

Custom Research for CAFII
Insurance Needs Among Canadians
Questionnaire DRAFT

The Canadian Association of Financial Institutions in Insurance (CAFII) is seeking to understand the prevalence of insurance products among Canadian households. As such, CAFII has engaged LL Global Inc. (LIMRA) to conduct custom research to test the following hypotheses:

- Canadians are uninsured/underinsured, with the percentage that are uninsured/underinsured increasing in lower income bands.
- A higher percentage of Canadian homeowners in lower income bands have credit protection insurance.
- Credit protection insurance plays a disproportionately important role in the marketplace for lower income bands, and without it these Canadians would be at higher risk.

SCREENER

S0. When it comes to making financial decisions in your household, are you ...

1. The sole decision-maker
2. A joint decision maker with your spouse/partner
3. Someone who relies on others to make financial decisions *[TERMINATE]*

S1. Are you a...

1. Canadian resident
 2. U.S. resident *[TERMINATE]*
 3. Neither *[TERMINATE]*
 4. Prefer not to say *[TERMINATE]*
- } *[RANDOMIZE]*

S2. What province or territory do you live in?

1. Alberta
2. British Columbia
3. Essex *[QC – TERMINATE]*
4. Manitoba
5. New Brunswick
6. Newfoundland and Labrador
7. Northumberland *[QC – TERMINATE]*
8. Northwest Territory
9. Nunavut
10. Nova Scotia
11. Ontario
12. Prince Edward Island
13. Quebec
14. Saskatchewan

15. Yukon Territory
16. None of the above [TERMINATE]
17. I don't know [TERMINATE]

S3. What are the first 3 characters of your postal code? _____ [FORMAT=ALPHA, NUMERIC, ALPHA]

S4. What is your age? _____ [<18 or >99 TERMINATE]

S5. Do you currently describe yourself as...?

1. Female
2. Male
3. Non-binary/third gender
4. Prefer to self-describe
5. Prefer not to say

S6. Which category describes your **household's total annual income**?

1. Less than \$60,000 [QUOTA MAXIMUM of 40%]
2. \$60,000 - \$79,999
3. \$80,000 - \$99,999
4. \$100,000 - \$124,999
5. \$125,000 - \$149,999
6. \$150,000 - \$199,999
7. \$200,000 or more

S7. Do you own a home in Canada?

1. Yes
2. No [TERMINATE]

S8. Do you currently have a...

1. Mortgage
 2. Home equity line of credit (HELOC)
 3. Both
 4. Neither [QUOTA MAXIMUM OF 50%]
 5. I don't know [TERMINATE]
 6. Prefer not to say [TERMINATE]
- } RANDOMIZE

S9. KNOWLEDGE CHECK

Today we are going to ask you about Credit Protection Insurance for mortgages and Home Equity Lines of Credit.

Credit Protection Insurance for Mortgage or Home Equity Line of Credit - is optional insurance used to pay out the balance of your mortgage or Home Equity Line of Credit in the event of death or diagnosis of a critical illness, or make/postpone payments on your behalf in the event of disability or job loss (depending on the coverage you have chosen). It is offered by banks and credit unions across Canada.

What does Credit Protection Insurance cover you for? (Select all that apply.) *[RANDOMIZE]*

- a. Life – pays out your insured balance in the event of death
- b. Disability – payments for your mortgage will be made on your behalf until you are able to return to work or until you reach a designated maximum benefit (e.g. 24 months)
- c. Critical Illness – pays out your insured balance if you are diagnosed with a covered critical illness
- d. Job Loss – on involuntary unemployment, provides payment protection by making specific debt payments on your behalf, for a time-limited period
- e. Other *[ANCHOR – EXCLUSIVE – QC TERMINATE]*
- f. Don't know *[ANCHOR – QC TERMINATE]*

[QC FLAG IF S9 IS NOT a, b, c, AND d]

SECTION 1 – PRODUCT OWNERSHIP

[IF S8 = 1 OR 3]

A1a. Where did you get your mortgage from?

- 1. A bank (e.g. RBC, TD, BMO, Scotiabank, CIBC, National)
- 2. A credit union or caisse populaire (e.g. Desjardins, Vancity, Meridian)
- 3. A mortgage company/broker (e.g. MCAP, Mortgage Alliance, Dominion Lending)
- 4. A trust company
- 5. A loan company
- 6. Other (specify) *[TEXTBOX]*
- 7. I don't know

[IF S8 = 2 OR 3]

A1b. Where did you get your home equity line of credit (HELOC) from?

