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Millennials in Crisis: Myth-Busting Millennial Debt Narratives

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Abstract

Intense pop-cultural commentary on millennial finances and indebtedness perpetuates two conflicting narratives. One suggests that millennials are doomed and face higher debt levels than earlier generations, compounded by rising tuition costs, a lack of affordable housing, high costs of living, and an increasingly competitive job market. The contrary "millennial bootstrapping" narrative denies that millennials are more financially challenged than previous generations and argues that millennials need to pull themselves up their proverbial bootstraps and improve their work ethic to secure financial success. This article fact-checks these two narratives and fills a significant gap in the Canadian academic literature on the indebtedness of millennials. Publicly available data do not firmly support either narrative and suggest that both are overly broad and lack nuance. Millennials face more debt than ever before, but other generations are experiencing even higher levels of debt and rates of increase of debt. While the data suggests that millennials are struggling with increased levels of student debt, the same cannot be said for credit-card debt, which counters the dominant "millennials are doomed" narrative. The article evaluates the impact of financial literacy education programs, which millennials have been the first to fully experience. It finds that the impact of such programs is unclear. It also examines potential legislative safeguards to protect millennials and asks whether millennials are adequately protected against exploitation in the types of contracts they commonly enter. Analysis of the data on debt loads, financial literacy, relevant legislation, and contracts that may disproportionately impact millennials leads to no clear conclusions and finds that both popular narratives lack sufficient support. The authors conclude that while the media narratives may seem harmless, they may distract academics and policymakers from the true consequences and impacts of increasing debt loads on particular generations or socio-economic groups.

Keywords

Generation Y--Economic conditions; Generation Y--Public opinion; Debtor and creditor

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Special Issue
Creating Opportunities: A Vision for the Future

Millennials in Crisis: Myth-Busting Millennial Debt Narratives*

STEPHANIE BEN-ISHAI & TANNER STANLEY†

Intense pop-cultural commentary on millennial finances and indebtedness perpetuates two conflicting narratives. One suggests that millennials are doomed and face higher debt levels than earlier generations, compounded by rising tuition costs, a lack of affordable housing, high costs of living, and an increasingly competitive job market. The contrary "millennial bootstrapping" narrative denies that millennials are more financially challenged than previous generations and argues that millennials need to pull themselves up their proverbial bootstraps and improve their work ethic to secure financial success. This article fact-checks these two narratives and fills a significant gap in the Canadian academic literature on the indebtedness of millennials. Publicly available data do not firmly support either narrative and suggest that both are overly broad and lack nuance. Millennials face more debt than ever before, but other generations are experiencing even higher levels of debt and rates of increase of debt. While the data suggests that millennials are struggling with increased levels of student debt, the same cannot be said for credit-card debt, which counters the dominant "millennials are doomed" narrative. The article evaluates the impact of financial literacy education programs, which millennials have been the first to fully experience. It finds that the impact of such programs is unclear. It also examines potential legislative safeguards to protect millennials and asks whether millennials are adequately protected against exploitation in the types of contracts they commonly enter. Analysis of the data on debt loads, financial literacy, relevant legislation, and contracts that may disproportionately impact millennials leads to no clear conclusions and finds that both popular narratives lack sufficient support. The authors conclude that while the media narratives may seem harmless, they may distract academics and policymakers from the true consequences and impacts of increasing debt loads on particular generations or socio-economic groups.

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Les nombreux commentaires sur la culture populaire entretiennent deux visions opposées sur les finances et l'endettement des « enfants du millénaire ». D'après la première vision, les enfants du millénaire sont condamnés, car ils présentent des niveaux d'endettement plus élevés que les générations précédentes en raison de la hausse des droits de scolarité, du manque de logements abordables, du coût élevé de la vie et d'un marché du travail de plus en plus concurrentiel. À l'inverse, la vision du « décollage des milléniaux » réfute la thèse selon laquelle les enfants du millénaire seraient aux prises avec des difficultés financières plus graves que les générations précédentes, et soutient qu'ils doivent se prendre en main et améliorer leur éthique de travail pour assurer leur réussite financière. En vérifiant chacune de ces deux théories, cet article vient combler une lacune importante dans la recherche canadienne sur l'endettement des enfants du millénaire. Les données disponibles n'étayent aucune des deux théories et indiquent plutôt qu'elles sont chacune trop larges et qu'elles manquent de nuances. Les enfants du millénaire sont certes plus endettés que jamais, mais d'autres générations affichent des niveaux d'endettement encore plus élevés et des rythmes accrus d'augmentation de la dette. Bien que les données suggèrent que les enfants du millénaire font face à une hausse de l'endettement étudiant, il n'en est pas de même pour l'endettement par carte de crédit, ce qui va à rebours de la thèse dominante selon laquelle « les enfants du millénaire sont condamnés ». L'article évalue les effets des programmes d'éducation en littératie financière, que les enfants du millénaire ont été les premiers à expérimenter pleinement, et conclut que l'incidence de ces programmes n'est pas claire. Il examine également d'éventuelles garanties législatives visant à protéger les enfants du millénaire et cherche à déterminer si ces derniers sont convenablement protégés contre toute forme d'exploitation dans les types de contrats qu'ils ont l'habitude de conclure. L'analyse des données relatives à l'endettement, à la littératie financière, à la législation en vigueur et aux contrats susceptibles d'avoir des effets disproportionnés sur les enfants du millénaire n'aboutit à aucune conclusion claire et montre que les deux visions populaires ne sont pas suffisamment étayées. Les auteurs concluent que, bien que les récits véhiculés par les médias puissent sembler inoffensifs, ils peuvent distraire les universitaires et les décideurs politiques des conséquences et des répercussions réelles de la hausse de l'endettement vis-à-vis de certaines générations ou de certains groupes socio-économiques.

NEIL HOWE AND WILLIAM STRAUSS are widely credited with coining a term that has become not only commonplace, but over-used and over-sensationalized. The term "millennial" refers to individuals born between approximately 1980 and 2000.[1] Although initially introduced in the context of generational studies used to describe the generation following "Generation X," the term has now infected popular media narratives across much of the Western World. It is difficult to browse the Internet without stumbling upon a piece of click-bait journalism that is discussing, analyzing, or critiquing millennials. *BuzzFeed*, for example, features content that both discusses how millennials are destroying the country and points to them as a source of comedic relief.[2] For *Rolling Stone,* millennials are clueless about several "sacred" cultural artifacts and may endanger previous generations' most prized pop-cultural memories.[3] *Psychology Today* even goes as far to suggest that millennials' dating habits have the potential to drastically alter future family structures and rates of human reproduction.[4]

The pop-cultural commentary on millennials has also intersected with numerous discussions surrounding consumer debt and financial planning. Millennial finances have become a lightning rod for media commentary and analysis. The headlines surrounding millennials' financial positioning seem to pull one of two ways. One narrative describes millennials as worse off financially than any previous generation: Straddled with record high levels of debts, spooked by credit cards, forced to live with their parents, and in dire need of financial assistance. A second, conflicting narrative claims that they are not financially worse off, but simply better at vocalizing their concerns. This latter narrative suggests that millennials should be grateful for the various opportunities presented

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1. Neil Howe & William Strauss, *Millennials Rising: The Next Great Generation* (New York: Vintage Books, 2000); Samantha Sharf, "What Is a 'Millennial' Anyway? Meet The Man Who Coined The Phrase," *Forbes* (24 August 2015), online: <www.forbes.com/sites/samanthasharf/2015/08/24/what-is-a-millennial-anyway-meet-the-man-who-coined-the-phrase/#c60f8504a053>.
2. Dave Stopera, "19 Reasons Why Millennials Are Totally Destroying This Country," *BuzzFeed* (26 July 2016), online: <www.buzzfeed.com/daves4/at-least-we-didnt-ruin-the-economy?utm_term=.xdPvkEbJY#.unjBxeXW9>; Jessica Misener, "19 Tweets About Millennials That Will Make You LOL," *Buzzfeed* (5 May 2016), online: <www.buzzfeed.com/jessicamisener/the-m-word?utm_term=.vxneQj77j#.wmvYw2442>.
3. "50 Things Millennials Have Never Heard Of," *Rolling Stone* (25 November 2013), online: <www.rollingstone.com/culture/pictures/50-things-millennials-have-never-heard-of-20131125/marky-mark-and-the-funky-bunch-0268689>.
4. Caroline Beaton, "Why Millennials Are Failing To Shack Up," *Psychology Today* (31 October 2015), online: <www.psychologytoday.com/blog/the-gen-y-guide/201510/why-millennials-are-failing-shack>.

to them, pull themselves up by their proverbial bootstraps, and develop a more rigorous work ethic.

Despite a large number of news articles and anecdotal pieces discussing millennials and their finances, academic commentators have been slow to analyze the topic. American academics have started to venture into the topic. Terri Friedline and Stacia West highlighted several of the unique macroeconomic challenges that millennials face when entering the labour market.[5] Further, Friedline and West studied additional financial and economic barriers that low-income millennials may face when making critical financial decisions about their futures.[6] Although this work is an important starting point for future academic research, concrete efforts to evaluate the validity of narratives about millennials and their finances have been limited, especially in Canada.

This article aims to close a significant gap in the literature on millennials, consumer debt loads, and financial literacy. It evaluates whether or not the narratives being disseminated by the mainstream media are accurate, substantiated by data, and fair representations of reality.

First, Section I of this article summarizes the two common narratives of millennial finance that circulate throughout popular culture and the media. Next, Section II analyzes the available empirical data to evaluate the narrative that millennials are financially worse off than previous generations. After dispelling the notion that millennials are the most troubled, debt-ridden generation, Section III explores two initiatives to protect the millennial generation: New consumer protection legislation, and the rapid development of financial literacy programs, from which millennials have been the first to benefit. Although this article suggests that the "millennials are doomed" narrative is over-exaggerated, several areas of concern need to be monitored and further evaluated. More specifically, more data are needed to assess the long-term impact of financial literacy programs on millennials, the proliferation of contracts either targeting or appealing disproportionately to millennials, and the impact of millennial financial habits on older generations in the context of elder indebtedness and financial literacy.

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5. Terri Friedline & Stacia West, "Building Millennials' Financial Health via Financial Capability" (2015) The Centre on Assets, Education, and Inclusion (AEDI), online: <static.newamerica.org/attachments/3330-building-millennials-financial-health-via-financial-capability/Millennials_Financial_Health.5a49a18e2eab40a5afd1925ef695a1e0.pdf>.
6. Stacia West & Terri Friedline, "Coming of Age on a Shoestring Budget: Financial Capability and Financial Behaviors of Lower-Income Millennials" (2016) 61:4 Social Work 305.

I. MILLENNIAL MYTHS AND NARRATIVES

Many of the articles, anecdotes, and publications that discuss millennials and their finances belong to one of two major schools of thought. These two narratives are often contradictory and deployed against each other. While these narratives are often rooted in anecdotes rather than fact, their power in shaping the public discourse on the financial health of millennials across North America should not be underestimated.

