



Press Release

Millions of Canadians Impacted by Income Volatility: TD

Canadians With Unpredictable Income Flows Are More Likely to Experience Financial Challenges and Stress Today and to Lack Confidence in Their Financial Future

Toronto, Ontario, May 18, 2017 — Almost forty percent (37 percent) of adult Canadians say they have experienced moderate to high levels of income volatility over the past year according to a survey conducted on behalf of TD Bank Group. This equates to an estimated 10 million Canadians who experience income volatility, including approximately 3.3 million whose monthly income can fluctuate by 25 percent or more.

Income volatility describes income which is inconsistent (not received on a regular and predictable basis), unstable (amount varies each time it is received), and that fluctuates month to month by a significant percentage.

TD's report, ***Pervasive and Profound: Impact of Income Volatility on Canadians***, has found that Canadians experiencing income volatility are more likely to report feelings of financial stress and lower overall financial health. They are also significantly more likely to see themselves falling behind financially and much less likely to feel confidence in their financial future.

“Our aim was to take an emerging issue – income volatility – and to shed light on how it’s affecting the day to day lives of Canadians,” said Bharat Masrani, Chief Executive Officer and Group President of TD Bank Group. “Our findings suggest that impact is both pervasive and profound – making it hard for many people to live the life they want today, let alone plan for and feel confident about their future. It’s a subject worthy of closer examination.”

The survey findings show that income volatility is more likely to be experienced by part-time, self-employed, seasonal workers and the unemployed. Young adult Canadians – particularly young women, as well as by men aged 45-54, are also more susceptible, as are lower income Canadians. Respondents ranked irregular hourly pay (28 percent), multiple sources of variable income (19 percent) and self-employed (18 percent) as the three top causes of fluctuation in their month-to-month income.

The TD report use Canadians’ reported behaviours and perceptions in the areas of saving, spending, borrowing and planning to gauge their overall financial health. In all four categories, those with higher income volatility show significantly lower financial health.

This contrast is more acute in the area of saving and financial planning. In terms of savings, 44 percent of Canadians with high levels of volatility show low financial health versus 28 percent of those with low levels of income volatility. In terms of financial planning, Canadians with high levels of income volatility are almost twice as likely to show low financial health, than those with low levels of income volatility (34 percent versus 18 percent).

Address: 160 Bloor Street East, Suite 300
Toronto, ON, M4W 1B9
Tel: +1 416 324-2865

Contact: **Chris Martyn**
Senior Vice President, Canada, Ipsos Public Affairs
Email: chris.martyn@ipsos.com



Press Release – continued –

Respondents experiencing moderate to high levels of income volatility also indicated they were more likely to delay buying groceries, paying down a minimum amount on a credit card, or paying off monthly bills. Additionally, those with high levels of income volatility were twice as likely to “often” feel stressed about their personal finances than those with low amounts of income volatility. Finally, findings show that Canadians with lower incomes are both at higher risk for income volatility than those with higher incomes, and are more likely to experience negative and more severe impact as a consequence of volatility.

“This confirms what many community organizations have suspected for some time – that there has been a sea change in the financial lives of Canadian households. Rising income volatility appears to be making it far more challenging for households at all income levels to manage financially, but Canadians with lower incomes are really feeling this most sharply,” said Elizabeth Mulholland, CEO of national charity, Prosper Canada. “We need to broaden our focus to address, not just income poverty and inequality, but income volatility as well, if Canadians are to truly prosper.”

“Income volatility can erode people’s confidence in creating a future they want for themselves and their families,” said Mr. Masrani. “Everyone deserves to look forward with a sense of certainty and purpose. It is important for us as individuals but also, more broadly, as a country. TD will continue to look for ways to support an informed national discussion on an issue that impacts millions of Canadians.”

These are some of the findings of an Ipsos poll conducted between April 13 and April 23, 2017, on behalf of the TD Bank Group. For this survey, a sample of 3,000 Canadians aged 18+ from Ipsos' online panel was interviewed online. Weighting was then employed to balance demographics to ensure that the sample's composition reflects that of the adult population according to Census data and to provide results intended to approximate the sample universe. The precision of Ipsos online polls is measured using a credibility interval. In this case, the poll is accurate to within ± 2.0 percentage points, 19 times out of 20, had all Canadians aged 18+ been polled. The credibility interval will be wider among subsets of the population. All sample surveys and polls may be subject to other sources of error, including, but not limited to coverage error, and measurement error. In generalizing results, 1 percent = 280,000 adults; 5 percent = 1.4 million adults; 10 percent = 2.8 million adults.

For more information on this news release, please contact:

Chris Martyn
Senior Vice President, Canada
Ipsos Public Affairs
+1 416 324-2002
chris.martyn@ipsos.com

For full tabular results, please visit our website at www.ipsos-na.com.
News Releases are available at: <http://www.ipsos-na.com/news-polls/>

Address: 160 Bloor Street East, Suite 300
Toronto, ON, M4W 1B9
Tel: +1 416 324-2865

Contact: **Chris Martyn**
Senior Vice President, Canada, Ipsos Public Affairs
Email: chris.martyn@ipsos.com



Press Release – continued –

About Ipsos

Ipsos is an independent market research company controlled and managed by research professionals. Founded in France in 1975, Ipsos has grown into a worldwide research group with a strong presence in all key markets. Ipsos ranks third in the global research industry.

With offices in 88 countries, Ipsos delivers insightful expertise across five research specializations: brand, advertising and media, customer loyalty, marketing, public affairs research, and survey management.

Ipsos researchers assess market potential and interpret market trends. They develop and build brands. They help clients build long-term relationships with their customers. They test advertising and study audience responses to various media and they measure public opinion around the globe.

Ipsos has been listed on the Paris Stock Exchange since 1999 and generated global revenues of €1,669.5 (\$2,218.4 million) in 2014.

GAME CHANGERS

« Game Changers » is the Ipsos signature.

At Ipsos we are passionately curious about people, markets, brands and society.
We make our changing world easier and faster to navigate and inspire clients to make smarter decisions.
We deliver with security, speed, simplicity and substance. We are Game Changers.

Ipsos is listed on Eurolist – NYSE-Euronext.
The company is part of the SBF 120 and the Mid-60 index
and is eligible for the Deferred Settlement Service (SRD).

ISIN code FR0000073298, Reuters ISOS.PA, Bloomberg IPS:FP

www.ipsos.com

Address: 160 Bloor Street East, Suite 300
Toronto, ON, M4W 1B9
Tel: +1 416 324-2865

Contact: **Chris Martyn**
Senior Vice President, Canada, Ipsos Public Affairs
Email: chris.martyn@ipsos.com