- 1. A bank (e.g. RBC, TD, BMO, Scotiabank, CIBC, National)
- 2. A credit union or caisse populaire (e.g. Desjardins, Vancity, Meridian)
- 3. A mortgage company/broker (e.g. MCAP, Mortgage Alliance, Dominion Lending)
- 4. A trust company
- 5. A loan company
- 6. Other (specify) *[TEXTBOX]*
- 7. I don't know

[IF S8 = 1 OR 3]

A2a. Please select the optional insurance products you have that are connected to your mortgage.
(Select all that apply.) *[RANDOMIZE]*

- a. Mortgage life insurance
- b. Mortgage critical illness insurance
- c. Mortgage disability insurance

- d. Mortgage job loss insurance
- e. None of the above [ANCHOR – EXCLUSIVE]
- f. I don't know [ANCHOR – EXCLUSIVE]

[IF S8 = 2 OR 3]

A2b. Please select the optional insurance products you have that are connected to your home equity line of credit (HELOC). (Select all that apply.) [RANDOMIZE]

- a. HELOC life insurance
- b. HELOC critical illness insurance
- c. HELOC disability insurance
- d. HELOC job loss insurance
- e. None of the above [ANCHOR – EXCLUSIVE]
- f. I don't know [ANCHOR – EXCLUSIVE]

A3. Please select the life insurance products that you have that are **not connected with your mortgage or HELOC or another loan**. (Select all that apply.) [RANDOMIZE]

- a. Employer benefits life insurance
- b. Term life insurance
- c. Whole life insurance
- d. Universal life insurance
- e. Intermittent life insurance [QC – TERMINATE]
- f. Other life insurance **not connected with your mortgage or HELOC or another loan** (specify) [ANCHOR]
- g. No life insurance [ANCHOR – EXCLUSIVE]
- h. I don't know [ANCHOR – EXCLUSIVE]

[IF A3 = g]

A4. Why don't you have life insurance that is **not connected with your mortgage or HELOC or another loan**? (Select all that apply.) [RANDOMIZE]

- a. I have other financial priorities right now
- b. I can't afford it
- c. I do not know enough about insurance
- d. I am too young to need it
- e. I don't trust insurance companies
- f. No one has approached me about it
- g. Prefer to put my money in other financial products
- i. Other (specify) [ANCHOR]

[IF A3 = g]

A5. Do you have an emergency fund or other personal savings you can access in place of life insurance?

- 1. Yes
- 2. No

[IF A3 = a, b, c, d or f]

A6. Why do you have life insurance? (Select all that apply.) [RANDOMIZE]

- a. I want my family to be financially secure if something happens to me
- b. I understand the importance of being prepared
- c. The benefits of the insurance outweigh the potential cost of not having it
- d. To pay for my burial and other final expenses
- e. To transfer wealth or leave inheritance
- f. Investment purposes
- g. Tax savings
- h. Other (specify) [ANCHOR]

SECTION 2 – PERCEPTIONS

B1. In general, how would you rate your financial knowledge?

- 1. Not at all knowledgeable
- 2. Somewhat knowledgeable
- 3. Moderately knowledgeable
- 4. Very knowledgeable
- 5. Extremely knowledgeable

B2. Do you currently have a financial professional that you consider to be your 'primary financial advisor'? If you had a question about insurance or investment you would contact this person first.

- 1. Yes, I currently have a financial professional I work with
- 2. No, I don't have one, but I'm looking for someone to work with
- 3. No, I don't have one and don't want one

[IF B2 = 2 OR 3]

B3. Have you had a financial professional in the past?

- 1. Yes
- 2. No

B4. The following are financial issues that some people have told us they worry about. Please select all of those that you are personally concerned about. (Select all that apply.) [RANDOMIZE]

- a. Having enough money for a comfortable retirement
- b. Paying for medical expenses in case of illness or injury
- c. Paying off or reducing credit card debt
- d. Being able to support myself if I am unable to work due to a disabling illness or injury
- e. Paying for long-term care services if I become unable to take care of myself
- f. Leaving dependents in a difficult financial situation should I die prematurely
- g. Paying for a child's schooling/university
- h. Leaving an inheritance for my heirs

- i. Paying my monthly bills, mortgage, rent
- j. Burdening others with my burial/funeral expenses
- k. Losing money on my investments
- l. Job security/maintaining a steady income

B5. How important do you believe it is to have life insurance?

- 1. Not at all important
- 2. Not very important
- 3. Neutral
- 4. Important
- 5. Very Important

SECTION 3 – COVERAGE

[IF A3 = a, b, c, d or f]

C1. How strongly do you agree or disagree with the following statements?

- 1. Strongly Disagree
- 2. Disagree
- 3. Agree
- 4. Strongly Agree

RANDOMIZE

- A. I have enough life insurance
- B. I need more life insurance

[QC FLAG IF A = 1 OR 2 AND B = 1 OR 2 / A = 3 OR 4 AND B = 3 OR 4]

[IF A3 = a, b, c, d or f AND S8 = 1]

C2a. Does your life insurance cover the amount owed on your mortgage?