A. "MILLENNIALS ARE DOOMED"

The first dominant narrative is best summarized by the sentiment that millennials are doomed. This narrative is one of the favorites of the mainstream media, which continually uses it to frame any data or evidence that supports the notion that millennials are struggling financially. One part of this narrative serves to warn and alarm the general public about the millennial finance problem. This is best summarized by headlines like "The Alarming Facts about Millennials and Debt" and "The Unluckiest Generation: What Will Become of Millennials?"[7]

Exponents of this narrative highlight a few 'facts,' trends, or anecdotes. One such trend is that millennials have large debts, are increasingly taking on debt, and are more burdened by debt than ever before.[8] This is evidenced by news articles that lead with headlines such as "Millennial Debt Delinquencies Soaring in Canada, Equifax Report Says."[9] Even though the private data that may be referenced in such an article discloses that other groups have higher overall levels of debt and levels of debt that are increasing at a similar, if not higher rate, the headlines and subsequent narrative are intended to alarm the general public about the apparent financial peril of millennials, not of all Canadians.[10]

Reports on millennial bankruptcy often haphazardly tie insolvency concerns to rising tuition costs, a lack of affordable housing, the high cost of living, and an increasingly competitive and difficult job market. For example, a *MetroNews*

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7. Annamaria Lusardi, "The Alarming Facts About Millenials and Debt," *The Wall Street Journal* (5 October 2015), online: <blogs.wsj.com/experts/2015/10/05/the-alarming-facts-about-millennials-and-debt>; Derek Thompson, "The Unluckiest Generation: What Will Become of Millennials?," *The Atlantic* (26 April 2013), online: <www.theatlantic.com/business/archive/2013/04/the-unluckiest-generation-what-will-become-of-millennials/275336>.
8. *Ibid*.
9. Daniel Tencer, "Millennial Debt Delinquencies Soaring in Canada, Equifax Report Says," *The Huffington Post* (18 August 2016), online: <www.huffingtonpost.ca/2016/08/18/debt-deblinquency-canada-millennials_n_11583324.html>.
10. *Ibid*.

article on the same Equifax report immediately ties this report to a general gloomy picture of millennials' financial situation. The opening sentence of the article reads: "As they struggle to afford higher costs of living, increased tuition, and skyrocketing housing prices, millennials in Toronto—and across Canada—are sinking deeper into debt."[11] The Equifax data, which in themselves may be misleading,[12] are quickly highlighted, transplanted, and framed into a larger narrative of struggling millennials. The article cites no data or facts to support a causal link between millennial debt and high costs of living, tuition costs, and the job market. Typical of this narrative, one snapshot statistic is immediately tied to other economic trends with little analysis or explanation.

Another technique used heavily by media sources employing the "millennials are doomed" narrative is to present a quick snapshot of data supporting the narrative and then move on to personal anecdotes that illustrate concerns about millennials. Such anecdotes are from either millennials themselves, spokespeople for financial institutions, or parents of millennials. The *MetroNews* article illustrates this structure. After opening the article with a statement discussing millennials' struggle to afford the cost of living, followed by a brief mention of one delinquency rate from an Equifax report, the remainder of the article invokes anecdotes. One such anecdote is from a co-chair of the Toronto Youth Equality Strategy, who discusses the negative impacts of such debt loads on millennials' mental health.[13] The second anecdote is from an Ontarian who paid off her student loans but fled to Europe where the cost of living was more reasonable.[14]

This narrative of doom is often reienforced by millennials themselves. An Angus Reid poll reporting on the number of millennials who live with their parents was framed by the media as evidence that millennials think they have it harder than past generations.[15] In other words, not only has the media successfully crafted a narrative that millennials are suffering, but millennials also produce and reinforce this narrative. This is best illustrated by the case of "Talia

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11. May Warren, "Rate of millennials defaulting on debt growing, says new report," *MetroNews* (23 August 2016), online: <www.metronews.ca/news/toronto/2016/08/23/more-millennials-defaulting-on-debt-says-new-report.html>.
12. Extensive discussion throughout this paper asserts that such reports are not entirely supported by Statistics Canada data.
13. Warren, *supra* note 11.
14. *Ibid*.
15. Katie Dangerfield, "Canadian millennials believe they have it tougher than past generations: poll," *Global News* (20 July 2016), online: <globalnews.ca/news/2836142/canadian-millennials-believe-they-have-it-tougher-than-past-generations-poll>.

Jane," who published a blog post on *Medium* titled "Dear Jeremy."[16] The blog post was an open letter to her boss, the CEO of Yelp, discussing her financial perils and how her wage did not allow her to make ends meet. Talia discussed her expensive university education, accumulated debt, and various career choices. She quickly painted a very grim picture for readers. Talia discussed her difficulty affording groceries, her sky-high rent costs in California, her frequent credit issues, and her accumulated phone bills.[17] She expressed the sentiment common among millennials that despite being college educated and working for a reputable company, she was simply not paid a living wage.[18] As this blog post demonstrates, millennials are successfully reflecting or contributing to the narrative that millennials are doomed. The blog post went viral and was quickly picked up by popular media outlets, which invoked Talia's anecdote to further drive this narrative that millennials are in serious financial trouble, heading for collapse and doom.[19]

The narrative that millennials are doomed invokes concerns about debt levels, post-secondary tuition, employment prospects after post-secondary school, rising housing costs in major metropolitan cities, and a highly competitive job market with low wages, to paint the picture that millennials are struggling, doomed, and perhaps one of the unluckiest generations. Many media stories that report statistics from private reports or public data frame those statistics within this larger narrative by quickly conflating these topics and various economic indicators with one another. This dominant media narrative, although somewhat formulaic and repetitive, appears to be successful in establishing that millennials are financially doomed.

B. "MILLENNIALS NEED TO PULL THEMSELVES UP BY THEIR BOOTSTRAPS"

The other narrative commonly circulated in the media and popular culture is a counterargument to the narrative that millennials are doomed. Referred to as the "bootstrapping millennial" narrative, it refutes the claim that millennials have it worse than any other generation. Instead, it suggests that millennials simply need

16. Talia Jane, "An Open Letter To My CEO," (19 February 2016), *Medium* (blog), online: <medium.com/@taliajane/an-open-letter-to-my-ceo-fb73df021e7a>.
17. *Ibid*.
18. *Ibid*.
19. Matt Weinberger, "A Yelp employee publicly complained to the CEO that she couldn't afford to buy groceries – hours later, she was fired," *Business Insider* (20 February 2016), online: <www.businessinsider.com/talia-jane-fired-yelp-eat24-2-2016>.

to pull themselves up by their bootstraps, work harder, and be grateful for the opportunities they are given.

The "Talia Jane" story is helpful in illustrating the central claims of this narrative. Talia was fired from Yelp hours after posting her blog. Although Yelp declined to comment on why her employment was terminated, an online discourse erupted accusing Talia of being ungrateful for the opportunity she had been given in the first place.[20] Most notably, a blog post by Stefanie Williams, a millennial, titled "An Open Letter to Millennials Like Talia…" received substantial media attention. The first paragraph quickly illuminated the author's displeasure with Talia:

> It sounds like you've hit some real post Haitian earthquake style hard times, so maybe some advice will help while you drink the incredibly expensive bourbon you posted on your Instagram account and eat that bag of rice, which was the only other thing you could afford![21]

Stephanie went on to disclose her own financial and personal struggles as a millennial, including low wages in unattractive jobs, but declared that "work ethic is not something that develops from entitlement" and that her perseverance and humility got her to a much more successful and comfortable financial position. These sentiments are typical of the "bootstrapping millennial" narrative. Although this narrative is less warmly embraced by the media and popular culture than the "millennials are doomed" narrative, it appears to be the main counter-narrative to the story that millennials are suffering.

It is worth noting, however, that this narrative falls into the same traps as does the dominant discourse that millennials are suffering. It does not take long to find pop-culture commentary with headlines like "Dear Single Millennials: Be an Adult and Stop Complaining"" and "Why Millennials Have No Right To Complain."[22] Like articles deploying the "millennials are doomed" narrative, these articles often rely on anecdotes rather than data and offer little in terms of substantial analysis.

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20. Quora, "Does Talia Jane Deserve The Backlash From Her Open Letter to Jeremy Stoppelman, Yelp's CEO," *Forbes* (26 February 2016), online: <www.forbes.com/sites/quora/2016/02/26/does-talia-jane-deserve-the-backlash-from-her-open-letter-to-jeremy-stoppelman-yelps-ceo/#6a9df8244755>.
21. Stefanie Williams, "An Open Letter To Millennials Like Talia…," (20 February 2016), *Medium* (blog), online: <medium.com/@StefWilliams25/an-open-letter-to-millenials-like-talia-52e9597943aa>.
22. Krystal Heath, "Dear Single Millennials: Be an Adult and Stop Complaining About What You're Owed … ," *Louder With Crowder* (9 March 2016), online: <www.louderwithcrowder.com/18038-2>.

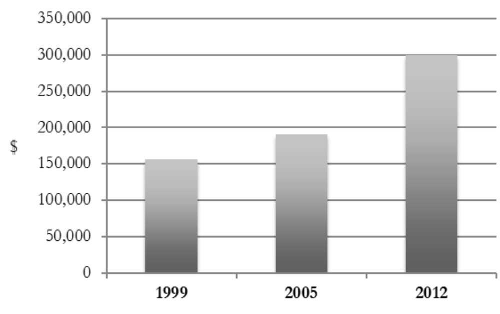
II. MYTH-BUSTING MILLENNIAL NARRATIVES

This article's primary focus is to fact-check or myth-bust these two major narratives. Although these narratives are heavily circulated in the media and in popular culture, academia has been slow to critically evaluate the finances of millennials. Are millennials truly burdened with higher levels of debt than ever before? Are the doom and alarm really warranted? This section of the article uses publicly available data from the *Survey of Financial Security* (*SFS*) and the *Canadian Financial Capability Survey (CFCS)* to evaluate the two narratives.

A. "MILLENNIALS HAVE MORE DEBT THAN EVER BEFORE AND ANYONE ELSE"

On the surface, the data support the notion that millennials' debt loads have been increasing over the past number of decades, and that millennials have more debt now than ever before.[23] Statistics Canada's *Survey of Financial Security* (*SFS*) shows that the total debt of those under the age of thirty-five, in constant 2012 dollars, rose from $156 million in 1999 to $191 million in 2005 and $300 million in 2012 (see Figure 1).[24]

FIGURE 1: TOTAL DEBT OF CANADIANS UNDER 35



SOURCE: Statistics Canada, *Survey of Financial Security 2012* (public use microdata), Statistics Canada (producer), using ODESI (producer) [Statistics Canada, Table 205].

NOTE: Figures in constant 2012 dollars.

23. Statistics Canada, *Table 205-0002 Survey of Financial Security (SFS), composition of assets,* CANSIM (database), online: <www5.statcan.gc.ca/cansim/a26?lang=eng&retrLang=eng&id=2050002&&pattern=&stByVal=1&p1=1&p2=-1&tabMode=dataTable&csid=>; Statistics Canada, *Survey of Financial Security 2012* (public use microdata), Statistics Canada (producer), using ODESI (producer) [Statistics Canada, Table 205].

