use cash advances even though they know they'll be charged a high rate of interest.



Fewer Quebecers than in 2012 shop around for a better interest rate on their loans.

INVESTMENTS

REPORT FOR THE AUTORITÉ DES MARCHÉS FINANCIERS

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Investments held

(Filter: Respondents, n=1,500)

	TOTAL 2016	TOTAL 2014	TOTAL 2012
n=	1,500	1,500	1,500
Guaranteed investment certificates			
Yes	30% ▲	35%	25%
No	70%	65%	75%
Savings bonds			
Yes	19% ▲	24%	16%
No	81%	76%	84%
Mutual funds/Exchange-traded funds			
Yes	32% ▲	35%	27%
No	68%	65%	73%
Stocks			
Yes	19%	24%	19%
No	81%	76%	81%
Labour-sponsored funds or other investments that offer tax advantages			
Yes	22%	25%	24%
No	78%	75%	76%

The significant increase in the "Investments" subindex means desirable investing behaviours are being adopted.

The following pages illustrate this.

E1. Do you currently hold any of the following financial products, either personally or jointly?

Investments held

(Filter: Respondents, n=1,500)

	n=	TOTAL 2016	TOTAL 2014	TOTAL 2012
Registered Retirement Savings Plan (RRSP)				
Yes		58% ▲	61%	54%
No		42%	39%	46%
Registered Retirement Income Fund (RRIF or LIF)				
Yes		15%	20%	17%
No		85%	80%	83%
Tax-Free Savings Account (TFSA)				
Yes		50% ▲	50%	35%
No		50%	50%	65%
Registered Education Savings Plan (RESP)				
Yes		13% ▲	13%	10%
No		87%	87%	90%

E2. Do you currently hold any of the following financial products, either personally or jointly?

Usual method of managing investments

(Filter: Respondents who hold one or more financial products)

	TOTAL 2016	TOTAL 2014	TOTAL 2012
n=	1,262	1,294	1,196
I do my own research and make my own investment decisions	26%	30%	27%
I make my own decisions but occasionally consult an advisor	37%	35%	34%
I make decisions in consultation with an advisor	29%	28%	31%
I prefer to totally delegate the management of my investments to an advisor	8%	7%	8%

E3. Which of the following statements best describes your usual method of managing your investments?

Investor's profile

(Filter: Respondents holding one or more financial products)

Usefulness of checking whether the investment matches your investor profile

	TOTAL 2016 n=	TOTAL 2014	TOTAL 2012
Yes, and I do so	68%	69%	66%
Yes, but I don't do so (usually)	19% ▲	16%	12%
No, I don't think it is useful	3%	6%	4%
I have never asked myself that question	10% ▼	9%	17%

Investor's profile

	TOTAL 2016 n=	TOTAL 2014	TOTAL 2012
A CAUTIOUS investor	44%	45%	41%
A BALANCED investor	43%	43%	41%
A DARING investor	6%	7%	7%
I don't know which of these corresponds to my investor's profile	7%	5%	11%

Two out of three investors check whether their investments match their investor's profile.

Almost all investors know what their profile is (risk tolerance).

E5. Before investing, do you think it is useful, either by yourself or with the help of your advisor, to ensure that the investment corresponds with your risk tolerance?

E6. Which of the following investor's profiles best corresponds with yours?

Usefulness of verifying when money invested can be retrieved without fees or penalties

(Filter: Respondents who own one or more financial products)

	n=	TOTAL 2016	TOTAL 2014	TOTAL 2012
Yes, and I do so		79% ▲	74%	73%
Yes, but I don't do so (usually)		11%	14%	13%
No, I don't think it is useful		3%	5%	2%
I have never asked myself that question		7% ▼	7%	12%

Before investing, most investors verify when they will be able to retrieve their money without incurring major fees or penalties, a more common habit than in 2012.

E7a. Before investing, do you think it is useful to verify when you can retrieve the money invested without incurring major fees or penalties?

