

Executive Summary

Closing the divide

Solutions for Canada's financial help gap

Introduction

Canada's National Financial Literacy Strategy, [Make Change that Counts](#) aims to enhance access to trustworthy and affordable financial help services, particularly for vulnerable Canadians.¹ The strategy acknowledges that financial well-being is not just a matter of personal behaviour. To meaningfully support people in achieving financial stability and health, we must remove systemic barriers and build a more inclusive financial ecosystem.²

Building from this premise, Prosper Canada worked with an Advisory Committee of financial sector, government, and community experts to assess the priority financial help needs of people with low incomes and to evaluate how well existing services are meeting those needs.³ Our 2023 report, [Missing for Those Who Need It Most: Canada's Financial Help Gap](#), confirmed that available financial help services are often unaffordable, inaccessible, and not well aligned with the distinct needs of people living on low incomes.⁴

At the same time, ongoing affordability challenges, trade disruptions,⁵ surging fraud levels,⁶ declining trust in public institutions⁷ and Canada's persistent digital divide,⁸ are deepening financial vulnerability across the country. In 2024:

- **61% of low-income Canadians—approximately 3.08 million people**—are experiencing significant financial hardship;⁹
- **Households in the bottom 20% by income** were the only group whose average wages fell from 2023 to 2024 (-3.3%);¹⁰
- **These households averaged \$34,539 in negative savings (debt)** and were the only income segment who saw their savings drop from 2023 to 2024 (-2.7%).¹¹

Particularly affected are Indigenous Peoples, racialized communities, people with disabilities, newcomers, rural and remote communities, and seniors, who face intersecting systemic barriers that demand tailored, inclusive solutions.¹²

In this context, closing Canada's financial help gap is an urgent priority.





Objectives

The purpose of the solutions framework that follows is to:

Clarify the unique ways that relevant sectors and stakeholders can help to close Canada's financial help gap;

Share relevant, proven, and promising financial help service models; and

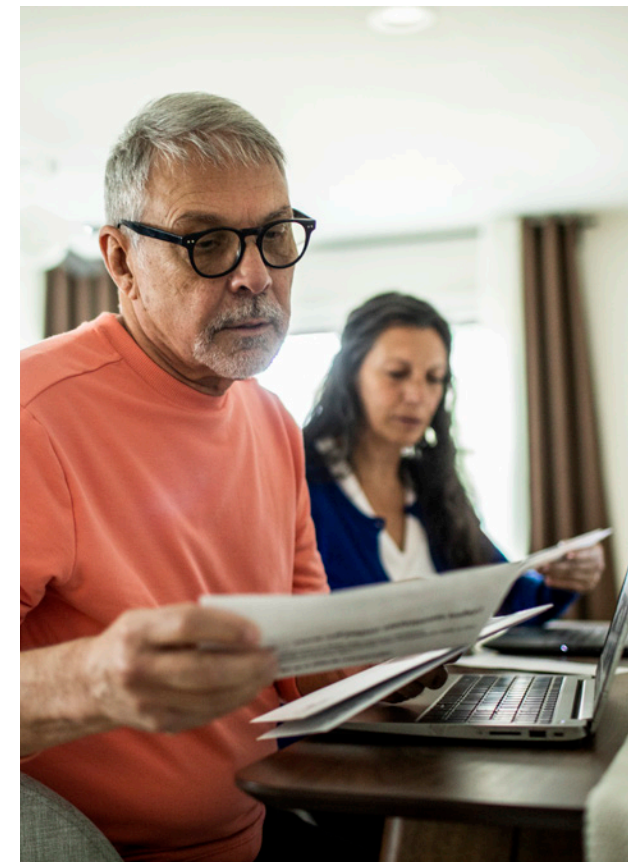
Accelerate adoption of effective solutions by relevant actors.

Our vision is a Canada where people with low incomes can easily access the financial help they need to build lasting financial security and wellbeing. This framework sets out practical steps stakeholders can take, individually and together, to significantly reduce the gap in affordable, appropriate, and trustworthy financial help services.

Our vision is a Canada where people with low incomes can easily access the financial help they need.