24. *Ibid.*

The problem with this picture, however, is that it fails to disclose that the trend of rising debt levels is true for every age group accounted for in the *SFS*. The *SFS* clusters respondents in five age brackets: under thirty-five years, 35-44 years, 45-54 years, 55-64 years and 65 years and older.[25] All of these age brackets saw a dramatic increase in total debts between 1999 and 2012. For those aged 35-44, total debts rose from $206 million in 1999 to $312 million in 2005 and $433 million in 2012.[26] For those aged 45-54 total debts rose from $150 million to $224 million and then to $322 million in the same years.[27] Those aged 55-64 ages and 65 years and older have seen a similar rise in debt levels, but have relatively lower total debts than other age groups. Those ages 55-64 saw total debts rise from $53 million to $106 million to $202 million in the same period, while the total debts of those aged 65 years and older rose from $20 million to $31 million to $79 million.[28]

Thus, while it is accurate to say that millennials have more debt now than ever before, it is important to contextualize this observation with the fact that *all* Canadians have more debt than ever before. This contextualization diminishes the credibility of the "millennials are doomed" narrative, as any age group or generation could be substituted into the headlines.[29]

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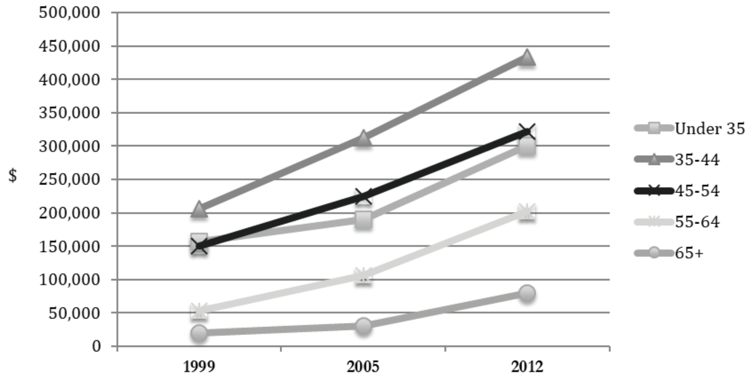
25. *Ibid*.
26. *Ibid*.
27. *Ibid*.
28. *Ibid*.
29. This argument is open to the critique that millennials have the lowest level of assets out of any age group, and that while other age groups may have higher debt levels, they also have higher asset levels. However, the data shows that the asset levels of those under the aged of thirty-five have increased more dramatically than the asset levels of those aged 35-44. Therefore, the claim that millennials are experiencing higher debt levels than ever before is further refuted by the notion that their asset levels are also increasing proportionally, and even higher than other age groups. *Ibid*.

FIGURE 2: TOTAL DEBTS OF CANADIANS BY AGE GROUP, 1999-2012



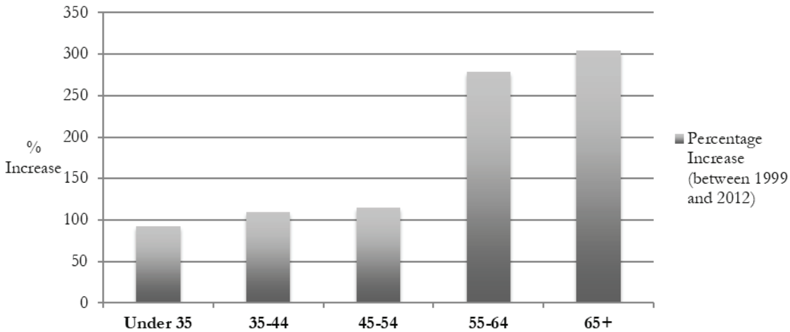
SOURCE: Statistics Canada, *Survey of Financial Security 2012* (public use microdata), Statistics Canada (producer), using ODESI (producer) [Statistics Canada, Table 205].

NOTE: Figures in constant 2012 dollars.

The "millennials are doomed" myth is further dispelled by the fact that millennials do not suffer from the highest debts levels compared to other age groups (See Figure 2). In 1999, 2005, and 2012, the age bracket that consistently had the highest debt loads was respondents aged 35-44 years.[30] Those aged 35-44 had $206 million, $312 million, and $433 million in total debts in 1999, 2005, and 2012 respectively.[31] Thus, the assertion that millennials are the most financially burdened generation due to rising tuition costs, student loans, and "poor" employment prospects seems to ignore the fact that those under thirty-five have substantially lower levels of debt than those aged 35-44. Additionally, the data do not support the proposition that the percentage increase in debt loads has been most significant among millennials (See Figure 3). Rather, those aged 35-44 years experienced the fastest increase in debt, along with significant increases to both their debt-to-income and debt-to-asset ratios.[32]

30. *Ibid*.
31. *Ibid*.
32. *Ibid*. See Figure 3.

FIGURE 3: PERCENTAGE INCREASE OF TOTAL DEBT, 1999 TO 2012, BY AGE GROUP



SOURCE: Statistics Canada, *Survey of Financial Security 2012* (public use microdata), Statistics Canada (producer), using ODESI (producer) [Statistics Canada, Table 205].
NOTE: Figures in constant 2012 dollars.

These trends from the *SFS* are consistent with reports and analyses of previous Statistics Canada data that have found a close correlation between home ownership and debt.[33] For instance, Raj Chawla and Sharanjit Uppal found that "households with mortgages accounted for 39% of the population but 58% of debtors. … [H]omeowners without a mortgage accounted for 34 per cent of the population but 62% of all households without any debt." Similarly, in 2009, an analysis of the available data illustrated that the incidence and amount of debt were higher among young homeowners and young families with children than other groups.[34] This insight offers a potential explanation as to why millennials do not have the highest debt loads across all Canadians, since homeownership is more likely to be concentrated among those aged 35-44 than those under thirty-five. An analysis of the 2012 *SFS* noted that this trend has continued since 2009: The highest proportion of individuals with debt were those with young families and those with children.[35] In 2012, the age group with the most debt in the form of mortgages were those aged 35-44, followed by those aged 45-54,

33. Statistics Canada, "Household Debt in Canada," by Raj K Chawla & Sharanjit Uppal, in *Perspectives on Labour and Income* (Ottawa: Statistics Canada, 23 March 2012) at 6.
34. *Ibid* at 3.
35. Statistics Canada, "Changes in debts and assets of Canadian families, 1999 to 2012," by Sharanjit Uppal & Sebastien LaRochelle-Côté, in *Insights on Canadian Society* (Ottawa: Statistics Canada, April 2015) at 6.

and then by those under thirty-five.[36] Although there is no denying that the debt load of mortgages has risen dramatically for millennials in the past twenty years, those under the age of thirty-five have not seen the largest percentage increase in mortgage debt.[37] The fact that many millennials do not yet own homes or have children offers an explanation why their overall debt loads are being outpaced by individuals aged 35-44.

These empirical observations are supported by the well-established theory of the wealth life cycle. The theory holds that younger households take on debt to purchase homes and other expenses during formative years in which individuals have children and start a family; these households then pay off the debt as they enter their prime earning years.[38] The premise of the theory is that wealth acts as a monetary reserve that allows individuals to even out their consumption of goods and services over a lifetime by managing their borrowing, saving, and investing habits.[39] Borrowing early in life can fund education, family formation, and housing. Saving and borrowing can work in tandem during these formative years. Wealth is accumulated later, as an individual's income increases. Later in life, wealth can decline if it is used to maintain consumption following a decrease in income during retirement.

Matt Hurst uses the wealth life cycle theory to explain the debt trends in the *SFS*. He notes that "younger families had higher debt in proportion to their pre-tax household income than did their older counterparts."[40] The wealth life cycle would suggest that many millennials (under thirty-five) have not yet entered into the formative years when they are purchasing homes, having children, and

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36. Statistics Canada, Table 205, *supra* note 23.
37. *Ibid*.
38. Statistics Canada, "Debt and family type in Canada," by Matt Hurts, in *Canadian Social Trends,* (Ottawa: Statistics Canada, April 2011) at 43. The wealth life cycle has been heavily studied and analyzed by Franco Modigliani and more recently reinvigorated by Tullio Jappelli. Tullio Jappelli & Franco Modigliani, "The Age-Saving Profile and the Life Cycle-Hypothesis," (1998) Center for Studies in Economics and Finance Working Paper No 9; Franco Modigliani, "The Life-Cycle Hypothesis of Saving Twenty Years Later" in Michael Parkin, ed, *Contemporary Issues in Economics* (Manchester: Manchester University Press) 2. The premise of the theory is that wealth acts as a monetary reserve that allows individuals to even out their consumption of goods and services over a lifetime by managing borrowing habits, saving habits, and investing habits. Jappellii & Modigliani, *ibid* at 3-4. Borrowing early in an individual's lifetime can be used to fund education, family formation, and housing. Wealth is then accumulated as income increases over an individual's lifetime and debts can be paid down. Later in the life cycle, wealth may decline if it is used to maintain consumption following a decrease in income during retirement. *Ibid.*
39. Jappelli & Modigliani, *supra* note 38; Modigliani, *supra* note 38.
40. Statistics Canada, Matt Hurst, *supra* note 38 at 44.

financing other large expenses. The wealth life cycle would also explain why those aged 35-44 have the highest levels of debt when compared to other age groups and generations. Thus, while it may be logical, and in fact correct, to suggest that millennials are facing higher tuition costs and the burdens of student loans, the wealth life cycle accurately reflects that other generations, further along in the wealth life cycle, have more substantial expenses, such as mortgages and expenses related to supporting children. These observations illustrate that there is both theoretical support and empirical evidence to deconstruct key components of the "millennials are doomed" narrative.[41]

B. "STUDENT DEBT AND CREDIT CARDS ARE CRIPPLING MILLENNIALS"

The dominant narrative that millennials are facing unprecedented financial difficulty frequently points to rising tuition costs, student loans, and credit-card debt as evidence for its claims. Is it fair to say that millennials are coping with higher levels of student debt than ever before? How about credit-card debt? The data confirm that the concern with student loans and student debt is well placed. However, recent empirical work suggests that millennials understand the nature of the debt they are taking on. Further, the data are not as persuasive as to the impact of credit-card debt on millennials.

1. STUDENT DEBT

If one component of the "doom" narrative is accurate, it may be the concern surrounding student debt levels (See Figure 4). First, the data support the assertion that student debt is the most relevant debt type for individuals under the age of thirty-five, and it is the only category of debt documented in the *SFS* for which millennials have the highest levels.[42] As such, student loans and student debt appear to be one of the dominant factors impacting the financial health of millennials when compared to other debt types.

