

MNP Consumer Debt Index

Rising interest rates and inflation forcing Canadians to make tough budget decisions to make ends meet.

MNP LTD

Toll Free **310-DEBT**

Six in 10 Canadians are already feeling the impacts of rising interest rates.

59%⁽⁺⁷⁾

27%

A quarter of households are cutting back on essentials such as food, utilities, and housing.

46%

Nearly half of households are cutting back on non-essentials such as travel, dining out, and entertainment.

Reckoning with past decisions

41%

Two in five households are worried about their current level of debt.

42%⁽⁻²⁾

Two in five households regret the amount of debt they've taken on.

...and future consequences

58%⁽⁺¹⁾

Canadians are worried about how rising interest rates will impact their financial situation.

55%⁽⁺²⁾

More than half expect to take on more debt to cover basic living expenses this year.

About the MNP Consumer Debt Index

The MNP Consumer Debt Index has improved slightly to 90 points after two record lows and three successive quarters of declines. The Index remains markedly lower than the initial benchmark set in 2017 and the contrasting optimism seen prior to and throughout the COVID-19 pandemic.

Inflation and rising interest rates were the prevailing themes, with survey results indicating most households are struggling to cope with a sharp rise in costs throughout the first half of 2022. Tellingly, only 12 percent of respondents indicated they have not had to make any financial adjustments due to the economic headwinds.



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