Solutions framework

The solutions framework below provides a high-level roadmap for action across six domains and identifies specific roles that governments, financial services, and community organizations can play to ensure all Canadians have access to the financial help they need to build stability and security.



Action Domains	Sectors		
	Government	Financial Services	Community
I. Build capacity of frontline service providers Regularly equip frontline service providers with updated knowledge, training and skills to deliver accessible, appropriate, and trustworthy financial help services to underserved consumers.	<ul style="list-style-type: none"> Support research on the financial challenges and service needs of underserved consumers and share insights widely. Generate and/or promote evidence-based principles and effective practices, resources, and tools for financial help service delivery and training in all sectors. Establish regulations and guidance to ensure frontline personnel and agents of regulated financial services and government services are adequately trained to deliver effective financial help to people with low incomes and diverse populations. Financial service regulators should conduct periodic reviews to assess adherence to mandatory and/or recommended practices and recommend suggested improvements. 	<ul style="list-style-type: none"> Support research and measurement on the financial help needs, challenges, and experiences of low-income consumers, and share findings to inform service design and policy. Establish and train an internal team with deep expertise in recognizing, understanding and serving underserved customers to support client-facing staff and manage more complex client situations. Enlist nonprofit organizations with relevant expertise to help build employee understanding of low-income consumers' financial help needs and how best to meet these, and build referral pathways locally to complementary, high-quality, non-profit services where possible. Integrate education and training on how to recognize and effectively serve diverse vulnerable consumers into certification and continuing education programs for financial help professionals. Train financial professionals – including frontline staff at banks and credit unions – on the connection between financial choices and client eligibility for federal and provincial/territorial income benefits, tax credits, and related in-kind support programs. 	<ul style="list-style-type: none"> Conduct research on the financial help challenges and needs of people with low incomes in Canada, promote findings widely, and measure the impact through evaluation. Create, share and promote evidence-based tools, resources and training to build frontline capacity to effectively deliver community-based financial help services for people with low incomes. Establish sector-wide service and training standards and accreditation. Partner with government and financial sector organizations to help equip frontline service providers in all sectors to better serve underserved consumers.
II. Fund access to sustainable community financial help services Free, community-delivered, financial help services are sustainably funded and accessible to people with low incomes across Canada.	<ul style="list-style-type: none"> Fund free, high quality, community delivered, financial help services. Explore shared public-private funding models for community-delivered financial help services. Make government services more effective by integrating free financial help where evidence shows it can boost service outcomes and improve the financial well-being of low-income clients. 	<ul style="list-style-type: none"> Invest alongside governments to expand the reach of community delivered financial help services. Fund development and piloting of innovative and adapted service models to expand community financial help services to underserved groups. 	<ul style="list-style-type: none"> Pursue funding partnerships with government, financial sector organizations, and other partner organizations. Seek government and financial sector partners to invest in service innovation to reach underserved groups.