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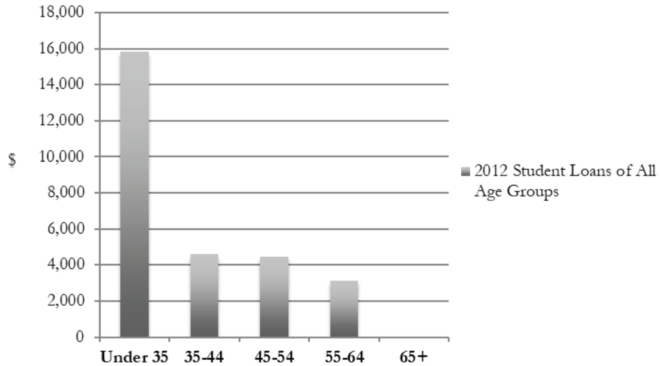
41. Although, if millennials did start to purchase homes at a younger age (however there is no evidence to suggest that this is the current trend), rising household prices could dramatically increase the debt burdens of millennials. However, the current data suggests that the debt burdens associated with rising household prices are placed on those above the age of thirty-five, and who fall outside of the millennial age bracket.
42. Statistics Canada, Table 205, *supra* note 23. Other specifically documented categories of debt include: credit card debt, mortgages, lines of credit, and vehicle loans.

FIGURE 4: 2012 STUDENT LOANS OF ALL AGE GROUPS



SOURCE: Statistics Canada, *Survey of Financial Security 2012* (public use microdata), Statistics Canada (producer), using ODESI (producer) [Statistics Canada, Table 205].

NOTE: Figures in constant 2012 dollars.

NOTE: Figures in millions.

In 2012, millennials held more debt in the form of student loans than any other age group.[43] Student debt levels have also been consistently rising.[44] This increase in student loans should not come as a surprise, as the dramatic increase in the average student's tuition has been widely documented.[45] In Canada, the dramatic rise in tuition was the result of a substantial change in how post-secondary education is funded.[46] Although many borrowers see their education as a long-term investment,[47] such substantial borrowing has the potential to have a lasting financial impact. While the data may not support the overarching narrative that millennials are more financially burdened than previous generations, the data does validate the claim that student debt is a particularly troublesome source of financial insecurity. Similarly, the data on student loans do provide some ammunition to refute elements of the millennial

43. *Ibid*.
44. *Ibid*.
45. Statistics Canada, "The financial impact of student loans," by May Luong, in *Perspectives on Labour and Income* (Ottawa: Statistics Canada, January 2010) at 5. In between 1990 and 2009 tuition fees more than doubled in constant dollars.
46. *Ibid*.
47. *Ibid*. The analysis offered by Luong shows that graduates (both those who borrow and those who do not borrow) perform significantly better in the labour market compared to those with less education (such as those with no post secondary education).

bootstrapping narrative. For instance, if student debts are increasing, graduates may be entering the job market in a worse position than previous generations, as they are saddled with more debt.

Another aspect of student debt that needs to be considered is whether or not millennials understand the terms their student loans and the risks involved. According to Stephanie Ben-Ishai, Saul Schwartz, and Nancy Werk,[48] students in professional faculties are relatively well informed about their borrowing; the contracts they enter into are often written in plain-language, have key terms and sections highlighted, and are relatively easy to understand.[49] According to the research, students also seemed aware of the risks of agreeing to borrow a large sum of money.[50] Despite this awareness, however, the students were not overly anxious about borrowing, as they seemed to believe that the potential earnings flowing from a career in a professional field, such as law or medicine, would allow them to repay the loans without undue hardship.[51]

These findings fracture key components of both popular millennial narratives. First, the suggestion that millennials are being taken advantage of by predatory student loan agreements does not appear to be supported. Rather, the research suggests that professional students understand what they are agreeing to when they sign a student lending agreement and have evaluated the risks of the agreement. In addition, the claim that millennials need to work harder is also dispelled, as it is logical to assume that students enrolled in professional programs, particularly law school or medical school, are not resisting difficult work and challenging academic programs; it is difficult to argue that a lack of worth ethic is creating financial trouble for this subset of individuals. If law students or medical students finish their programs and find themselves unable

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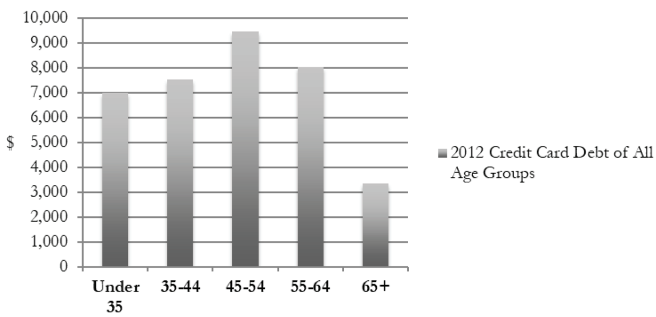
48. The concern over whether or not students understand the terms when borrowing large sums of money for post secondary tuition and professional programs is explored by Stephanie Ben-Ishai, Saul Schwartz, and Nancy Werk in their forthcoming article that engages in "consumer confusion testing" with law and medical students seeking loans from private banks. The authors situate their work in the context of rising tuition fees for professional programs and the increased need for professional students to borrow from student loans programs offered by private banks. "Private Lines of Credit for Law Students and Medical Students: A Canadian Perspective, BLFR [forthcoming in 2017] at 1-2.
49. *Ibid* at 9. The authors point to a combination of regulations and plain language drafting practices to explain why these borrowers have a fairly accurate understanding of their lending agreements. *Ibid* at 6-9.
50. *Ibid* at 10.
51. *Ibid* at 6-9. In addition, it is noted that the group of students who conducted interviews with lenders, law students, and medical students, are generally speaking intelligent and well-read individuals who have enjoyed some level academic success throughout their lifetime. *Ibid*.

to repay the debts that have accumulated over their education, the suggestion that they need to "work harder" seems misplaced. Rather, an inability to repay such debts may speak more to rising tuition costs in the face of deregulation, and some students' choice to pursue careers in the voluntary sector, which offers less lucrative opportunities than the private sector.

2. CREDIT-CARD DEBT

Although millennials' credit-card debt has risen, it is not as high as that of other Canadians (See Figure 5).[52] Millennials have the second-lowest levels of credit-card debt, outpacing only those aged sixty-five years or older.[53] Canadians aged 55-64 have seen the most dramatic rise in credit-card debt, with an increase of more than 300 per cent between 1999 and 2012. Millennial credit-card debt, on the other hand, has grown by only 40 per cent in the same period.[54]

FIGURE 5: 2012 CREDIT-CARD DEBT OF ALL AGE GROUPS



SOURCE: Statistics Canada, *Survey of Financial Security 2012* (public use microdata), Statistics Canada (producer), using ODESI (producer) [Statistics Canada, Table 205].

NOTE: Figures in constant 2012 dollars.

NOTE: Figures in millions.

52. Statistics Canada, Table 205, *supra* note 23.
53. *Ibid*.
54. *Ibid*.

III. ARE MILLENNIALS BETTER PROTECTED THAN EVER BEFORE?

A. FINANCIAL LITERACY

1. HISTORY OF FINANCIAL LITERACY EDUCATIONAL PROGRAMS AND THE CFCS

A major factor when evaluating the accuracy of popular narratives surrounding the financial health of millennials is the role of financial literacy and educational programs designed to increase it. Financial literacy intersects with the popular narratives introduced at the start of this article in a few ways. First, if millennials are financially doomed, is it because they have not been provided with the resources to manage their own finances? Or, are millennials being provided with educational resources that are failing to produce financially literate individuals, therefore contributing to their financial insecurity? On the other hand, if millennials simply need to pull themselves up by their proverbial bootstraps, do they have the basic tools to manage their own finances? Or, are financial literacy educational programs failing to provide the tools to help them manage their personal finances, making it harder for millennials to succeed even if they do work harder?

Although this article does not attempt to offer a complete summary of financial literacy educational programs in Canada, it is important to note that such programs have become an increasingly important focal point for governments at both the federal and provincial level. After increased international and domestic attention to financial literacy, the Government of Canada established the Financial Consumer Agency of Canada (FCAC) in 2001.[55] The *Financial Consumer Agency of Canada Act*[56] charges the FCAC with the responsibility to improve Canadians' understanding of various financial products and services.[57] In 2005, the FCAC organized the first major financial literacy conference in Canada. Highlighting research, policies, and practices relevant to Canadians' financial literacy, the conference was intended to mark the commencement of a large-scale, national discussion about strengthening the financial literacy of

55. Government of Canada, "Financial literacy background," (15 March 2017), online: <www.canada.ca/en/financial-consumer-agency/programs/financial-literacy/financial-literacy-history.html>.
56. SC 2001, c 9.
57. *Ibid*, s 3(2).

Canadians.[58] Since then, the FCAC has held conferences in 2008, 2011, and 2014 to advance the discussion.[59]

A seminal moment in the federal government's movement to improve financial literacy across Canada was the development of the Task Force on Financial Literacy in 2009 (the "Task Force").[60] The Task Force, which was composed of thirteen members from the business and education sectors, was mandated to develop recommendations on how to improve financial literacy in Canada.[61] In 2010, the Task Force released its report, *Canadians And Their Money: Building a Brighter Financial Future.*[62] This report acknowledged the results of the first *Canadian Financial Capability Survey*,[63] which illustrated the extent to which Canadians, even at young ages, are making a larger number of financial decisions without the required knowledge.[64] Pointing to the rising household debt loads over the past twenty-five years, the Task Force reaffirmed the importance of improving the financial skills of Canadians for the general strength of the economy.[65] After making several bold declarations that "the time for action is now, ... [t]he status quo is no longer an option,"[66] the Task Force developed thirty recommendations to help improve the financial literacy of Canadians.[67]

Following the recommendations of the Task Force, the FCAC worked in collaboration with a number of different partners, including the Investor Education Fund and provincial securities commissions, to develop and

58. Financial Consumer Agency of Canada, *Why Financial Capability Matters: Synthesis Report on Canadians and Their Money: A National Symposium on Financial Capability held on June 9-10, 2005 in Ottawa*, (Ottawa: Policy Research Initiative, 2006).
59. Financial Consumer Agency of Canada, *Moving Forward with Financial Literacy: Synthesis Report on Reaching Higher: Canadian Conference on Financial Literacy*, (Ottawa: Social and Enterprise Development Innovations (SEDI), 2008); Financial Consumer Agency of Canada, *The Future of Financial Education: Report on the 2011 FCAC-OECD Conference on Financial Literacy*, (Ottawa: FCAC, 2011); Financial Consumer Agency of Canada, *Strengthening Financial Literacy Through Collaboration: Highlights of the 2014 National Conference on Financial Literacy*, (Ottawa: FCAC, 2014).
60. Government of Canada, "About The Task Force," online: <financialliteracyincanada.com/mandate.html>.
61. Canada, Task Force on Financial Literacy, *Report of Recommendations on Financial Literacy: Canadians and their money: Building a brighter financial future* (Ottawa: TFFL, 2010) at 4.
62. *Ibid*.
63. Canada, Statistics Canada, *Canadian Financial Capability Survey*, online: <www23.statcan.gc.ca/imdb/p2SV.pl?Function=getSurvey&SDDS=5159>.
64. Task Force on Financial Literacy, *supra* note 61 at 11-12.
65. *Ibid* at 14.
66. *Ibid* at 16.
67. *Ibid*.

disseminate educational programs to help Canadians increase their financial knowledge and skills. Many of the programs are similar in the sense that they are available free of charge, are delivered online, and focus on the fundamentals of personal finance.[68] However, as the Appendix illustrates, there are also clear differences between the programs. In addition to these federal programs, several provinces have started to integrate financial literacy educational programs directly into high-school curricula.[69] For instance, British Columbia became the first province to incorporate financial literacy education into its curriculum, with Ontario following in 2010. However, the approach taken in British Columbia is different from the approach taken in Ontario. British Columbia has carved out a portion of its Career Education class to include lessons on personal financial planning and, more specifically, how to create, evaluate, adjust, and present a career and education plan that includes a financial plan.[70] This formal education in financial planning starts in Grade 10 and ends in Grade 12.