Usefulness of reading the documentation that accompanies investments

(Filter: Respondents who own one or more financial products)

	n=	TOTAL 2016	TOTAL 2014	TOTAL 2012
Yes, and I do so		56% ▲	52%	50%
Yes, but I don't do so (usually)		36%	36%	39%
No, I don't think it is useful		3%	6%	2%
I have never asked myself that question		5%	6%	8%

Compared with 2012, a greater proportion of investors read the documentation that accompanies an investment before they invest.

E8a. Before investing, do you think it is useful to read, either partially or fully, the documentation that accompanies the investment?

Managing an investment portfolio

(Filter: Respondents who own one or more financial products)

Advisability of having a diversified investment portfolio

	TOTAL 2016	TOTAL 2014	TOTAL 2012
n=	1,262	1,294	1,196
Yes, and I always diversify my investments	68% ▲	69%	65%
Yes, but I don't do so (usually)	17%	19%	15%
No, I don't think that is important	4%	4%	3%
I have never asked myself that question	12% ▼	8%	17%

Advisability of checking whether there are less risky investments offering a similar return

	TOTAL 2016	TOTAL 2014	TOTAL 2012
n=	1,262	1,294	1,196
Yes, and I do so	66% ▲	64%	59%
Yes, but I don't do so (usually)	22%	22%	24%
No, because I don't think it is useful	2%	4%	3%
I have never asked myself that question	10% ▼	9%	15%

Two thirds of people who own financial products always diversify their investments and determine whether investments are available that are less risky with similar returns.

E8b. Do you think it is advisable to have a diversified investment portfolio? For example, not to invest too large a portion of one's portfolio in a single company's stock or in similar companies.

E12. Generally, before investing, do you think it is useful to ensure whether there are investments that are less risky that may bring in an equal or superior return, taking applicable fees and taxes into account?

Investments:



Quebeckers recognize the usefulness of knowing what their investor profile is and checking whether an investment matches their profile, which is usually cautious or balanced.



Compared with 2012, a greater proportion of investors obtain information about an investment and check the penalties associated with an early withdrawal.



Investors overall are aware of the importance of diversifying their investments and the usefulness of minimizing risk for a similar return. However, many have not adopted such behaviours.

DEALING WITH A REPRESENTATIVE (AN ADVISOR)

REPORT FOR THE AUTORITÉ DES MARCHÉS FINANCIERS

Has had or currently has an advisor

(Filter: Respondents, n=1,500)

	TOTAL 2016	TOTAL 2014	TOTAL 2012
n=	1,500	1,500	1,500
Yes, only to obtain advice or to save	31% ▼	41%	40%
Yes, to make an investment	44% ▲	46%	37%
Yes, to buy insurance	28%	25%	29%
No	25%	21%	27%

Quebeckers consult advisors more often to make an investment than to obtain advice or to save.

F1. Have you ever dealt with an advisor to obtain advice, to save, to make an investment or to buy insurance?

Choosing an advisor

(Filter: has had or currently has an advisor)

Advisability of consulting other advisors before choosing one

	TOTAL 2016	TOTAL 2014	TOTAL 2012
n=	1,183	1,241	1,214
Yes, and I have consulted at least one other advisor before making my choice	35% ▼	35%	40%
Yes, but I don't do so (usually)	26%	24%	24%
No, I have not consulted advisors other than the one that I do business with	34% ▲	35%	30%
I have never asked myself that question	6%	6%	5%

Advisability of ensuring with a regulatory agency whether the person is authorized to sell the financial product

	TOTAL 2016	TOTAL 2014	TOTAL 2012
n=	1,183	1,241	1,214
Yes, and I do so	41% ▼	47%	48%
Yes, but I don't do so (usually)	30%	25%	28%
No, because I don't think it is necessary	11%	13%	10%
I have never asked myself that question	17%	15%	15%

It seems that fewer and fewer Quebeckers who deal with an advisor think it is useful to consult another advisor before choosing one or even ensuring with a regulatory agency whether the person is authorized to sell the financial product being offered.

F2. Do you think it is advisable to consult one or several other advisors before deciding to do business with an advisor to make an investment?

F4. Before doing business with an advisor to make an investment, do you think it is advisable to ensure with a regulatory agency whether this person is authorized to sell you the financial product?

