

MNP DEBT INDEX

Wave 25

June 2023

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MNP_{LTD}



Methodology



- These are findings of an Ipsos poll conducted on behalf of MNP.
- For this survey, a sample of **2,000 Canadians** from the Ipsos i-Say panel was interviewed from **June 1-6, 2023**. It's important to note that fieldwork continued entirely prior to the BoC's recent interest-rate hike.
- Quotas and weighting were employed to ensure that the sample's composition **reflects the overall population** according to the latest Canadian census information.
- The precision of online polls is measured using a credibility interval. In this case, the results are **accurate to within ± 2.5 percentage points**, 19 times out of 20, of what the results would have been had all Canadian adults been polled.
- Credibility intervals are wider among subsets of the population.
- Due to rounding, not all percentages will add up to 100%.

Executive Summary

The MNP Debt Index has declined to 83 points, after rebounding from the lowest score recorded throughout the five years Canadians are feeling less confident this quarter about their personal finances and managing their debt. Overall, Canadians are fearing the impact of inflation on their personal finances and are concerned about the affordability of essential items. Majority of Canadians are seeing the impact of inflation on their weekly expenses as nearly three quarters say their weekly expenditure on necessities has increased by at least \$100.

Highest Level of Insolvency, but More Leftover Funds

More Canadians continue to feel pessimistic about their debt as the proportion of those who are \$200 or less away from financial insolvency increased, up 6 percentage point from March 2023, the highest recorded to date.

After all bills and essential expenses are settled, on average, Canadians are left with \$771 at month-end, down \$16 but remaining above the average over the last five years. This highlights a growing divide between the haves and the have-nots.

Highest Recorded Level of Concern of Debt and Finances

Canadian households' are more concerned with finances as more regret the amount of debt they have taken on in their life (52%, +9), are concerned about current debt (48%, +2), and worry about someone in their household will lose their job (40%, +4). These are the highest levels of concern the Debt Index has seen since inception.

Expected Debt Worsens

As interest-rate pauses have ended, Canadians are feeling less positive about their future debt prospects. Perceptions of their expected debt situation in the future continues to remain lower than the 5-year average.

Looking to one year from now, 3 in 10 Canadians expect their debt situation to improve (30%, -1) but more believe it will worsen (15%, +2). Considering five years into the future, fewer Canadians are feeling better about their expected debt (37%, -3) and one in ten believe that their debt situation will worsen (14%), a three-point increase from last quarter.

Executive Summary

Concerns about Interest Rate Hikes

Canadians are feeling worse about their ability to absorb interest rates increases.

Net score when phrased as a one percentage point increase has decreased by 2 percentage points to -1%. Net ability to absorb an extra \$130 in interest payments also decreased by 4 percentage points to -13%.

Most Canadians agree that with interest rates rising, they will be more careful with how they spend their money (86%, +3). More Canadians say they are beginning to feel the effects of interest rate increases (69%, +4) and concerned about their ability to repay their debts than they used to be (66%, +6).