Further, the new British Columbia math curriculum draws increased attention to financial planning.[71] Although the previous math curriculum already included some financial literacy topics, the revised curriculum makes financial literacy lessons more explicit.[72] It also introduces the topic much earlier. For example, budgeting, which used to be explored in Grade 10, is now introduced in Grade 5.[73] While British Columbia has proposed to integrate financial planning into more subjects, like Ontario currently does, British Columbia's curriculum is distinct due to its standalone class, Career Education, which has specific lessons focused on financial planning.

In 2010, Ontario's Ministry of Education and the Working Group on Financial Literacy released their report with recommendations for integrating financial literacy education into Ontario schools.[74] The Ministry subsequently integrated financial literacy into school curriculums. These lessons do not have their own separate class, rather they are interwoven into existing school subjects.

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68. Government of Canada, "Educational Programs" (30 November 2015), online: <www.fcac-acfc.gc.ca/Eng/resources/educationalPrograms/Pages/home-accueil.aspx>.
69. See Appendix.
70. British Columbia Ministry of Education, "Career Education: Introduction" (2015), online: <curriculum.gov.bc.ca/curriculum/career-education/introduction>.
71. British Columbia Ministry of Education, "Dollars and Sense: New Math Curriculum Emphasizes Financial Literacy," *Learn* 7 (2014) 4, online: <www.bcteacherregulation.ca/documents/Learn/2014/LearnMagazine_Spring_2014.pdf>.
72. *Ibid*.
73. *Ibid*.
74. Ontario, Ministry of Education: Working Group on Financial Literacy, *A Sound Investment: Financial Literacy Education in Ontario Schools*, (Ontario: MoE, 2010).

This integration starts in Grade 4 and runs through Grade 12. Specifics of this integration are described in two documents provided by the Ministry of Education, which provide examples of how financial literacy can be integrated into nearly every class or course offered (although some courses are clearly more obvious opportunities for integration than others).[75] The Ontario curriculum offers ideas and instructions for integrating financial literacy into every course. This integration of financial literacy topics into the curriculum was designed to focus on the following topics: income, money, earning, spending, investing, budgeting, credit and borrowing, risks and rewards, compound interest, pensions, insurance, taxes, planning ahead, how the financial system works, wants versus needs, consumer awareness and advertising, fraud, future consequences of decisions, and how to plan for life after high school.[76]

The FCAC's current national strategy for financial literacy is called "Count Me In," and was released after the FCAC's 2014 national conference. It has three goals: (1) developing financial skills and knowledge to allow Canadians to manage money and debt wisely; (2) helping Canadians set financial objectives, make a financial plan, and save for the future; and (3), helping Canadians prevent and protect themselves against fraud and financial abuse.[77] The strategy proposes three major actions to meet these goals: (1) collaborating and sharing responsibility in improving Canadians' financial literacy across all sectors; (2) tailoring programs and applying plain language principles to facilitate learning; and (3) reaching and engaging Canadians.[78]

The significance of this increased focus on financial literacy educational programs is noteworthy as millennials are the first generation to benefit from the development of such programs. Furthermore, Statistics Canada launched the *Canadian Financial Capability Survey* in 2008, which was the first survey to measure the financial literacy of Canadians. The survey was administered a second time in 2014. Although the data are limited to these two surveys, they allow for an analysis of how millennials' financial literacy compares to that of other age groups, and of whether or not the educational programs designed to increase financial literacy are working.

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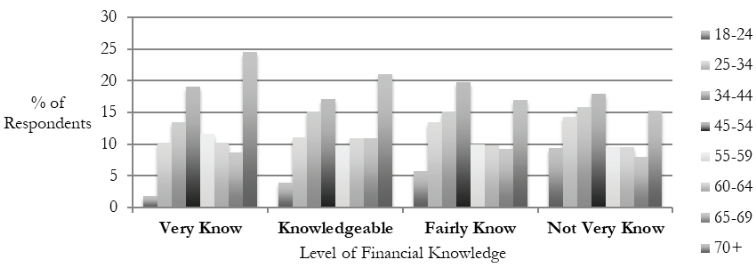
75. Ontario, Ministry of Education, *The Ontario Curriculum Grades 9-12: Financial Literacy, Scope and Sequence of Expectations*, (Ontario: MoE, 2011); Ontario, Ministry of Education, *The Ontario Curriculum Grades 4-8: Financial Literacy, Scope and Sequence of Expectations*, (Ontario: MoE, 2011).
76. Ministry of Education, *supra* note 74.
77. Financial Consumer Agency of Canada, *National Strategy for Financial Literacy: Count me in, Canada*, (Ottawa: 9 June 2015) at 7-8.
78. *Ibid* at 8-9.

2. FINANCIAL LITERACY OF MILLENNIALS

One trend that emerges from the *Canadian Financial Capability Survey* is that millennials are not adequately preparing for their financial futures. Interestingly, millennials appear to be aware of their lack of financial planning. An analysis of the 2014 *CFCS* data reveals that too few Canadians have a budget and are sufficiently prepared for their retirement.[79] Furthermore, these trends are often exaggerated within younger age brackets. For example, only 33 per cent of those aged 18-24 have a budget.[80] This rate increases to 49 per cent among those aged 25-34, but is still below the percentage of individuals aged 35-54 that have a budget.[81] A similar trend is noticeable when respondents were asked about their retirement plans. Nearly 70 per cent of those aged 18-24 are not preparing financially for retirement.[82] This number improves to 39 per cent for those aged 25-34, which in turn is significantly more than the 23 per cent of 35-44 year old respondents who are not preparing for retirement.

FIGURE 6: CFCS 2014 LEVEL OF FINANCIAL KNOWLEDGE ACROSS ALL AGE GROUPS



SOURCE: Financial Consumer Agency of Canada, *Managing Money and Planning for the Future: Key Findings from the 2014 Canadian Financial Capability Survey*, (Ottawa: FCAC Research and Policy, November 2015) at 8.

79. Financial Consumer Agency of Canada, *Managing Money and Planning for the Future: Key Findings from the 2014 Canadian Financial Capability Survey*, (Ottawa: FCAC Research and Policy, November 2015) at 8.
80. *Ibid* at 9.
81. *Ibid*.
82. *Ibid* at 25.

The responses to other objective questions,[83] in which respondents were asked about their financial planning and education, also serve as an alarming indication of the extent to which millennials are not preparing for their futures (See Figure 6). One key observation arising from the subjective component of the *CFCS* is that millennials are relatively self-aware and do not hesitate to declare that they are "not very knowledgeable" when it comes to financial topics.[84] Of the respondents who claimed that they were "very knowledgeable," only 15.3 per cent were under the age of thirty-five.[85] Of the respondents who claimed to be "knowledgeable," only 15 per cent were under the age of thirty-five.[86] Of those who claimed to be "fairly knowledgeable," 19.1 per cent were millennials.[87] Yet 25.2 per cent of the respondents who said they were "not very knowledgeable" were under the age of thirty-five.[88]

This indicates that millennials themselves admit that their financial knowledge could be improved. Furthermore, between 2008 and 2014 there were no dramatic shifts in the percentage of millennials who claimed to have a certain amount of financial knowledge; a slightly smaller percentage, however, claimed to not be very knowledgeable.[89] Other similar questions revealed similar results; millennials indicated that there was significant room to improve their ability to keep track of money. Only 28.7 per cent of those aged 18-24 and 29.9 per cent of those aged 25-34 claimed to be "very good" at keeping track of their money.[90] Every other age group had a higher percentage of respondents who claimed to

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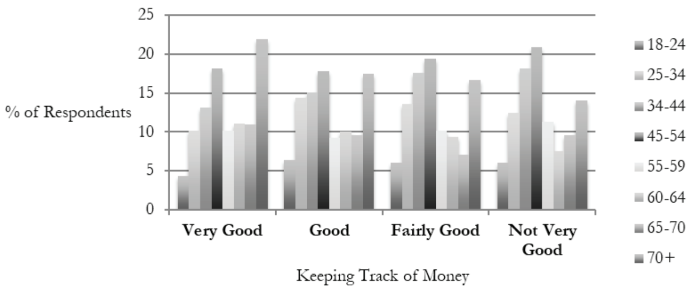
83. Objective questions refer to questions that have a correct or incorrect answer. These questions are "like a quiz" according to the CFCS. For example, an objective question may ask "What is a credit report?" There is an objectively correct answer to this question. Subjective questions are more reflective in nature and ask about the respondent's personal financial habits. For example, subjective questions ask the respondent how they would rate their level of financial knowledge, how good they are at keeping track of money, etc.
84. Statistics Canada, *Canadian Financial Capability Survey 2014* (public-use micro data), Statistics Canada (producer), using ODESI (distributor), online: <odesi1.scholarsportal.info/webview/index.jsp?object=http://142.150.190.11:80%2Fobj%2FfStudy%2Fcfcs-5159-E-2014&mode=documentation&v=2&top=yes>.
85. *Ibid*.
86. *Ibid*.
87. *Ibid*.
88. *Ibid*.
89. *Ibid*; *Canadian Financial Capability Survey 2008* (public-use micro data), Statistics Canada (producer), using ODESI (distributor), online: <odesi2.scholarsportal.info.ezproxy.library.yorku.ca/webview/index.jsp?object=http://142.150.190.128:80%2Fobj%2FfStudy%2Fcfcs-18-505-XCB-E-2008&mode=documentation&v=2&top=yes>.
90. *Ibid*; *supra* note 84.

be very good at managing their money.[91] These data align with the findings of Daniel Fernandes, John G. Lynch, and Richard Netemeyer, who raise significant doubts about the true impact of financial education programs.[92] Their three empirical studies suggested that financial education may not have a significant impact on the financial behaviors of individuals.[93]

FIGURE 7: KEEPING TRACK OF MONEY QUESTION, 2014, ACROSS ALL AGE GROUPS



SOURCE: Statistics Canada, *Canadian Financial Capability Survey 2014* (public-use micro data), Statistics Canada (producer), using ODESI (distributor), online: <odesi1.scholarsportal.info/webview/index.jsp?object=http://142.150.190.11:80%2Fobj%2FfStudy%2Fcfcs-5159-E-2014&mode=documentation&v=2&top=yes>.