Necessity of asking an advisor questions about how he/she is paid

(Filter: has had or currently has an advisor)

	TOTAL 2016	TOTAL 2014	TOTAL 2012
n=	1,183	1,241	1,214
Yes, and I do so	29%	27%	26%
Yes, but I don't do so (usually)	20%	21%	19%
No, I don't think it's necessary	29% ▼	33%	34%
I have never asked myself that question	22%	19%	20%

Compared with 2012, a smaller proportion of Quebeckers who deal with an advisor think it is necessary to ask questions about how he/she is paid.

F7. Regarding the advisor that you do business with, do you think it's necessary to ask how he or she is paid?

Necessity of asking an advisor questions about the financial products he/she is authorized to sell

(Filter: has had or currently has an advisor)

	TOTAL 2016	TOTAL 2014	TOTAL 2012
n=	1,183	1,241	1,214
Yes, and I do so	39%	34%	41%
Yes, but I don't do so (usually)	27% ▲	27%	22%
No, I don't think it is necessary	12% ▼	21%	18%
I have never asked myself that question	21%	18%	19%

As with the question about remuneration, a smaller proportion of Quebeckers who deal with an advisor think it is necessary to ask questions about the financial products he/she is authorized to sell.

However, more and more Quebeckers who deal with an advisor think it is necessary but do not do so.

F7. Regarding the advisor that you do business with, do you think it's necessary to ask which financial products he or she is authorized to sell?

Necessity of asking an advisor questions about the fees that will be charged

(Filter: has had or currently has an advisor)

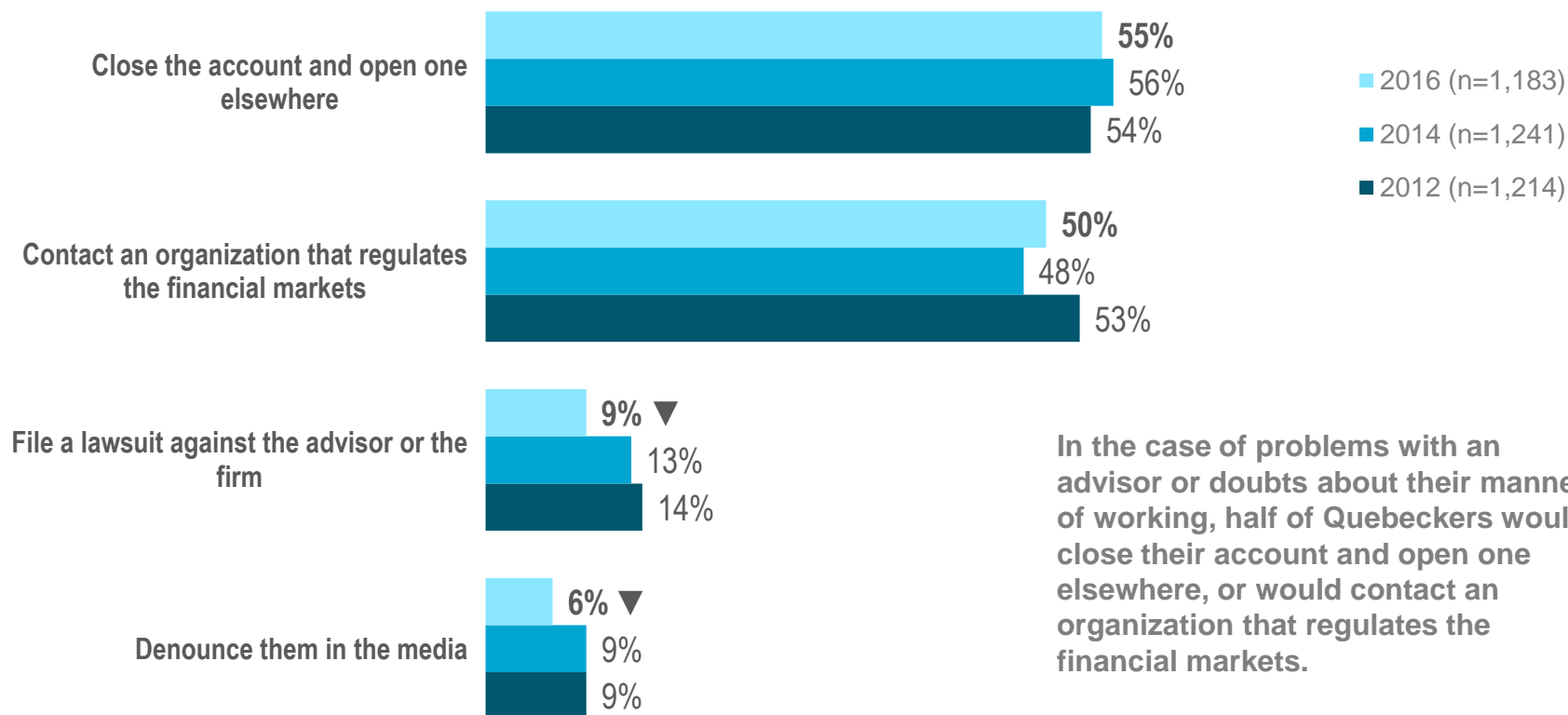
	TOTAL 2016	TOTAL 2014	TOTAL 2012
n=	1,183	1,241	1,214
Yes, and I do so	62% ▼	61%	67%
Yes, but I don't do so (usually)	19% ▲	18%	11%
No, I don't think it is necessary	7%	11%	11%
I have never asked myself that question	11%	11%	12%