Canadians Struggle with Affordability

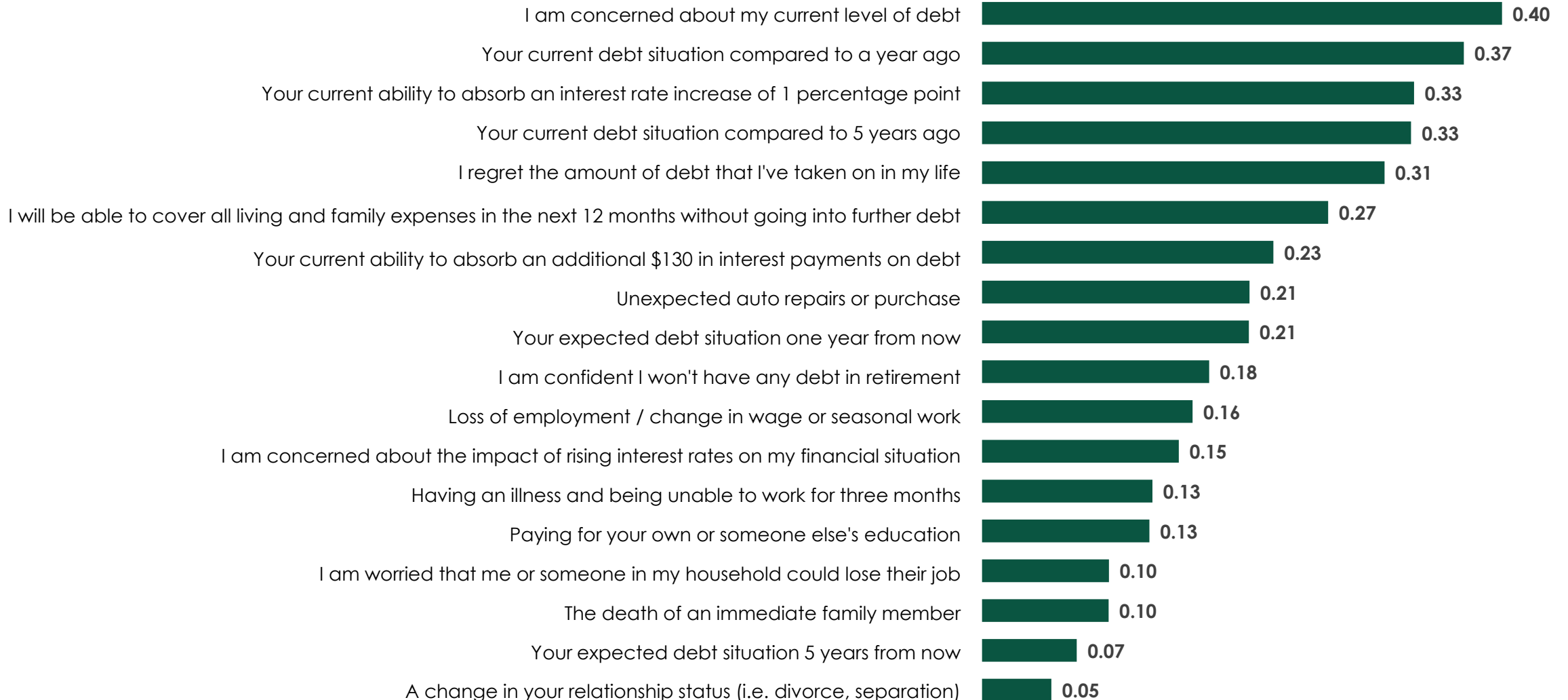
Canadians are feeling the pressures of the rising costs of living which is evident in net affordability for savings continuing to decrease. Even if improvements have been measured, it's like falling inflation – prices are still going up, just not as rapidly.

Just one quarter of Canadians say their weekly expenses have increased by less than \$100 (27%) if at all, which leaves the vast majority (73%) saying that their expenditure on life's necessities is up by at least \$100 per week.

Canadians who are already insolvent are just as likely to say their weekly expenses has increased as the total population, showing that those who are already living on the edge have not been spared in any way, and as a percentage of expenditures are likely feeling it even worse.