Not all of the data from the *CFCS* are negative, however. There were some subtle signs of improvement between 2008 and 2014 (See Figure 7). For instance, there has been a slight increase in the number of millennials who say they have a clear idea of which financial products they need.[94] Specifically, 72.6 per cent of those 18-24 feel they have a clear idea of the financial products they need, compared to 68.5 per cent in 2008.[95] While this was just one of the questions asked, it does show there may be some improvement in terms of millennials' financial literacy. There was also noticeable improvement in the number of millennials who say they always research their financial choices.[96] The most dramatic increase was seen among those aged 18-24: 82.7 per cent of such

91. *Ibid*; *supra* note 89.
92. Daniel Fernandes, John G Lynch Jr & Richard G Netemeyer, "Financial Literacy, Financial Education, and Downstream Financial Behaviors," (2014) 60:8 Management Science 1861.
93. *Ibid.*
94. *Supra* note 84; *supra* note 89.
95. *Ibid.*
96. *Ibid.*

respondents compared to 76.1 per cent in 2008. Again, while these are just a sampling of the questions asked, they indicate that millennials are starting to feel more confident about their financial literacy and knowledge. Arguably, these slight improvements are not enough to overpower many of the concerning *CFCS* results, but they give some reason for encouragement.

These trends can be explained by both of the millennial narratives we described earlier. On one hand, the argument can be made that millennials are failing to plan for their financial futures, and this is further reason to sound the alarm about millennials' dire financial situation. If millennials are not able to budget and plan for retirement, it is logical to conclude that they may struggle to pay off student loans and develop into financially responsible and secure individuals. Further, the media's assumption that millennials are "troubled" because they do not understand financial planning appears to be supported by the available data. However, the "bootstrapping millennial" narrative flips this analysis on its head: If millennials are aware that they are not saving for retirement and are not being financially prudent, it is their own responsibility to take advantage of the vast range of educational resources available, inform themselves, and start making wiser financial decisions.

The objective portion of the *CFCS* provides a stronger comparative tool to evaluate Canadians' financial literacy. Overall, between 2008 and 2014, there was an increase in the average financial literacy score on the objective portion of the survey from 68 per cent to 72 per cent.[97] This modest increase is not representative of all groups, however. If we examine the percentage of respondents who answered individual questions correctly (the same questions were asked in 2008 and 2014), we can see that, among those aged 18-24, there was no dramatic increase in the percentage of respondents who selected the correct answer.[98] In fact, the number of respondents who answered correctly decreased on questions asking about credit reports, the stock market, life insurance coverage, housing costs, maintaining a credit rating, and the interaction between savings, investments, and inflation. On the other hand, the number of individuals accurately answering questions on how to compare the price of consumer goods, the impact of high inflation, saving for post-secondary education, when it is beneficial to borrow money, the function of ATM cards, and what impacts the amount of interest paid on a loan, slightly increased.[99] This trend is similar to the one observed for those aged

97. Chawla & Uppal, *supra* note 33 at 8.
98. *Supra* note 84; *supra* note 89.
99. *Ibid*.

25-34.[100] These results make it very difficult to argue that there has been any sort of substantial improvement in the financial literacy of millennial Canadians, or at least in their ability to produce the correct answers on a fourteen-question financial literacy quiz.

A few specific questions related to credit and debt also show that millennials performed poorly compared to other age groups. For example, one of the questions asked respondents to define what a credit report is. In 2008, the 18-24 age group outperformed only those aged 65 years or older.[101] In 2014, the results were even worse, as only those aged seventy or older had a smaller percentage of respondents who identified the correct answer (compared to those aged 18-24).[102] This trend was further exaggerated in a question that asked respondents what could hypothetically hurt their credit rating. In 2014, those aged 18-24 had the lowest percentage of respondents who answered the question correctly.[103] However, those aged 25-34 performed better than those aged 18-24, supporting the observation that as millennials age their financial literacy could improve.[104] Overall, the fact that the youngest millennials clearly performed poorly on objective questions suggests that financial literacy is still in its infancy in Canada.

Again, the subjective data can be used to support or refute both millennial finance narratives circulated in popular culture. On the one hand, there is certainly data to support the claim that millennials are not sufficiently literate to make important financial decisions. In particular, millennials' poor responses to several of the questions specific to debt raise serious questions about whether millennials understand how debt works and the consequences of taking on debt. Situated in the "millennials are doomed" narrative, these data could be used to suggest that the generation is in serious trouble. Furthermore, an argument can be made that financial literacy education programs are failing millennials. While a lack of data makes drawing clear conclusions difficult, it seems reasonable that millennials and those falling into younger age brackets should have higher financial literacy rates based on the extensive educational programs that have been introduced over the past decade. Further to this point, the 2008 Global Financial Crisis should have been a major educational opportunity for millennials as they witnessed families and friends in the US and around the world lose their homes,

100. *Ibid*.
101. *Ibid*.
102. *Ibid*.
103. *Ibid*.
104. *Ibid*.

stock markets collapse, and the other serious impacts of the "Great Recession." One could anticipate that this recession would have motivated millennials to pay closer attention to financial matters and better educate themselves.

On the other hand, and consistent with the "bootstrapping millennial" narrative, an assertion can be made that the extensive efforts to educate millennials and incorporate financial literacy concepts into secondary-school curriculums has shifted the onus onto millennials themselves to become financially literate. Consistent with the idea that millennials need to work harder and be smarter with their financial decisions, some may suggest that the data indicate that millennials are not putting enough effort into learning about crucial financial concepts. Given the wide range of programs and resources available online, millennials who fail to educate themselves on the costs and consequences of debt may only have themselves to blame.

3. THE RELATIONSHIP BETWEEN DEBT AND FINANCIAL LITERACY

An important caveat to this discussion is that the relationship between financial literacy and debt levels is not clear-cut. This relationship is still debated and is difficult to evaluate due to the lack of data surrounding financial literacy in Canada. Hurst previously looked at the relationship between financial literacy and financial insecurity, and found a lack of a correlation between the two variables.[105] However, Chawla and Uppal are quick to point out that scores on the objective evaluative questions in the *CFCS* were higher for those who had at least $250,000 in debt, while the scores were lower for those who had less than $50,000 in debt.[106] In other words, they found a positive relationship between debt and an individual's self-evaluation of his or her financial knowledge. Similarly, those who claimed to be more knowledgeable about managing finances had more debt than those who claimed not to be knowledgeable.[107] For some, this analysis may run counter to the assumption that those who think they have poor financial literacy are more likely to have high levels of debt.

Reflective questions that asked respondents to rate their own perceived financial knowledge also suggested that higher debt might be correlated with higher financial literacy.[108] However, Chawal and Uppal argue that the relationship between debt and financial literacy is more complex. Other variables such as household income and home ownership may be associated with higher

105. Statistics Canada, Chawla & Uppal, *supra* note 33 at 8.
106. *Ibid*.
107. *Ibid*.
108. *Ibid* at 9.

debt levels, outweighing the impact of financial literacy.[109] For example, the debt of homeowners was significantly higher than the debt of renters, and the debt of those with over $100,000 in income was substantially higher than those who had less than $50,000 in income.[110] Further, financial attitudes can be correlated to other socio-demographic characteristics that are difficult to account for.[111] Chawal and Uppal found that young individuals, immigrants, highly educated individuals, and those who were employed had higher levels of debt.[112] To the contrary, lower levels of debt were associated with older individuals, retired individuals, and individuals without children.[113] This analysis suggests that drawing direct inferences between debt levels and financial literacy should be avoided, as such a view may be overly simplistic and ignore the myriad other factors that can contribute to debt levels.

The discussion of student loan agreements among law and medical students by Ben-Ishai and her co-authors also adds an interesting angle to this discussion. Their findings suggest that students in professional programs are aware of the substantial risks associated with taking on large student loans for tuition.[114] This again undermines the assumption that those with high debt levels are not financially literate. Furthermore, the article suggests that many students are aware that their career plans may change and that repaying their loans may become a substantial challenge in the future.[115] The article highlights the fact that the relationship between debt levels and financial literacy may not be simple, linear, and easy to classify. The findings suggest that those who have a high level of financial literacy may still take on high levels of debt in pursuit of future career aspirations. This may fuel the narrative that millennials are doomed if they are met with a tough job market. At the same time, such findings do not necessarily give leverage to the "millennial bootstrapping" narrative, as it is difficult to argue that a law or medical student who is unable to find work after graduation is not working hard enough or is not making an effort to seek opportunities.

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109. *Ibid*.
110. *Ibid*.
111. *Ibid* at 12.
112. *Ibid* at 9.
113. *Ibid*.
114. Ben-Ishai, Schwartz & Werk, *supra* note 48.
115. *Ibid*.

B. LEGISLATIVE SAFEGUARDS BENEFITTING MILLENNIALS

Educational programs designed to improve the financial literacy of Canadians are not the only way in which millennials are arguably better protected than previous generations. A wave of consumer protection legislation designed to regulate types of debt common to millennials has created several safeguards that did not previously exist. Although there is no legislation crafted specifically for millennials, legislation that regulates student loans impacts millennials more than older individuals. Furthermore, much of the consumer protection legislation in Canada has been developed and strengthened in the past few decades. This means previous generations may have not benefitted from the full consumer protections in place for millennials. In this sense, millennials may enjoy better legislative protection than any previous generation of Canadians.

1. STUDENT LOAN LEGISLATION

A report prepared for the FCAC found that six in ten young Canadians have some debt.[116] Of those who reported having some debt, 44 per cent have student loans, making student debt the second most common type of debt for young Canadians.[117] This means that federal legislation governing student loans and student debt has the potential to significantly impact a large number of millennial debtors. The *Canada Student Loans Act*[118] and *Canada Student Loans Regulations*[119] regulate the Canada Student Loans Program (CSLP), which allows the Government of Canada to finance loans to post-secondary students directly through the National Student Loans Service Centre (NSLSC).[120] The *Canada Student Financial Assistance Act*[121] and regulations[122] will also impact student debt held by millennials. It is important to remember, however, that many students secure student loans from private providers. Thus, although the legislation governing the CSLP is important, it is essential to highlight the fact that many

116. Financial Consumer Agency of Canada, *Youth Financial Literacy Study*, (Ottawa: Environics Research Group Prepared for FCAC, August 2008) at 4. The *Youth Financial Literacy Study* was conducted using telephone and online surveys of 617 Canadians aged eighteen to twenty-nine years.
117. *Ibid*.
118. RSC 1985, c S-23.
119. SOR/93-392.
120. For more on the NSLSC, see Luong, *supra* note 45 at 6; For a more detailed analysis on government student loan integration and administration, see Stephanie Ben-Ishai, "Student Loans and Bankruptcy: Five Years Later" (2014) 9 Ann Rev Insolv at 5-6.
121. SC 1994, c 28.
122. *Canada Student Loans Act*, *supra* note 118.

students are taking on private debt. The language used in such private agreements is discussed below.