Fewer Quebecers who deal with an advisor ask him/her questions about the fees that will be charged.

F7. Regarding the advisor that you do business with, do you think it's necessary to ask him or her what fees you will be charged?

Possible steps to be taken if there are doubts about an advisor's manner of working

(Filter: has had or currently has an advisor -% Yes)



In the case of problems with an advisor or doubts about their manner of working, half of Quebecers would close their account and open one elsewhere, or would contact an organization that regulates the financial markets.

F11. If you had problems with an advisor or doubts about their manner of working and you were unable to resolve the problem with their supervisor, what steps would you take?

Organizations to be contacted

(Filter: has had or currently has an advisor and would contact a regulatory agency)

	TOTAL 2016	TOTAL 2014	TOTAL 2012
n=	645	660	692
<i>Autorité des marchés financiers (AMF)</i>	51%	52%	47%
<i>Office de la protection du consumer (Consumer protection department)</i>	22% ▼	19%	27%
Ombudsman for Banking Services and Investments	8%	10%	10%
Investment Industry Regulatory Organization of Canada	7% ▲	6%	2%
<i>Chambre de la sécurité financière</i>	6%	6%	7%
Financial Consumer Agency of Canada	5%	7%	7%
<i>Chambre de l'assurance de dommages (ChAD)</i>	1%	1%	-

The *Autorité des marchés financiers* is still the main organization Quebeckers contact if they have doubts about or problems with their advisor.

F11b. Which organization would you contact?

Relation with an advisor: summary



Quebeckers seem to have a complex relationship with advisors. They tend not to shop around or ask them what products they are authorized to sell or how they are paid.



In the case of a dispute with an advisor, half of Quebeckers would opt for a drastic solution and move their account elsewhere. A similar proportion of respondents would report it to the appropriate organization.



**AUTORITÉ
DES MARCHÉS
FINANCIERS**

The AMF's reputation as the organization to turn to in the case of a dispute with an advisor has remained stable for 4 years at 51%.

INSURANCE

REPORT FOR THE AUTORITÉ DES MARCHÉS FINANCIERS

 Life to Ideas

Insurance held

(Filter: Respondents, n=1,500)

	TOTAL 2016	TOTAL 2014	TOTAL 2012
n=	1,500	1,500	1,500
Automobile insurance			
Yes	85%	86%	83%
No	15%	14%	17%
Home insurance			
Yes	83%	86%	83%
No	17%	14%	17%
Life insurance			
Yes	76%	75%	77%
No	24%	25%	23%
Disability insurance (salary insurance)			
Yes	37%	40%	▼ 44%
No	63%	60%	56%

The majority of Quebecers have automobile, home or life insurance in the same proportions as in 2012.