THE DEBT INDEX

Debt-Index Inputs

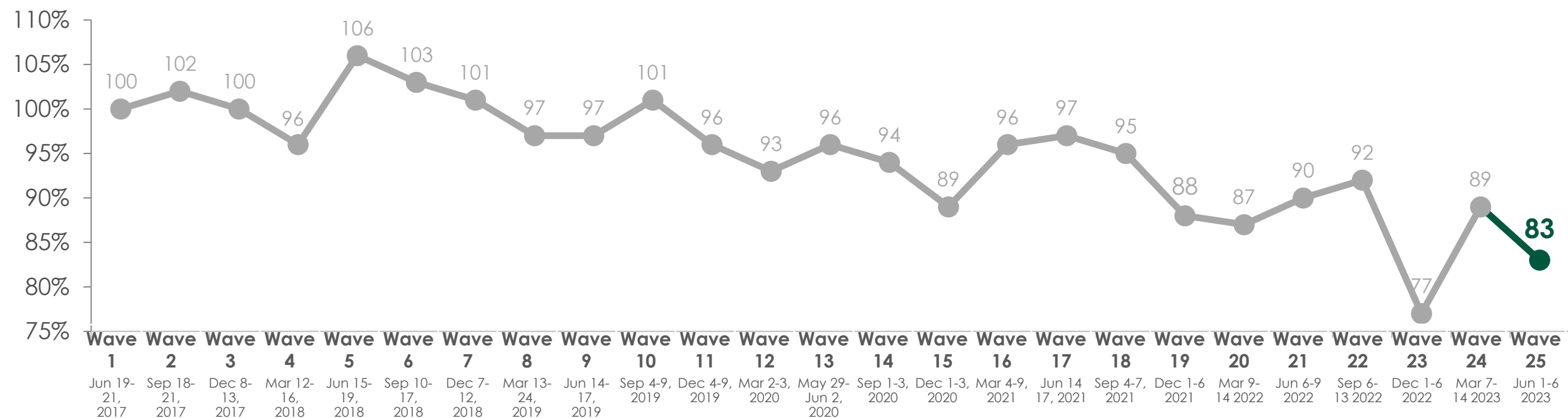


Debt-Index Inputs (Tracking)

Question	Measure		Score	% (Top/Bottom 3 Box)																										Δ vs. Dec 2022
				Sep 2017	Dec 2017	Mar 2018	Jun 2018	Sep 2018	Dec 2018	Mar 2019	Jun 2019	Sep 2019	Dec 2019	Mar 2020	Jun 2020	Sep 2020	Dec 2020	Mar 2021	Jun 2021	Sep 2021	Dec 2021	Mar 2022	Jun 2022	Sep 2022	Dec 2022	Mar 2023	Jun 2023			
5_1	% Disagree	I am concerned about my current level of debt	0.40	39%	41%	38%	40%	38%	35%	38%	38%	38%	38%	31%	37%	33%	34%	36%	37%	36%	34%	33%	35%	37%	30%	30%	30%	-		
3_1	% Better	Your current debt situation compared to a year ago	0.37	26%	25%	24%	27%	28%	27%	24%	24%	27%	23%	26%	27%	26%	22%	26%	25%	24%	24%	23%	22%	23%	21%	25%	24%	-1		
3_3	% Better	Your current ability to absorb an interest rate increase of 1 percentage point	0.33	28%	28%	27%	30%	30%	28%	26%	26%	28%	27%	26%	28%	28%	25%	26%	28%	26%	24%	21%	22%	25%	20%	24%	22%	-2		
3_2	% Better	Your current debt situation compared to 5 years ago	0.33	33%	32%	32%	35%	35%	33%	31%	33%	35%	32%	34%	35%	33%	31%	35%	33%	35%	33%	33%	31%	31%	28%	32%	29%	-3		
5_2	% Disagree	I regret the amount of debt that I've taken on in my life	0.31	38%	40%	35%	38%	34%	35%	36%	36%	37%	35%	31%	36%	32%	31%	33%	36%	33%	30%	33%	34%	35%	26%	31%	28%	-3		
5_6	% Agree	I will be able to cover all living and family expenses in the next 12 months without going into further debt	0.27	38%	35%	35%	38%	37%	38%	37%	35%	37%	34%	35%	37%	37%	34%	37%	36%	38%	33%	35%	36%	37%	30%	34%	33%	-1		
3_4	% Better	Your current ability to absorb an additional \$130 in interest payments on debt	0.23	25%	23%	22%	26%	28%	25%	22%	22%	24%	23%	22%	23%	22%	20%	21%	23%	23%	19%	19%	19%	21%	16%	21%	19%	-2		
4_3	% Confident	Unexpected auto repairs or purchase	0.21	31%	31%	28%	35%	33%	31%	30%	30%	29%	29%	27%	27%	28%	28%	30%	27%	27%	24%	23%	27%	26%	22%	26%	24%	-2		
