SEYMOUR FINANCIAL RESILIENCE INDEX TM PROVIDES DEEP DIVE ON FINANCIAL RESILIENCE & VULNERABILITY OF CANADIANS

During COVID-19 over 18 million adult Canadians are not 'Financially Resilient', with the financial health and resilience gap widening between June and October

NORTH VANCOUVER, BC, CANADA, November 26, 2020 /EINPresswire.com/ -- SEYMOUR MANAGEMENT CONSULTING INC. RELEASES OCTOBER SEYMOUR FINANCIAL RESILIENCE INDEX TM PROVIDING A DEEP DIVE ON THE FINANCIAL RESILIENCE AND VULNERABILITY OF CANADIANS DURING COVID-19

> "The Index exposes the financial vulnerabilities of households during good and bad times, which can be contradictory or hidden from traditional measurements."
>
> *Eloise Duncan, CEO and Founder of Seymour Management Consulting Inc*

Seymour Management Consulting Inc., a Canadian financial consulting firm and leading independent authority on financial health, released its October 2020 Seymour Financial Resilience Index TM.

A unique Index and the first of its kind in the world, the Seymour Financial Resilience Index TM Index measures a consumer or household's ability to get through financial hardship, stressors and shocks as a result of unplanned life events based on nine behavioural, sentiment and resilience indicators. The index measures a households' ability to bounce back from financial stressors and shocks at the national, provincial, segment and individual household levels, including for Big Five bank customers. The Index is comprised of four "resilience segments" – "Extremely Vulnerable, Financially Vulnerable, Approaching Resilience, Financially Resilient."

"We created the Index because we wanted to bring to light the behaviours, sentiments and factors affecting Canadians' financial resilience," says Eloise Duncan, CEO and Founder of Seymour Management Consulting Inc. ['Seymour Consulting.'] "The Index exposes the financial vulnerabilities of households during good and bad times, which can be contradictory or hidden from traditional measurements. Our data shows that as Canadians, we're by and large dutiful in paying our liabilities and debts on time, but many of us have financial challenges underneath, that can influence our ability to get through financial stressors or shocks; influence our relationship to money or have impacts on our current and future behaviours."

The Index, and FHI dataset, provides a new macro-lens for policymakers, economists, bankers, lenders and other organizations on the changing financial resilience of households, including for example, those who have or haven’t experienced job losses and/or reduced hours as a result of pandemic impacts, and who have or haven’t accessed Government COVID-19 financial relief or mortgage or loan deferral programs from their Financial Institutions.

Adds Duncan, “Using the iceberg analogy, financial resilience is what is under the water and not generally visible. It can be large (Financially Resilient) or small (Extremely Vulnerable). The index and financial resilience score shines a light under the water to see just how resilient we are. It can be a tool to help inform and guide Financial Institutions, Governments and other organizations across our ecosystem to support their customers, citizens, key populations and communities in a more meaningful and targeted manner.”

Developed over four years by Eloise Duncan, CEO and Founder of Seymour Consulting and her team, the Index is complemented by the longitudinal data and measurement on the financial health of Canadians, based on Seymour’s Financial Health Index [FHI] studies survey data.

“The Index provides a financial resilience score from 0-100, across the four financial segments from “Extremely Vulnerable” to “Financially Resilient”, with “Financially Resilient” households representing only 28% of the adult Canadian population, and all income demographic groups represented across all four segments ,” adds Duncan. “What we’re seeing based on the October index is increasing financially vulnerability particularly for households impacted by job losses and/or reduced hours, which are disproportionately impacting ‘Extremely Vulnerable’ and’ Financially Vulnerable’ households. Based on our data, of concern is how some households, despite working harder to adjust their behaviours to make ends meet and having accessed Government COVID-19 support and/or payment deferral programs or other help to bridge through, are still falling behind, with their financial resilience scores worsening. Incidentally more of these people are also feeling less well supported by their primary Financial Institution, and/or are having difficulties in accessing financial services, education, advice or help.”

The October Index release shows how Canadians’ sentiments and consumer and financial behaviours are changing in the first eight months of the pandemic with real differences by province and across the four financial resilience segments.

• 67% of Canadians agree that the pandemic has made them re-think their relationship with money, and 33% now worry often about having their household income reduced as a result of COVID-19 or a future recession.
• 63% of households have significantly reduced their non-essential expenses in October, up from 61% in June and 42% of households have drawn down on their savings, up from 30% in June.
• 15% of households report saving significantly or moderately more now compared to pre-pandemic (but this is 31% for Financially Resilient Canadians) whereas 51% of Financially

Vulnerable and 41% of Extremely Vulnerable households respectively are saving significantly or moderately less.
• Canadians have been creative in other ways to reduce their expenses and make ends meet, with 9% moving house or changing accommodation to reduce living expenses; 17% having sold or pawned something to get by and 11% having deferred utility payments.
• Many Canadians are paying down debt or consolidating their debt and reducing their borrowing for everyday expenses. That said, 27% Canadians reported that they worry often about managing their overall debt load in October.

The Index shows many differences in the financial resilience scores, behaviours and vulnerabilities for different demographic groups; also based on different financial stress/ wellness, resilience/ vulnerability and consumer and financial health indicators tracked since 2017. For example, as of October, Extremely Vulnerable households are working much harder than ever to make it through – with 80.7% if them reported having significantly reduced their non-essential expenses, up significantly compared to 70.3% in June. 43.6% have had to increase borrowing for everyday expenses (up from 31.4%) and 66.2% have drawn down on their savings, compared to 49.7% just three months prior.

For more information about Seymour Consulting and the Index, visit http://financialhealthindex.org.

About Seymour Management Consulting Inc.
Seymour Management Consulting Inc. is a Canadian financial services consulting firm founded in 2009. We are the leading independent authority on financial health in Canada and members of the C.D. Howe Institute. Through our team of experts and partners, and by applying the Seymour Financial Resilience Index TM, we deliver measurement, research and analytics, strategic consulting and collaborative innovation. Our vision is for financially healthy, resilient Canadians.

Cynnamon Schreinert
HartleyPR
+1 604-802-2733
email us here