Disability insurance seems less popular than 5 years ago.

G1. Do you currently hold any of the following financial products, either personally or jointly?

Automobile Insurance

REPORT FOR THE AUTORITÉ DES MARCHÉS FINANCIERS

Automobile insurance

(Filter: Respondents who have automobile insurance)

Compared with 2012, people who have automobile insurance seem more informed about it.

Two thirds of them compare the insurance premiums with those of several insurers.

Necessity of knowing the characteristics of automobile insurance

	n=	TOTAL 2016	TOTAL 2014	TOTAL 2012
Yes, and I know about them	1,309	82% ▲	80%	76%
Yes, but I don't know about them		14% ▼	15%	17%
No, I don't think it's necessary		1%	3%	1%
I have never asked myself that question		2%	2%	6%

Usefulness of comparing automobile insurance premiums for similar coverage with various insurers

	n=	TOTAL 2016	TOTAL 2014	TOTAL 2012
Yes, and I do so	1,309	67%	66%	65%
Yes, but I don't do so (usually)		25%	26%	22%
No, I don't think it's useful		5%	5%	8%
I have never asked myself that question		3%	3%	5%

H1. Do you think it is necessary to know the main characteristics (deductible, coverage, specific clauses, etc.) of your automobile insurance?

H2. When your automobile insurance expires, do you think it's useful to compare premiums for plans that are similar to the one you have among many insurers in order to get the best possible price?

Home Insurance

REPORT FOR THE AUTORITÉ DES MARCHÉS FINANCIERS

 Life to Ideas

Usefulness of comparing home insurance premiums for similar coverage with various insurers

(Filter: Respondents who have home insurance)

	n=	TOTAL 2016	TOTAL 2014	TOTAL 2012
Yes, and I do so		68%	66%	69%
Yes, but I don't do so (usually)		24%	24%	21%
No, I don't think it's useful		4%	7%	7%
I have never asked myself that question		4%	3%	3%

Two thirds of people with home insurance compare the insurance premiums with various insurers to obtain the best possible price.

14. When your home insurance expires, do you think it's useful to compare premiums for plans that are similar to the one you have among many insurers in order to get the best possible price?

Life Insurance

REPORT FOR THE AUTORITÉ DES MARCHÉS FINANCIERS

 Life to Ideas

Life insurance

(Filter: Respondents in charge of managing their household finances who have life insurance)

Necessity of evaluating the amount of life insurance required

	TOTAL 2016 n=	TOTAL 2014	TOTAL 2012
Yes, and I do so	71%	69%	70%
Yes, but I don't do so (usually)	13%	12%	13%
No, I don't think it's necessary	7% ▼	10%	10%
I have never asked myself that question	9% ▲	9%	6%

Necessity of reading the documentation related to life insurance

	TOTAL 2016	TOTAL 2014	TOTAL 2012
Yes, and I do so	64%	61%	65%
Yes, but I don't do so (usually)	30%	32%	29%
No, I don't think it's necessary	2%	3%	3%
I have never asked myself that question	4%	5%	3%

Over two thirds of individuals who have life insurance evaluate the amount of insurance they need and close to two thirds read the documentation related to their life insurance.

G2. Before buying life insurance, do you think it's necessary to evaluate, either by yourself or with the advisor, the amount of insurance you need?

G4. Do you think it's necessary to read the documentation related to your life insurance?

Necessity of checking whether the life insurance premium is fixed or will vary over time

(Filter: Respondents in charge of managing their household finances who have life insurance)

	TOTAL 2016	TOTAL 2014	TOTAL 2012
	1,137	1,162	1,173
Yes, and I know that the premium is fixed	74%	73%	72%
Yes, and I know that the premium will increase and I know how much	13%	14%	13%
No, I don't think it's necessary	4%	3%	4%
I have never asked myself that question	9%	10%	11%

Three quarters of individuals with life insurance say that they know their life insurance premium is fixed.

G5. Before buying your life insurance, do you think it's necessary to check whether your premium is fixed or whether it will vary over time?

