

Helping those who need it most

Prosper Canada and our partners are witnessing firsthand the growing and deepening financial vulnerability of Canadian households as the affordability crisis continues.

More financial help is needed to reach those most affected.

When financial crises hit, many low- and moderate-income Canadians have no place they can turn for help with balancing their budgets, tackling debt, and rebuilding their financial resilience.

Research and on-the-ground experience show that there is significant demand for tailored community-delivered financial help services.



Having this support can be the difference in **not having to choose** between buying groceries or paying their rent.

1 in 3 Canadians overall and **1 in 2 Canadians with incomes under \$50,000** say they're now in either "terrible" or "bad" shape financially.¹

67% of Canadians have **cut back** on their discretionary spending.

40% have had to draw down on their **savings**.

13% are **borrowing** from friends and family.

8% have **taken out a bank loan** to make ends meet.

Problem

Existing community organizations that offer free, appropriate, and comprehensive financial help services **cannot meet the needs of all Canadians with low and moderate incomes who need help** due to funding inconsistency and geographical limitations.

Solution

Prosper Canada is calling for **sustained national investment in on-the-ground financial help programs for low- and moderate-income Canadians** to respond to increased demand and help more Canadians build financial resiliency.

¹ Angus Reid Institute. Tightening up, drawing down: Vast majority of Canadians making tough decisions to handle cost-of-living crisis. 2023. [Available here](#).

By the Numbers

\$85M over 5 years for community-delivered financial help services

Eliminate the financial help gap for 1.5 million financially struggling Canadians

Unlock an estimated \$2 billion in income benefits they are eligible for but not receiving

The proposed investment would support expansion of services to all regions in Canada and to people living in rural, remote and Indigenous communities. Services would be delivered through three primary channels:

Regional Financial Help Hubs – Community organizations selected by RFP to deliver financial help services on a regional basis. Hubs will deliver services directly and through outreach and partnerships.

National, toll-free Financial Help Hotline – To enable people living anywhere in Canada and those with mobility challenges to access the full suite of financial help services by phone.

Online Financial Self-Help Hub – A one-stop source of tailored and tested consumer financial information, tools, and resources designed for people with low and moderate incomes seeking to improve their financial stability and health.

Services would include:

One-on-one financial coaching and problem-solving to help with budgeting, basic banking, debt management, credit repair, RESP and Canada Learning Bond enrolment, and saving.

Capacity development and training for new organizations provided by lead organizations who have established financial empowerment programming, enabling the expansion of services across the country.

Benefit screening and assistance, including year-round tax filing supports, to close the gap in take-up of federal benefits, which increases incomes by an average of \$3,500.

Results:

- ✓ Helping Canadians **tackle affordability challenges** and **reduce their financial stress**
- ✓ Reaching **underserved communities**, including rural Canada and Indigenous communities
- ✓ Supporting **1.5 million Canadians** who most need the support
- ✓ Closing the **\$2B gap** in take-up of federal income benefits by those who need them most
- ✓ Making progress against **national poverty reduction** targets
- ✓ Protecting vulnerable consumers from **predatory lenders**
- ✓ Connecting vulnerable consumers to **trustworthy** and **appropriate debt help**
- ✓ Building **financial resilience** through increased savings