3_5	% Better	Your expected debt situation one year from now	0.21	35%	35%	33%	38%	39%	36%	35%	36%	39%	36%	36%	33%	33%	30%	34%	35%	34%	32%	30%	30%	30%	28%	31%	30%	-1		
5_5	% Agree	I am confident I won't have any debt in retirement	0.18	33%	30%	31%	34%	32%	33%	32%	32%	33%	34%	33%	33%	34%	33%	34%	34%	34%	31%	32%	32%	34%	29%	36%	32%	-4		
4_6	% Confident	Loss of employment/change in wage or seasonal work	0.16	28%	27%	26%	29%	29%	30%	27%	27%	27%	27%	26%	24%	26%	25%	27%	27%	24%	23%	24%	26%	27%	21%	26%	23%	-3		
5_3	% Disagree	I am concerned about the impact of rising interest rates on my financial situation	0.15	29%	28%	26%	26%	26%	25%	27%	28%	27%	27%	22%	22%	23%	22%	23%	26%	23%	21%	19%	21%	18%	16%	19%	18%	-1		
4_2	% Confident	Having an illness and being unable to work for three months	0.13	30%	29%	28%	31%	31%	33%	29%	28%	29%	27%	28%	26%	27%	28%	28%	30%	29%	25%	25%	27%	27%	21%	26%	23%	-3		
4_1	% Confident	Paying for your own or someone else's education	0.13	26%	25%	24%	28%	27%	29%	24%	25%	24%	24%	22%	24%	24%	23%	22%	23%	24%	21%	22%	25%	24%	20%	23%	24%	+1		
5_4	% Disagree	I am worried that me or someone in my household could lose their job	0.10	46%	45%	44%	47%	44%	43%	44%	44%	47%	43%	41%	38%	39%	38%	38%	42%	44%	41%	42%	43%	43%	39%	40%	37%	-3		
4_4	% Confident	The death of an immediate family member	0.10	27%	26%	26%	29%	30%	30%	25%	26%	26%	26%	25%	25%	26%	23%	26%	26%	25%	22%	23%	25%	26%	21%	24%	22%	-2		
3_6	% Better	Your expected debt situation 5 years from now	0.07	47%	44%	47%	50%	50%	47%	45%	47%	50%	46%	48%	42%	44%	42%	46%	44%	46%	45%	42%	37%	40%	39%	40%	37%	-3		
4_5	% Confident	A change in your relationship status (i.e., divorce, separation)	0.05	33%	31%	32%	36%	32%	36%	33%	34%	31%	33%	33%	30%	32%	29%	30%	29%	28%	27%	30%	30%	30%	27%	29%	27%	-2		