FRAUD PREVENTION

REPORT FOR THE AUTORITÉ DES MARCHÉS FINANCIERS

Possible reactions to different types of fraud

(Filter: Respondents)

You read on the Internet that a company's shares are about to skyrocket

	TOTAL 2016 n= 1,500	TOTAL 2014 1,500	TOTAL 2012 1,500
Invest a large sum immediately	4%	5%	4%
Invest a small sum immediately	9%	11%	9%
Share the good news with your friends	6%	6%	7%
Challenge the validity of this rumour or ignore it	81%	78%	80%

You receive an email asking for banking information

	TOTAL 2016 n= 1,500	TOTAL 2014 1,500	TOTAL 2012 1,500
Ignore this email	59% ▲	58%	52%
Click on the link in the email to update your information immediately	7%	7%	5%
Reply to the email to ask for further information	13% ▼	17%	20%
None of these answers	22%	18%	23%

Quebeckers are more vigilant about financial fraud than in 2012. Most will challenge the validity of a rumour they read on the Internet or ignore it.

If they receive an email asking for banking information, most Quebeckers say they ignore it. Fewer Quebeckers respond to this type of email.

J1. Suppose you read the following information on Twitter or another social network: "Following obtaining a major contract that will be made official shortly, XY company's stocks will double or even triple in value!" You should:

J2. You receive an email from your financial institution. You are asked to immediately update your information because someone has tried to access your account. You should:

Suspicious statements about investments

(Filter: Respondents)

	TOTAL 2016	TOTAL 2014	TOTAL 2012
n=	1,500	1,500	1,500
High return with no risk	79% ▲	74%	75%
This investment has been approved by the <i>Autorité des marchés financiers</i>	23% ▼	27%	29%
You should invest now	57%	54%	56%

Only 15% of respondents answered adequately by saying that the three statements were suspicious.

J3. Among the following statements regarding investments, which one(s) seem(s) suspicious to you?

Multiple answers permitted.

Investment or insurance fraud

(Filter: Respondents)

	TOTAL 2016	TOTAL 2014	TOTAL 2012
n=	1,500	1,500	1,500
<u>Believe they have been the target of fraud</u>	14%	15%	12%
<u>Have been the target of fraudsters</u>	5%	6%	5%
<u>Have been the victim of financial fraud in the past year</u>	2%	4%	1%

A minority of Quebeckers believe they have been the target of fraud and have been the victim of financial fraud in the past year.

J4. Have you ever been targeted by fraudsters when it comes to investments or insurance?

J5. Have you ever been the victim of financial fraud? *By financial fraud, we mean fraud pertaining to investments or insurance.*

J6. In the past year, have you been the victim of financial fraud?

Necessity of reporting attempted financial fraud

(Filter: Respondents)

Necessity of reporting attempted financial fraud

	TOTAL 2016 n=	TOTAL 2014	TOTAL 2012
Yes, because I think it's important	91%	88%	93%
No, because I don't think it's necessary if one is not ensnared by the fraudster	2%	4%	1%
No, because I don't think anything would come of it	2%	3%	2%
No, because I would fear the consequences of the denunciation	0%	1%	0%
No, because I wouldn't know who to inform about it	4%	4%	3%

Reported the latest financial fraud attempt

(Filter: Respondents in charge of managing their household finances who believe they have been targeted by fraudsters or have been the victim of investment or insurance fraud)

	TOTAL 2016 n=	TOTAL 2014	TOTAL 2012
Yes	64%	70%	58%
No, because the amount was not significant enough	5%	5%	11%
No, because I didn't think anything would come of it	10%	7%	10%
No, because I was afraid of the consequences of the denunciation	1%	2%	3%
No, because I didn't know who to inform about it	21%	15%	19%

Almost all Quebeckers think it's important to report financial fraud attempts.

Two thirds of Quebeckers who were the victim of fraud took steps to report it.

J7. Do you think it's necessary to denounce all financial fraud attempts (other than spam) that you might encounter?

J8. Did you denounce the last financial fraud attempt you experienced?

