

Appendix A

This index is constructed as follows. First, we select five questions amongst the 14 available in the CFCS. We use the following five, which are the same as those used by Lalime and Michaud (2014). Note that, for each question, the respondents could also refuse to answer or answer that they did not know. Asterisks denote right answers.

Buying power: If the inflation rate is 5% and the interest rate you get on your savings is 3%, will your savings have at least as much buying power in a year's time?

1: Yes

2*: No

Credit: A credit report is...?

1: A list of your financial assets and liabilities

2: A monthly credit card statement

3*: A loan and bill payment history

4: A credit line with a financial institution

Interest: If you had a savings account at a bank, which of the following statements would be correct concerning the interest that you would earn on this account?

1: Sales tax may be charged on the interest that you earn

2: You cannot earn interest until you pass your 18th birthday

3: Earnings from savings account interest may not be taxed

4*: Income tax may be charged on the interest if your income is high enough

Inflation: Inflation can cause difficulty in many ways. Which group would have the greatest problem during periods of high inflation that lasts several years?

1: Young working couples with no children

2: Young working couples with children

Appendix B

Table B.1: Summary Statistics of the Variables

Variable	n	MI	SD
Age	0	0	0
Age2	0	0	0
Age3	0	0	0
Age4	0	0	0
Age5	0	0	0
Age6	0	0	0
Age7	0	0	0
Age8	0	0	0
Age9	0	0	0
Age10	0	0	0
Age11	0	0	0
Age12	0	0	0
Age13	0	0	0
Age14	0	0	0
Age15	0	0	0
Age16	0	0	0
Age17	0	0	0
Age18	0	0	0
Age19	0	0	0
Age20	0	0	0
Age21	0	0	0
Age22	0	0	0
Age23	0	0	0
Age24	0	0	0
Age25	0	0	0
Age26	0	0	0
Age27	0	0	0
Age28	0	0	0
Age29	0	0	0
Age30	0	0	0
Age31	0	0	0
Age32	0	0	0
Age33	0	0	0
Age34	0	0	0
Age35	0	0	0
Age36	0	0	0
Age37	0	0	0
Age38	0	0	0
Age39	0	0	0
Age40	0	0	0
Age41	0	0	0
Age42	0	0	0
Age43	0	0	0
Age44	0	0	0
Age45	0	0	0
Age46	0	0	0
Age47	0	0	0
Age48	0	0	0
Age49	0	0	0
Age50	0	0	0
Age51	0	0	0
Age52	0	0	0
Age53	0	0	0
Age54	0	0	0
Age55	0	0	0
Age56	0	0	0
Age57	0	0	0
Age58	0	0	0
Age59	0	0	0
Age60	0	0	0
Age61	0	0	0
Age62	0	0	0
Age63	0	0	0
Age64	0	0	0
Age65	0	0	0
Age66	0	0	0
Age67	0	0	0
Age68	0	0	0
Age69	0	0	0
Age70	0	0	0
Age71	0	0	0
Age72	0	0	0
Age73	0	0	0
Age74	0	0	0
Age75	0	0	0
Age76	0	0	0
Age77	0	0	0
Age78	0	0	0
Age79	0	0	0
Age80	0	0	0
Age81	0	0	0
Age82	0	0	0
Age83	0	0	0
Age84	0	0	0
Age85	0	0	0
Age86	0	0	0
Age87	0	0	0
Age88	0	0	0
Age89	0	0	0
Age90	0	0	0
Age91	0	0	0
Age92	0	0	0
Age93	0	0	0
Age94	0	0	0
Age95	0	0	0
Age96	0	0	0
Age97	0	0	0
Age98	0	0	0
Age99	0	0	0
Age100	0	0	0