Action Domains	Sectors		
	Government	Financial Services	Community
III. Streamline administration and delivery of government benefits to improve take-up Improve take-up of government benefits and create optimal benefit experiences for applicants and recipients.	<ul style="list-style-type: none"> • Adopt service design principles and practices to ensure that benefit design and delivery are optimized for all key stakeholders. • Implement automatic tax filing for people with low incomes and simple tax situations to eliminate tax filing as a barrier to receiving income benefits for these individuals. • Continue to innovate to make tax filing and benefit access easier for people with low incomes. • For income benefits delivered outside of the tax system, review benefit take-up rates annually, investigate barriers to access, and report publicly. 	<ul style="list-style-type: none"> • Integrate online benefit screening and information tools into income tax software to increase benefit awareness and take-up. • Equip frontline service personnel with information and resources to refer interested customers to community tax and benefit assistance services. • Use feedback from low-income consumers to adapt services. 	<ul style="list-style-type: none"> • Identify community service clients who need tax filing and benefit assistance and connect them to appropriate supports. • Consider integrating benefit assistance into core services to help clients access all the income supports they are entitled to.
IV. Leverage key government strategies to drive coordinated action All orders of government leverage relevant strategies (e.g. financial literacy, poverty reduction) and collaborate with community and financial sector stakeholders to expand access to financial help for those who need it most.	<ul style="list-style-type: none"> • Renew and enhance Canada's National Financial Literacy Strategy to incorporate a broader focus on financial well-being. • Develop an outcome measurement framework and collect data to monitor and publicly report progress in closing Canada's financial help gap for people with low incomes and other underserved Canadians. • Establish national and regional cross-sector tables to coordinate efforts to improve tax filing and benefit take-up, and access to financial help more broadly. • Convene financial planning regulators and professional associations, and relevant community financial help stakeholders, to identify ways to expand free or low-cost financial planning services to people with low incomes and develop appropriate related financial planning resources. • Leverage the creation and renewal of federal, provincial/territorial, and municipal. 	<ul style="list-style-type: none"> • Participate in renewing Canada's National Financial Literacy Strategy and work across the sector to identify ways it can help to advance its goals. • Ensure your sector is represented in relevant national and regional cross-sector tables to help generate insights and coordinate action on relevant target outcomes. • Commit to measuring and building customer financial well-being, tracking outcomes, and sharing relevant insights publicly to accelerate learning in your sector. 	<ul style="list-style-type: none"> • Participate in renewing Canada's National Financial Literacy Strategy, and relevant provincial/territorial and municipal poverty reduction strategies. • Understand the financial help needs of your service users, and what works to address these needs, and share this knowledge. • Ensure your service sector is represented in relevant national and regional cross-sector tables to help generate insights and coordinate action on relevant target outcomes.

Action Domains	Sectors		
	Government	Financial Services	Community
<p>V. Work to overcome distance and mobility barriers to accessing financial help</p> <p>Financial help services are accessible to all people with low incomes no matter where they live or their mobility level.</p>	<ul style="list-style-type: none"> • Use the full array of policy and programmatic levers to ensure that people can access financial help services, no matter where they live. • Accelerate federal investment and comprehensive and coordinated cross-sector action to close Canada's digital divide, so everyone can access financial help remotely if they wish. • Invest in the development and testing of new and/or adapted financial help service models for rural and remote communities and people with mobility challenges. 	<ul style="list-style-type: none"> • Audit accessibility of financial help services for customers living in rural and remote communities, including Indigenous communities, and for people with mobility challenges. • Provide consumers with multi-channel options for accessing financial help services. • Establish partnerships with organizations in underserved communities. 	<ul style="list-style-type: none"> • Conduct an accessibility audit of financial help services. • Develop, test, and work to scale innovative financial help service models for rural and remote communities, including Indigenous communities, and people with mobility challenges. • Grow partnerships to bring services closer to people facing distance and mobility barriers. • Champion equitable access to financial help services for people with distance and mobility barriers.
<p>VI. Address diverse needs and population-specific financial help gaps</p> <p>Develop and implement tailored financial help services and delivery models to meet the needs of underserved populations.</p>	<ul style="list-style-type: none"> • Regularly monitor gaps in tax filing and benefit take-up and publicly share insights on groups that are missing out. • Evaluate how existing financial help services, tools, and resources are working for underserved groups and invest in the development of adapted models specific to their needs. • Mandate the Canada Revenue Agency and Service Canada to work with the business sector, community sector, and Indigenous organizations to deliver coordinated tax filing outreach and assistance. • Invest in initiatives led by relevant affected communities to expand take up of specific benefits and financial help supports. 	<ul style="list-style-type: none"> • Conduct consumer-centred research and consultations. • Build partnerships with community organizations representing and serving underserved groups. • Develop shared industry codes aimed at better meeting the needs of underserved groups, monitor implementation, and commit to public reporting. • Take steps to ensure that frontline service providers and management reflect the diverse communities you serve. 	<ul style="list-style-type: none"> • Take steps to ensure that frontline service providers and management reflect the diverse communities you serve. • Use external advisors, committees, and consultations with representatives from underserved groups and create ongoing feedback channels. • Develop, test, refine and scale financial help service models tailored to the needs of diverse populations.



Cross-cutting themes

The following cross-cutting themes are essential for effective action across all sectors:



Equity and inclusion:

Centre those most likely to be underserved.



Collaboration:

Align efforts across ecosystem actors to maximize impact.