Fraud Prevention: summary



Quebeckers are wary of fraud, particularly emails asking for banking information or offering “high return no-risk” investments.



Quebeckers as a whole agree on the importance of reporting fraud but only two thirds did so when faced with fraud.



A number of respondents did not report fraud because they did not know who to contact.

RETIREMENT PLANNING

REPORT FOR THE AUTORITÉ DES MARCHÉS FINANCIERS

Necessity of considering inflation in financial planning for retirement

(Filter: Respondents)

	n=	TOTAL 2016	TOTAL 2014	TOTAL 2012
Yes, and I consider it		60% ▲	55%	55%
Yes, but I don't consider it (usually)		23% ▼	28%	27%
No, I don't think it's necessary		3%	5%	4%
I have never asked myself that question		13%	13%	15%

There is generally a significant increase in vigilant behaviours regarding retirement planning.

Significantly more Quebecers consider inflation, life expectancy and the taxation of funds withdrawn from their RRSP or pension plan in planning for their retirement.

K1. Regarding financial planning for your retirement, do you think it's necessary to consider the following aspects? Inflation

Necessity of considering life expectancy and the possibility of living longer than average in financial planning for retirement

(Filter: Respondents)

	n=	TOTAL 2016	TOTAL 2014	TOTAL 2012
Yes, and I consider it		60% ▲	54%	49%
Yes, but I don't consider it (usually)		22% ▼	26%	28%
No, I don't think it's necessary		6%	8%	7%
I have never asked myself that question		12% ▼	12%	16%

K1. Regarding financial planning for your retirement, do you think it's necessary to consider the following aspects? Your life expectancy and the possibility of living longer than average

Necessity of considering the tax applied to an RRSP or pension plan in financial planning for retirement

(Filter: Respondents)

	n=	TOTAL 2016	TOTAL 2014	TOTAL 2012
Yes, and I consider it		61% ▲	56%	53%
Yes, but I don't consider it (usually)		19% ▼	22%	23%
No, I don't think it's necessary		4%	7%	6%
I have never asked myself that question		16%	15%	18%

K1. Regarding financial planning for your retirement, do you think it's necessary to consider the following aspects? Tax applied to your RRSP or pension plan when you use them during retirement

Necessity of verifying whether enough money is being saved for retirement

(Filter: Respondents)

	n=	TOTAL 2016	TOTAL 2014	TOTAL 2012
Yes, and I do so		43% ▲	46%	38%
Yes, but I don't do so		35% ▼	34%	39%
No, I don't find that necessary		11% ▲	8%	6%
I have never asked myself that question		12% ▼	12%	16%

Despite a significant increase, less than half of Quebecers verify whether they are saving enough for retirement, a practice that has grown since 2012.

K2. Whether with the help of an advisor or a calculator, do you think it's necessary to verify whether you are saving enough for retirement or for the rest of your retirement?

Retirement Planning: summary



In terms of retirement planning, Quebecers are adopting more vigilant behaviours, in particular by taking inflation and life expectancy into consideration.



However, only a minority of Quebecers verify whether the amount they have saved is enough for their retirement.

FINANCIAL EDUCATION

REPORT FOR THE AUTORITÉ DES MARCHÉS FINANCIERS

 Life to Ideas

Interest in acquiring more knowledge about personal finances

(Filter: Respondents)

	TOTAL 2016	TOTAL 2014	TOTAL 2012
n=	1,500	1,500	1,500
TOTAL INTERESTED (Very + Somewhat)	67%	68%	67%
<i>Very interested</i>	21%	22%	21%
<i>Somewhat interested</i>	45%	47%	46%
TOTAL NOT INTERESTED (Not very + Not at all)	33%	32%	33%
<i>Not very interested</i>	28%	26%	25%
<i>Not interested at all</i>	5%	6%	8%

Two thirds of Quebeckers say they are very interested or somewhat interested in acquiring more knowledge about personal finances.

L1. How interested are you in acquiring more knowledge about personal finances?