Debt-Index Tracking

The MNP Debt Index **has declined to 83 points, after rebounding from an all-time low last quarter.** Canadians are continuing to feel negatively about their personal finances and managing their debt as cost of living continues to be a prominent issue for most Canadians. With interest rates subsequently moving up again, it's likely that Canadians are feeling increasingly uncertain about the direction of their economic future.

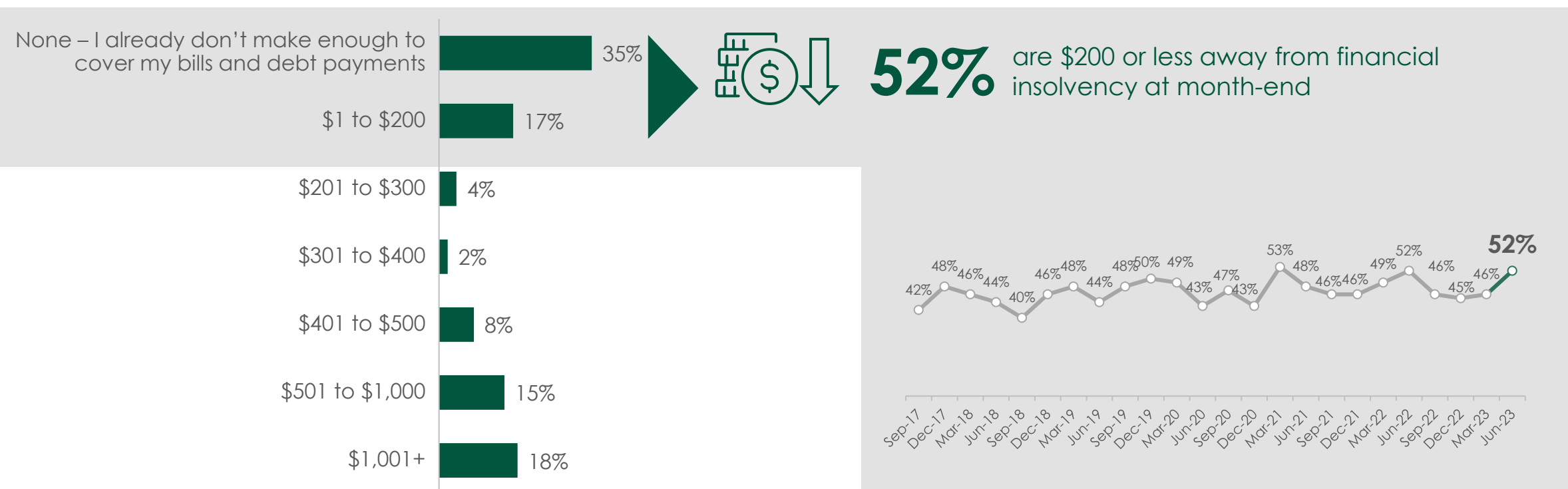


Note on interpretation: A high debt index score means that Canadians feel positive towards their personal finances, as well as confident in their ability to cope with unexpected financial situations. A low index score describes the opposite – negative feelings and low confidence.

EVALUATING PERSONAL FINANCES

Finances at Month-End

More Canadians continue to feel pessimistic about their debt, the proportion of those who are **\$200 or less away from financial insolvency increased**, up **6 percentage points** from March 2023. This proportion includes **35% who report already being insolvent** and are not able to cover their bills and debt payments (up 5 points from March 2023), the highest recorded level within the last 5 years of tracking.

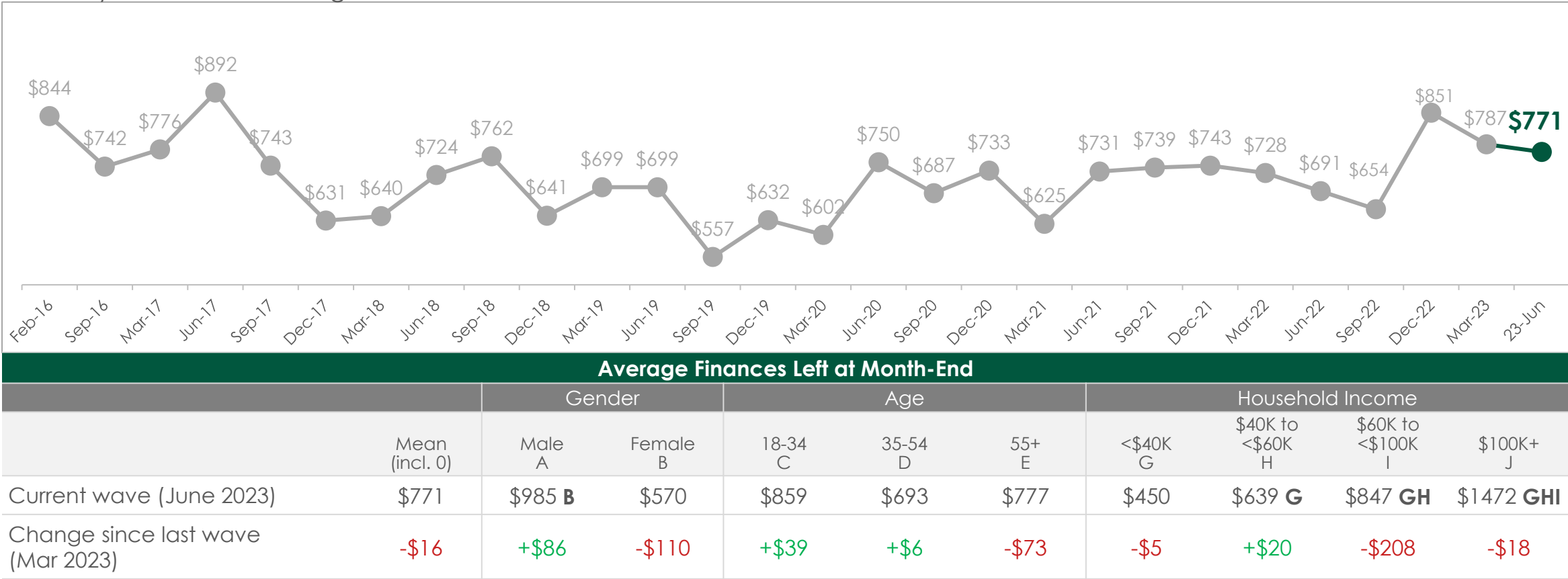


Q1. Thinking about the amount of after-tax income you make each month compared to the amount of your bills and debt obligations each month, how much is left over? In other words, how much wiggle room do you have before you wouldn't be able to pay all your bills and debt payments each month (which is called financial insolvency)?