Evidence-informed action:

Use data, evaluation, and behavioural insights to improve services.



Trust:

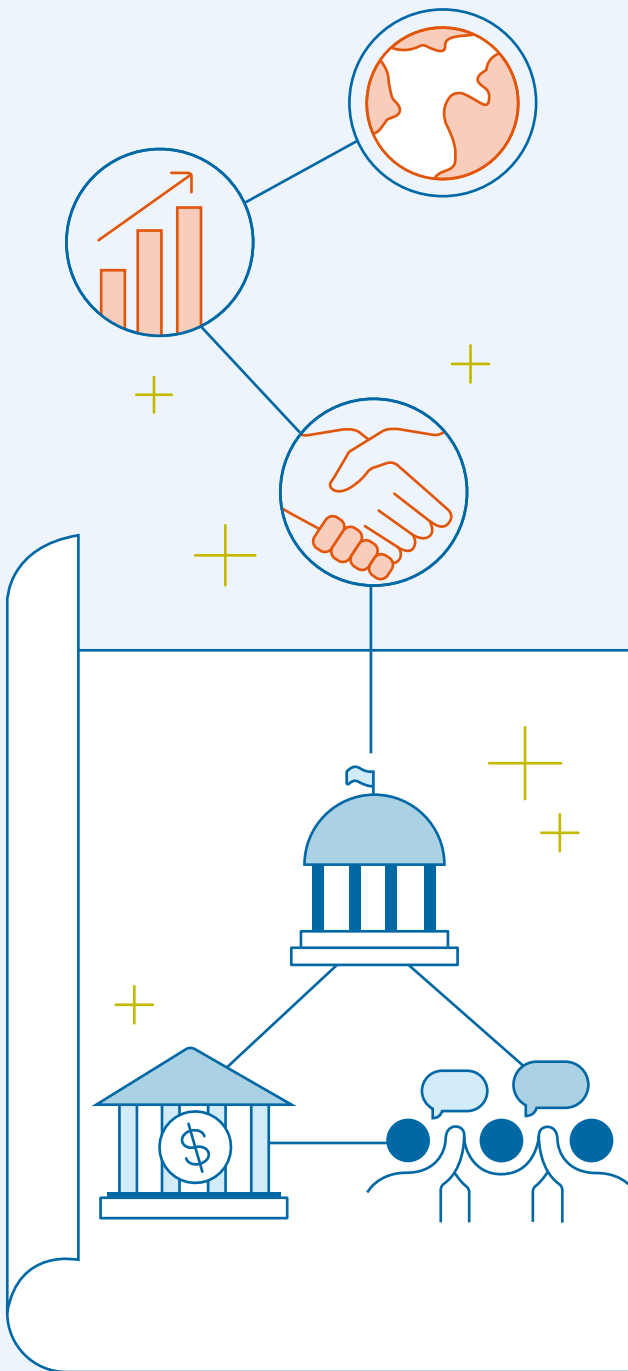
Deliver services through trusted intermediaries and channels.



Co-design and continuous feedback:

Design with service users and embed feedback loops to ensure services evolve with community needs and consistently deliver better outcomes.





Shared collaboration for impact

Our solutions framework sets out practical ways that government, financial, and community sector stakeholders can help to close Canada's financial help gap for people with low incomes.

Its success, however, will depend on shared engagement, collaboration, and coordinated action across all three sectors, leveraging their unique strengths and mobilizing across the full range of opportunities outlined in this report:



Governments play a critical role in convening and coordinating partners internally and across sectors, and in laying the groundwork for action by setting clear public strategies, targets, and outcome measurement plans.



Financial sector organizations are well positioned to engage directly with consumers, learn from their financial help needs and experiences, and partner with government and community stakeholders to design more accessible and appropriate services.



Community organizations bring vital insights into the lived experiences and needs of underserved populations and, when properly resourced, can deliver trusted, tailored, financial help services that commercial providers are not well positioned to offer.

By working together to remove systemic barriers, foster innovation, and scale effective solutions, we can build a more resilient and financially inclusive Canada, where everyone – no matter who they are or where they live – has access to the financial help they need to build lasting financial well-being.