Millennials who hold student debt via student loans provided by the CSLP do not need to pay interest during their full-time studies or for six months thereafter.[123] However, once this six-month grace period ends, borrowers who hold such loans must commence payment of both the principal and interest.[124] This means that millennials who hold significant student debt but are unable to find lucrative employment will be in a precarious financial position. However, federal legislation has created a program, the Repayment Assistance Plan ("RAP"), to offer protection in such situations.[125] Federal and provincial RAPs allow debtors who are unable to afford their prescribed payments to make loan payments based on their gross income while the federal or provincial government covers the interest amount owing to the debtor's adjusted payment. Further, if the debtors' financial difficulties persist, the government will begin to cover a part of the principal.[126]

Although many millennials hold student debt and will continue to do so due to rising tuition costs,[127] several federal legislative provisions either minimize the impact of such debts or protect debtors who cannot afford to make payments on student loans after graduation. This legislation counters the narrative that millennials are doomed. However, in the face of rising tuition costs, it is plausible that these legislative protections do not give millennials an advantage over previous generations. Rather, they just mitigate rising tuition costs that did not burden earlier generations.

2. THE *BANKRUPTCY AND INSOLVENCY ACT*

The most obvious piece of federal legislation that will impact millennial debt is the *Bankruptcy and Insolvency Act* (*BIA*),[128] which applies to all insolvent persons

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123. *Ibid*, s (4)(1)(a)-(b); See Ben-Ishai, *supra* note 120 at 2-6. During this time period, interest does not accumulate on the provincial part of the integrated loan, but does accumulate on the federal portion.
124. *Canada Student Loans Regulations, supra* note 119, s 11.
125. *Ibid*, s 16.6; *Canada Student Financial Assistance Regulations*, SOR/95-329, ss 19-26; *Canada Student Financial Assistance Act, supra* note 121.
126. For a more detailed analysis of government Repayment Assistance Programs ("RAPs"), see Ben-Ishai, *supra* note 120.
127. See *e.g.* Aleksandra Sagon, "Average student debt difficult to pay off, delays Llife milestones," *CBC News* (11 March 2014), online: <www.cbc.ca/news/canada/average-student-debt-difficult-to-pay-off-delays-life-milestones-1.2534974>.
128. RSC 1985, c B-3.

and their creditors. There are no special protections carved out of the *BIA* for millennials or younger Canadians; the *BIA* defines an insolvent person as *anyone* who is "unable to pay his obligation."[129]

The only major exception to the equal treatment of millennials and other Canadians is the non-dischargeability of government-funded student loans. Such loans are not discharged automatically in a bankruptcy.[130] With millennials being particularly impacted by student debt, this provision of the *BIA* has the potential to have a substantial negative influence on millennials who find themselves to be insolvent. Millennial debtors who declare bankruptcy will have their government-funded student loans discharged only seven years after the completion of their studies, or five years if the debtor can make a claim based on hardship grounds.[131] Although the *BIA* is otherwise designed to help debtors (including millennial debtors) make a fresh start, these student loan provisions mean that debtors with government student loans may not receive the same sort of relief as debtors with loans that are discharged in a bankruptcy. In this sense, federal legislation limits millenials' ability to start with a clean slate if they declare bankruptcy.

Recent amendments to the *BIA* reduced the time period required before government-funded students loans could be discharged after completion of one's studies.[132] This suggests that Canadian legislation reflects an understanding of the difficulties millennial students with high levels of student debt are encountering, and undermines the "millennial bootstrapping" narrative. This assertion is also supported by the presence of the various RAPs, which are designed to help students who cannot afford the standard monthly payment on their loan.[133] These provisions can be interpreted in a few ways. Their presence indicates an awareness of the hardship some millennials may face, playing into the "millennials are doomed" narrative. By the same token, the fact that such programs are in place for those borrowers who need assistance suggests that millennials may not be doomed. These provisions do not support the "millennial bootstrapping" narrative, however, as they are designed to assist those who seek higher education but experience severe hardship. Furthermore, the lack of an automatic discharge

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129. *Ibid*, s 2 [emphasis added].
130. *Ibid*, s 178(1)(g). It is important to keep in mind that private student loans are fully dischargeable.
131. *Ibid*, s 178(1)(g), 178 (1.1).
132. Ben-Ishai, *supra* note 120.
133. *Ibid*.

for student loans in personal bankruptcy suggests that there is no 'easy out' for millennials who find themselves unable to repay government student loans.

3. CONSUMER PROTECTION LEGISLATION

Ontario's *Consumer Protection Act, 2002* (*CPA*)[134] offers a wide variety of protections for millennials and other consumers. Of particular interest are the protections offered for credit agreements, especially in light of the fact that credit-card debt is common for millennials.[135] Several protections exist to prevent a borrower from becoming liable for unauthorized charges,[136] to protect a borrower from changes in interest rates (for credit in general),[137] and to facilitate the termination of credit services.[138] Although these protections may benefit millennial debtors, it can be argued that they do not go far enough, given the age group's poor financial literacy rates. If anything, certain provisions of the *CPA* may allow for the exploitation of millennials who do not understand how credit cards, debt, and other financial arrangements work. For example, according to the *CPA*, a consumer who receives a credit card without applying for it is deemed to have entered into a credit agreement on first using the card.[139] Given how common credit-card debt is for millennials and how poor millennials' financial literacy rates are, such a provision could serve as a loophole allowing exploitation of millennials who don't understand the implications of credit cards.

The *CPA* and *Wireless Services Agreement Act, 2013* (*WSA*) also include several provisions that regulate specific types of contracts that many millennials enter, including Internet and cellphone service agreements.[140] For Internet services, if the total potential payment obligation exceeds a prescribed amount, the consumer has a right to expressly accept or decline an agreement, be provided with a copy of the agreement, and cancel the agreement relatively seamlessly.[141] For a cellphone contract, the *WSA* offers similar protections to all consumers. It requires the disclosure of information pertaining to the agreement, establishes benchmarks for clear advertisements of the total cost payable (if the term is fixed),

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134. SO 2002, c 30, Schedule A [*CSA*].
135. Financial Consumer Agency of Canada, *supra* note 116 at 4.
136. *CSA*, *supra* note 134, s 69.
137. *Ibid*, s 80-81.
138. *Ibid*, s 73.
139. *Ibid*, s 68(1).
140. *Ibid*; SO 2013, c 8 [*WSA*].
141. *Ibid,* ss 37, 38, 40. In terms of cancellation of an internet agreement, a consumer has the right to cancel an agreement within thirty days after the day on which the agreement is entered into.

and lays out rules allowing the consumer to cancel the agreement at any time without reason.[142] The protections offered by the *WSA* may particularly impact millennials who would otherwise be unprotected due to poor financial literacy or a lack of awareness as to how protect themselves from predatory provisions in such contracts.

These consumer protections for Internet and wireless cellphone services have great potential to protect millennials with poor financial literacy from exploitation. More specifically, both the *CPA* and the *WSA* allow for the relatively seamless cancellation of such contracts.[143] This may be of significant importance for millennials who are looking to reduce their spending on such services due to an accumulation of debt. Although these acts may lack specific protections for young Canadians or millennials, they do offer protections for specific contractual agreements that may be more common amongst millennials. For millennials who are in debt and need to reduce various expenses, the *CPA* and *WSA* allow such agreements to be terminated without much penalty or confusion.

This analysis of the impact of consumer protection legislation can be interpreted as undermining the "millennials are doomed" narrative. If the types of contracts millennials are likely to enter into come with some of the greatest regulation and consumer protection, it is difficult to argue that millennials are being exploited. The various legislative protections that regulate common millennial contract types and common forms of millennial debt seem to suggest that millennials are given a unique opportunity to protect themselves and avoid financial exploitation. Considering these protections in combination with the increased availability of financial literacy education programs, it becomes difficult to suggest that millennials are burdened, doomed, or more disadvantaged than any previous generation. Although it is clear that there is no special legislative protection for millennials and that the current legislation is not all encompassing, the "millennials are doomed" narrative is not supported by an analysis of the current legislative protections.

4. MARKET SHIFTS: COMMON MILLENNIAL CONTRACTS

Beyond examining the overarching legislation, it is worthwhile to explore the types of contractual agreements that millennials are increasingly entering into, and how these types of contracts may either be exploiting or protecting them. To compile a sample of the typical contracts that millennials enter into, a small group of millennial individuals were approached and asked to list the contracts

142. *Ibid*, ss 7, 8, 10, 16(1).
143. *CSA*, *supra* note 134, s 40; *WSA*, *supra* note 140, s 16.

that they are currently a party to. Several contract types were found to be common among respondents. Examples include contracts for television and internet services, cellphone service, rental apartment leases, Uber, gym memberships, Netflix subscriptions, and employment contracts. Fifteen contracts were reviewed for provisions that would be of significance for millennials or provisions that may disproportionately impact them.[144]

A positive trend that emerges from reviewing these contracts is a tendency for the clauses to be written in plain language that is easy to understand. In the case of contracts pertaining to wireless mobile services, the *Wireless Code* demands the use of plain and clear language.[145] In other instances, no legislation or regulations demand the use of plain, easy to understand language, but the contracts and terms seem to be written in a clear manner regardless. For example, sample Bell Internet and television contract terms are written in a "Q&A" format that is easy to understand and accessible.[146] In addition, these terms include a clear schedule that lists all of the associated fees for cancellation, overuse of services, et cetera, in a simple chart format.[147] In Quebec, the use of standard lease forms can also be interpreted as consistent with this trend.[148] A sample Goodlife gym contract has an important section of the *Consumer Protection Act* placed at the very top of the contract.[149] Such efforts to make contracts easier to read and understand can be interpreted as one way to counterbalance the poor financial literacy of millennials. Making contracts easier to understand can perhaps counteract a lack of financial knowledge and experience with contractual agreements. Although the *Wireless Code* can be seen as a potential framework for other regulations that dictate how certain contracts need to be written (*e.g.*, in a fashion that is clear

144. Contracts reviewed: Ontario Lease (OREA standard form); Ontario Lease (not standard form); Quebec Lease (standard form, Régie du logement); Month to Month Student Housing Lease; Uber Contract; Goodlife Fitness Contract; Netflix Contract; TD Rental Insurance Contract; Professional Movers Contract; Employment Contract (private sector); Employment Contract (public sector); Airbnb Contract (Airbnb Terms); Airbnb Contract (outside of standard Airbnb Terms); Bell TV Contract; Telus Mobility Contract.
145. Government of Canada, Canadian Radio-television and Telecommunications Commission, "The Wireless Code, simplified" (14 November 2014), online: <crtc.gc.ca/eng/phone/mobile/codesimpl.htm> at A1.
146. Contract, Bell Canada, *Bell Terms of Service* (19 January 2015).
147. *Ibid*.
148. Government of Quebec, Régie du logement, "What is a Lease?," online: <www.rdl.gouv.qc.ca/en/signing-a-lease/what-is-a-lease>. See also, Lease, Government of Quebec, *Mandatory Form of the Régie Du Logement: Lease*.
149. Contract, Goodlife Fitness, *Terms* [nd]. Ben-Ishai, Schwartz & Werk discuss the movement towards clear and plain language in student loan agreements from private banks. *Supra* note 48.

and easy to understand), it seems as though other companies are starting to draft contracts in such a manner on their own initiative.