Methods of acquiring more knowledge about personal finances

(Filter: Respondents in charge of managing their household finances who are very, somewhat or not very interested in acquiring more knowledge)

	n=	TOTAL 2016	TOTAL 2014	TOTAL 2012
With my representative (financial advisor)		52% ▲	47%	41%
On my own (Internet)		43% ▼	49%	47%
On my own (books, documentation)		31% ▼	39%	40%
With someone in my entourage who knows more than I do		26%	22%	26%
In a formal teaching environment (by taking a class, continuing education)		25% ▼	19%	31%
Through an independent organization		15% ▼	18%	24%

Quebeckers who say they are interested in acquiring more knowledge about personal finances would like to do so through their representative (financial advisor).

L3. What would be the most effective method(s) of acquiring more knowledge?

Multiple answers permitted.

Level of knowledge in various fields

(Filter: Respondents)

		n=	TOTAL 2016	TOTAL 2014
Home insurance	Very informed		75%	74%
	Very uninformed		25%	26%
Life and health insurance	Very informed		63%	63%
	Very uninformed		37%	37%
Auto insurance	Very informed		76% ▲	62%
	Very uninformed		24%	38%
Investments	Very informed		49% ▼	53%
	Very uninformed		51%	47%

The level of knowledge about investments is less developed than for automobile, home and life and health insurance.

L9. Overall, do you feel you are informed or uninformed about the following fields?

New question introduced in 2014

Comfort level discussing personal finances or investments

(Filter: Respondents)

% TOTAL WHO ARE COMFORTABLE	n=	TOTAL 2016
... your spouse		84%
... your family members		66%
... your children		64%
... your friends		54%
... your work colleagues		37%

Quebeckers are more comfortable discussing personal finances with their spouse, family members and children than with friends or work colleagues.

L12. Generally speaking, to what extent are you comfortable discussing your personal finances or investments with...?

New question introduced in 2016

Quebeckers and personal finance management

(Filter: Respondents)

Quebeckers should show a little more interest in managing their personal finances

	TOTAL 2016
n=	1,500
TOTAL WHO AGREE	97%
<i>Totally agree</i>	59%
<i>Somewhat agree</i>	38%
TOTAL WHO DISAGREE	3%
<i>Somewhat disagree</i>	3%
<i>Totally disagree</i>	0%

Almost all Quebeckers agree that people should show more interest in managing their personal finances.

Level of interest in managing personal finances compared with Québec population overall

	TOTAL 2016
n=	1,500
Similar	52%
Higher	38%
Lower	9%

Half of Quebeckers consider their own level of interest in managing finances similar to that of the population overall, whereas just over one third consider their level of interest to be higher than that of the rest of the population.

L13. To what extent do you agree or disagree with the following statement: *Quebeckers should show a little more interest in managing their personal finances?*

L14. Compared to the whole Quebec population, would you say that your level of interest in personal finance management is...

New questions introduced in 2016

Children's financial education

(Filter: Respondents)

Who should assume the greatest responsibility for children's financial education?

	n=	Children	
		TOTAL 2016	Have children
	1,500	564	936
Both the parents and the school	57%	58%	57%
The parents	37%	38%	36%
The school	6%	5%	6%

Knowledge and ability to be responsible for children's financial education

	n=	Children	
		TOTAL 2016	Have children
	1,500	564	936
Yes, totally	30%	30%	29%
Yes, partially	53%	59%	49%
No	18%	11%	22%

Over half of Quebeckers think that parents and schools should both be responsible for children's financial education.

The majority of Quebeckers consider that they have the knowledge and ability to be responsible for their children's financial education, totally or partially.

L15. In your opinion, who should assume the greatest responsibility for children's financial education?

L16. Do you think you have the knowledge and ability to be responsible for your children's financial education?

New questions introduced in 2016

Financial education: summary



Discussing personal finances other than with one's spouse is not socially desirable for a large proportion of Quebecers.



However, acquiring more knowledge about personal finances is highly desirable for Quebecers overall.



They believe a "financial advisor" is the best person to provide such information.



555, RENÉ-LÉVESQUE OUEST

BUREAU 1501

MONTRÉAL (QUÉBEC) H2Z 1B1

T 514 849-8086

WWW.CROP.CA

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