For the full report, including detailed findings, recommendations, and promising practices, see *Closing the Divide: Solutions for Canada's Financial Help Gap*.

Endnotes

¹ Financial Consumer Agency of Canada. *Make Change that Counts: National Financial Literacy Strategy 2021-2026*. Ottawa: 2021. Available from: <https://www.canada.ca/en/financial-consumer-agency/programs/financial-literacy/financial-literacy-strategy-2021-2026.html>

² Ibid.

³ For a comprehensive overview of these findings, please see: McNicoll S, Mulholland E, Fair A, Panesar H, Rae L. *Missing for Those Who Need It Most: Canada's Financial Help Gap*. Toronto: Prosper Canada; 2023. Available from: <https://prospercanada.org/News-Media/News/Missing-for-those-who-need-it-most.aspx>

⁴ Ibid.

⁵ See: Statistics Canada. *Financial Resilience in Canada: Insights from the Canadian Financial Resilience Index*. Ottawa: 2025. Available from: <https://www150.statcan.gc.ca/n1/pub/36-28-0001/2025005/article/00005-eng.htm>

Bank of Canada. *Financial Stability Report – May 2025*. Ottawa: 2025. Available from: <https://www.bankofcanada.ca/2025/05/financial-stability-report-2025/#:~:text=In%20extreme%20circumstances%2C%20market%20volatility,to%20continue%20making%20debt%20payments>

⁶ See: Canada Revenue Agency. *Scams and fraud awareness*. Ottawa: Government of Canada; [n.d.]. Available from: <https://www.canada.ca/en/revenue-agency/campaigns/fraud-scams.html>

Royal Canadian Mounted Police. *Annual Report 2022*. Ottawa: Government of Canada; 2024. Available from: https://publications.gc.ca/collections/collection_2024/grc-rcmp/PS61-46-2022-eng.pdf

⁷ OECD. *OECD Survey on Drivers of Trust in Public Institutions – 2024 Results: Country Note – Canada*. Paris; 2024. Available from: https://www.oecd.org/en/publications/2024/06/oecd-survey-on-drivers-of-trust-in-public-institutions-2024-results-country-notes_33192204/canada_1769aff6.html

⁸ G20. *High-Level Principles for Digital Financial Inclusion*. 2016. Available from: <https://g20.utoronto.ca/2016/high-level-principles-for-digital-financial-inclusion.pdf>

⁹ Duncan E., Mirindi P, Kujtim K, *Financial Vulnerability and Access to Financial Help Gaps for Canadians Living with Low Incomes Report*, Financial Resilience Institute, July 2025. Available from: <https://www.finresilienceinstitute.org/low-income-canadians-reports/>

The contents herein are copyright © Financial Resilience Society. All rights reserved. Seymour Financial Resilience Index® is a registered trademark used under license by Prosper Canada and the Financial Resilience Society.

¹⁰ Statistics Canada. *Distributions of household economic accounts for income, consumption, saving and wealth of Canadian households, fourth quarter 2024*. The Daily; Published 2025 Apr 14. Available from: <https://www150.statcan.gc.ca/n1/daily-quotidien/250414/dq250414a-eng.htm>

¹¹ Ibid.

¹² See: Bank of Canada. *An Overview of the Indigenous Economy in Canada: Staff Discussion Paper 2023-25*. Ottawa: 2023. Available from: <https://www.bankofcanada.ca/wp-content/uploads/2023/10/sdp2023-25.pdf>

Statistics Canada. *Daily: Labour Force and Work Data*. Ottawa; 2021. Available from: <https://www150.statcan.gc.ca/n1/daily-quotidien/210224/dq210224b-eng.htm>

Prosper Canada. *Supporting Benefits Access: A Blueprint for What Is Possible*. Toronto; 2023. Available from: <https://learninghub.prospercanada.org/knowledge/supporting-benefits-access-a-blueprint-for-what-is-possible/>

Employment and Social Development Canada. *Disability Inclusion Action Plan*. Government of Canada: Ottawa; 2022. Available from: <https://www.canada.ca/en/employment-social-development/programs/disability-inclusion-action-plan/action-plan-2022.html>