A movement to clear and plain language counters the "millennials are doomed" narrative. The clear and plain language movement suggests that both regulations and market-based initiatives are making it easier for consumers to understand contractual agreements. If the contracts that millennials are likely to enter into are becoming clearer, it is difficult to argue that millennials are doomed when entering them. On the other hand, this movement towards clear and plain language supports the "millennial bootstrapping" narrative insofar as it makes it more difficult for millennials to argue that such contracts take advantage of them.

However, there is still work to be done to improve the readability of contracts for millennials, especially in light of poor financial literacy rates. The contracts that millennials often sign contain some unusual clauses. Most of the payment clauses mention charging against a credit card either at the start or at the end of a billing cycle. There is nothing too unusual about such a clause, but some contracts, including a Goodlife gym membership agreement, stray from this format and instead ask for pre-authorized debit payments.[150] Although there are a variety of different ways to pay for the services discussed in a contract, the pre-authorized debit payment certainly seemed unusual.

Another group of repeated clauses are ones targeting the parties' behaviour. For example, an employment contract in our sample contained clauses asserting the importance of attendance and promptness, a policy restricting the use of fragrances, and an outline of general expectations about the level of professionalism expected at the office.[151] One of the leases in our sample had several behavioural clauses including a strict no drugs policy, a low tolerance for loud noises, and restrictions against copying keys or sharing keys with individuals not named in the lease.[152] The terms and conditions of an Uber agreement also contained clauses that fall into this general category of behavioural regulations.

These clauses can be interpreted as either targeting millennials or impacting them more than members of other age groups. For example, the lease with clauses governing behaviour is for an apartment located in Toronto's Annex neighborhood, which has a large university-student population. It is logical that several of these clauses are aimed at that group. The same analysis is also possible for Uber, whose client base is largely millennials. Clauses that discuss a no-tolerance policy for behavior that leads to annoyance or nuisance seems to be focusing on the

150. *Ibid*, s 3.
151. Contract, <Employer Redacted>, *Contract re: Agreement for Services* [nd] ss 2, 6, 18.
152. Lease, Ontario, *Residential Tenancy Agreement (Ontario)* [nd].

application's younger clientele. The clauses in the sample employment contract also need to be contextualized by the fact that younger individuals dominate the public relations and marketing industry that the employer is operating within. Each reader will have a different opinion as to whether or not these clauses are unfair in how they target individuals or if they are simply a product of precautionary, smart contract writing. This being said, an argument can be made that millennials, with their poor financial literacy, may be vulnerable to entering into contracts with such clauses. This gives fuel to the narrative that "millennials are doomed" but also suggests that it is millennials' responsibility to improve their own financial literacy and be smart when entering into these new types of contractual agreements. Such lines of thinking align with the "millennials are doomed" and "millennial bootstrapping" narratives, respectively.

Although the above discussion of plain language contracts shows that improvements are being made in how contracts are written, this analysis would be incomplete without acknowledging that many components of these contracts can still be unclear, especially to millennials who are not familiar with them. For example, downloading the Uber application on a smartphone and creating an account qualifies as entering into a contractual agreement, as per the Uber Terms and Conditions.[153] This may be news to millennials who simply clicked to accept the terms when downloading the application. In a similar sense, both Netflix and Bell have terms that state that simply using and accessing their respective services constitute contractual acceptance.[154] Again, a millennial who is new to such contractual arrangements or who has not read the terms may not fully understand that they have entered into a binding contract by accessing or using these services.

The lack of clarity around when a contract is accepted, combined with some of the exploitative clauses previously discussed in the sample employment contract, leaves substantial room for improvement in the drafting of contracts that impact millennials. Especially if millennials continue entering into more of these contracts, there may be reason to think that millennials are doomed. While some of the contracts discussed have also made improvements by establishing clear rules around when they may be cancelled and what the associated penalties may be, other contracts have not yet made such progress and are still quite unclear. A lack of clarity around cancellation of contracts may be particularly punishing for millennials. First, with poor financial literacy, millennials may not initially understand the potentially severe financial consequences of leaving

153. Contract, Uber, *Terms and Conditions* (2 January 2016) s 1.
154. Bell Canada, *supra* note 146; Contract, Netflix, *Terms of Use* (5 May 2016).

a contract. Second, if a millennial needs to exit a contract due to a high debt load or unemployment, such unclear cancellation provisions may make doing so difficult. Third, even though the cancellation fees associated with some services are regulated, they can still be quite substantial for millennials who have not yet reached their best earning years. Such concerns validate the narrative that millennials are in trouble and face unique hurdles moving forward with various contracts. At the same time, the "bootstrapping millennials" narrative would suggest that there are numerous opportunities for millennials to educate themselves and protect themselves from being taken advantage. Furthermore, as contracts with companies like Uber and Netflix become more and more common, millennials will, by necessity, become well versed in these types of contracts and be able to make more informed decisions.

IV. CONCLUSION

This article set out to evaluate the media narratives that circulate in popular culture regarding millennials and their finances. Two narratives were discussed that run through much of the mainstream media commentary on millennial finances. The first is the "millennials are doomed" narrative, which suggests that millennials are in serious financial trouble and coping with high debt loads due to rising tuition costs and student loans, high costs of living, poor financial literacy, and exploitative service providers who prey on the generation. The second is the "bootstrapping millennial" narrative, which holds that millennials are expert complainers who excel at victimizing themselves despite being no worse off than any previous generations. This narrative suggests that millennials need to toughen up, pull themselves up by their proverbial bootstraps, and work harder to reach financial success. Both of these narratives are ridden with generalizations while relying on anecdotal evidence rather than data. The lack of fact-based reporting and academic commentary on millennial debt loads was the impetus for this analysis.

The data do not support the "millennials are doomed" narrative to the extent that media commentary would have the general public believe. Yes, millennials are facing more debt than ever, but so is every other generation. Millennial debt loads are not increasing the fastest and there are no clear indicators that definitively support the idea that millennials are suffering more than any other age group from high debt loads. However, this does not mean that there are no elements of truth to the "millennials are doomed" narrative, and several concerns emerge from the analysis conducted in this paper. First, student loans are having a powerful impact on millennials. Although efforts to increase the financial literacy of the entire Canadian population are well underway, the financial literacy rates of millennials are poor. Whether this poor financial literacy is attributable to a lack of empirical data, failing educational programs, or myriad other factors, it is clear that there is substantial room for improvement. While some legislative provisions certainly will protect millennials from predatory contracts for certain services, there is room to argue that there is a lack of legislation dedicated to protecting millennials. On a positive note, market trends show that plain and clear language are becoming increasingly common in contracts, which will benefit millennials with poor financial literacy.

A complete analysis of the data on Canadians' debt loads and financial literacy, the legislative provisions that apply to millennials, and contracts that may disproportionately impact millennials leads to no clear conclusions. Neither the "millennials are doomed" nor the "bootstrapping millennial" narrative is conclusively supported by this analysis. Elements of this analysis can be used to show support for portions of either narrative, which seems to indicate that the narratives are grounded more in anecdote, theme, and marketability than in data and fact. Although this may seem harmless on the surface, perhaps these media narratives are clouding our ability to see the true consequences of increasing debt loads and hindering our ability to craft legislative and educational solutions to address the problem. For example, elder debt needs to be more heavily researched and scrutinized. Is it possible that higher debt loads are shifting to other generations, as a result of having to support millennial children far longer than expected? The financial literacy rates of elders are also bleak when compared to other age groups, and there is certainly no legislative framework designed to protect them against predatory contracts. These questions show the damage of unfocused, unsubstantial narratives that rely on 'buzzworthiness' and the ability to go viral; they may be inhibiting our ability to see the real impact of increasing debt loads and hindering our ability to develop practical solutions to help those most in need.

APPENDIX: SUMMARY OF FINANCIAL LITERACY CURRICULUMS IN CANADA

Program Name	**Developed By**	**Program Format**	**Program Contents**	**Target Audience**
The City: A financial life skills resource	FCAC and British Columbia Securities Commission	11 module learning program, self learning, and for in-class room learning	Topics covered: Financial goals and lifestyle, lifestyle characters and associated financial situations, income sources, deductions, and basic taxation preparation, difference between needs and wants, l (purpose, how they work, etc), credit and credit cards, insurance policies, investments and portfolios, financial planning for students after postsecondary education. *Also includes specific instructions for when technology can be used, and comes with handouts.	High school aged youths
Financial Basics: a financial literacy workshop	FCAC in collaboration with the Investors Educator Fund and Ellen Roseman.	5 hour workshop administered at postsecondary institutions, workplaces or by a community organization.	Topics covered: The benefits of financial literacy, budgeting, managing your expenses, credit and debt management, saving and investing, financial planning, and fraud prevention and personal protection	Young adults who have finished secondary school.
You Financial Toolkit: A financial education program for adults	FCAC in collaboration with the Investor Education Fund and l'Autorité des Marchés financiers	Flexible self-learning program	Income, expenses and budget, banking, saving, credit and debt management, mortgages, insurance, investing, income taxes, retirement and pensions, financial planning and fraud protection.	Adults who need assistance learning to manage personal finances.

APPENDIX: SUMMARY OF FINANCIAL LITERACY CURRICULUMS IN CANADA

Program Name	Developed By	Program Format	Program Contents	Target Audience
Make It Count: A resource for youth money management	Manitoba Securities Commission	Not centered on as formal of modules, however the instructors guide does provide activities and exercises per topic. Described as an interactive mentorship program.	Topics covered: Money, Budgeting, Setting Goals, Earning Money. Then, certain locations and scenarios are targeted. They are: Out and About (supermarket, financial institution, shopping mall, restaurant, on the town, on the road), Lessons for Life (first cell phone, around the phone, giving back, frauds and scam), Fun with Friends (recreational spending, party, on vacation).	Parents, Instructors and primary aged school children (grades 4-8).
Financial Literacy Education (Ontario Curriculum)	Ontario Ministry of Education	Integration into existing courses	Curriculum integration designed to focus on: income, money, earning, spending, investing, budgeting, credit and borrowing, risks and rewards, compound interest, pensions, insurance, taxes, planning ahead, how the financial system works, wants vs needs, consumer awareness and advertising, fraud, future consequences of decisions, how to plan for life after high school	Grades 4-8; Grades 9-12
British Columbia Curriculum	British Columbia Ministry of Education	Integration into existing courses in addition to financial planning units in Career Development courses	Personal financial planning, personal budgeting, career choices, income, etc.	Integration to start as early as Grade 5, Career Development course Grades 10-12