- 1. Yes, the amount I have will cover the amount owed on my mortgage in full
- 2. Yes, the amount I have will cover a portion of the amount owed on my mortgage
- 3. My mortgage will be paid by mortgage life insurance *[DISPLAY IF A2a = a]*
- 4. I don't know

[IF A3 = a, b, c, d or f AND S8 = 2]

C2b. Does your life insurance cover the amount owed on your home equity line of credit (HELOC)?

- 1. Yes, the amount I have will cover the amount owed on my HELOC in full
- 2. Yes, the amount I have will cover a portion of the amount owed on my HELOC
- 3. My HELOC will be paid by HELOC life insurance *[DISPLAY IF A2b = a]*
- 4. I don't know

[IF A3 = a, b, c, d or f AND S8 = 3]

C2c. Does your life insurance cover the amounts owed on both your mortgage and HELOC? (Select all that apply.)

- a. Yes, the amount I have will cover the amounts owed on both my mortgage and HELOC in full [EXCLUSIVE]
- b. Yes, the amount I have will cover a portion of the amounts owed on both my mortgage and HELOC [EXCLUSIVE]
- c. My mortgage will be paid by mortgage life insurance [DISPLAY IF A2a = a]
- d. My HELOC will be paid by HELOC life insurance [DISPLAY IF A2b = a]
- e. I don't know [EXCLUSIVE]

[IF A3 = a, b, c, d or f]

C3. How strongly do you agree or disagree with the following statements? Thinking about all of your life insurance, indicate how long your income would be covered if the primary wage earner were to pass away tomorrow. Your best guess is ok.

I have enough life insurance to cover income for ...

- 1. 0.5 years
- 2. 1 year
- 3. 2 years
- 4. 3 years
- 5. 4 years
- 6. 5 years
- 7. 6 years
- 8. 7 years
- 9. 8 years
- 10. 9 years
- 11. 10+ years

[IF A3 = a, b, c, d or f]

C4. How much life insurance do you think you should have?

Enough to cover income for ...

- 1. 0.5 years
- 2. 1 year
- 3. 2 years
- 4. 3 years
- 5. 4 years
- 6. 5 years
- 7. 6 years
- 8. 7 years
- 9. 8 years
- 10. 9 years
- 11. 10+ years

C5. Which of the following statements best describes what your household's financial situation would be if a primary wage earner were to pass away tomorrow?

1. Would immediately have trouble meeting everyday living expenses
2. Would be able to cover living expenses for several months, but then would have difficulty
3. Would be able to cover living expenses well into the future
4. Does not apply, no spouse/partner or dependents

[IF C5 = 1 OR 2]

C6. If the primary wage earner in your household were to die and the household was having difficulty with living expenses, where would you/they seek financial help? (Select all that apply.) *[RANDOMIZE]*

- a. Family
- b. Credit cards
- c. Loans
- d. Home equity
- e. Personal savings
- f. Retirement accounts
- g. GoFundMe or some other crowd funding
- h. I don't know *[ANCHOR]*

SECTION 4 – DEMOGRAPHICS

D1. What is your marital status?

1. Married
2. Civil union, domestic partnership, common law
3. Living with a partner
4. Single, never married
5. Divorced
6. Widowed

D2. Do you have children and/or grandchildren under the age of 18 living in your home?

1. Yes
2. No

D3. Do you have any elderly, ill, or other adults that live in your home that are financially dependent on you?

1. Yes
2. No

D4. Please indicate which age category you fall into. *[COMPARE WITH S4 FOR QUALITY CONTROL]*

1. Under 18 *[TERMINATE]*
2. 18 to 24
3. 24 to 44

4. 45 to 64
5. 65 or older

D5. Which of the following categories best describes the highest level of education you have completed?

1. Less than high school
2. Completed high school
3. Some college or technical school
4. Some university
5. Completed college or technical school
6. Completed university undergraduate degree
7. Completed university post-graduate degree

D6. Which category best describes your **household's total investable assets**? Please **include** your savings, investments, and retirement accounts, but **exclude** the value of your primary residence.

1. Under \$25,000
2. \$25,000 to \$49,999
3. \$50,000 to \$99,999
4. \$100,000 to \$249,999
5. \$250,000 to \$499,999
6. \$500,000 to \$999,999
7. \$1,000,000 or more
8. Prefer not to say

D7. Please select the status that best describes you.

1. I was born in Canada
2. I immigrated to Canada over 20 years ago
3. I immigrated to Canada 11 to 20 years ago
4. I immigrated to Canada 5 to 10 years ago
5. I immigrated to Canada less than 5 years ago

D8. Are you a first-time homeowner?

1. Yes
2. No