Base: All Respondents (unweighted) n=2,000

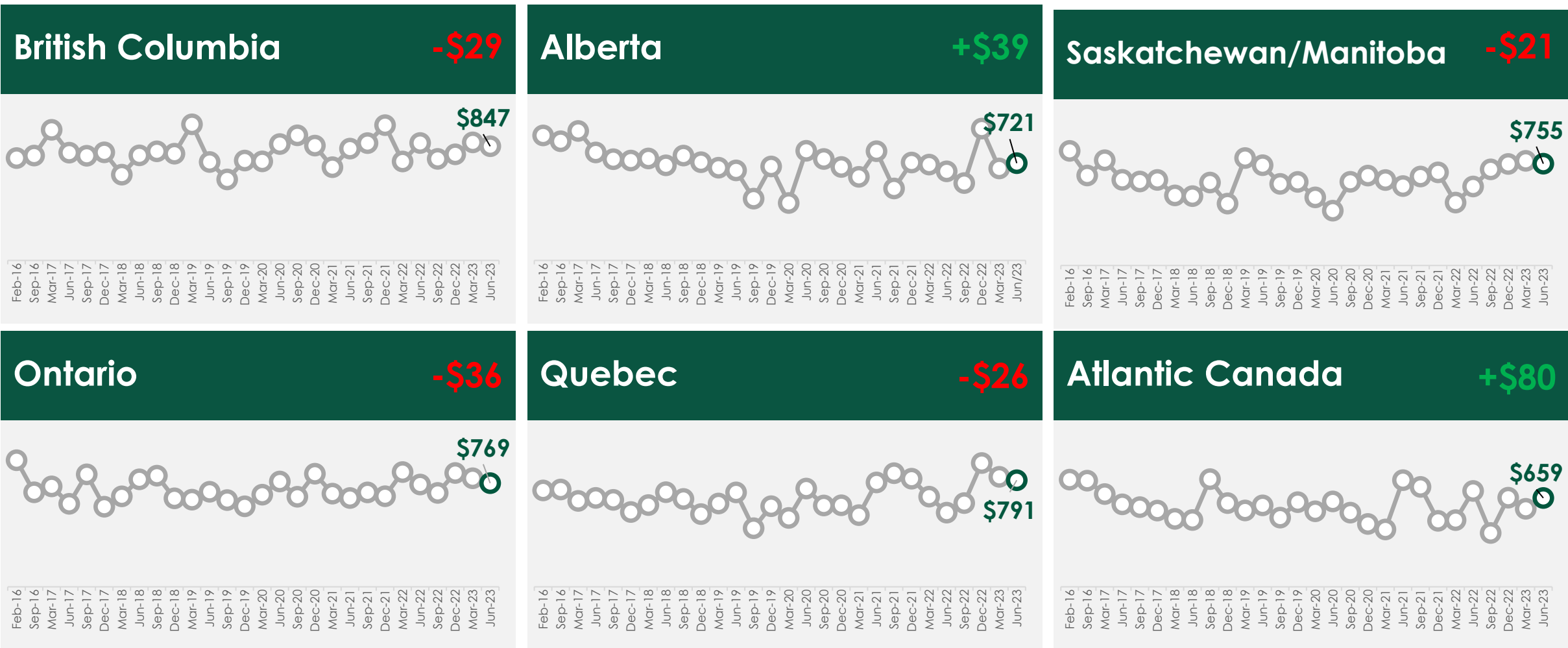
Average Finances Left at Month-End

After all bills and essential expenses are settled, on average, **Canadians are left with \$771 at month-end**, down \$16 but remaining above the average over the last five years. The relatively flat average, coupled with the increase in the proportion already insolvent, highlights the growing divide between the “average” experience when considering the top section of the K-shaped recovery and the increasing tail of those on the bottom.



Q1. Thinking about the amount of after-tax income you make each month compared to the amount of your bills and debt obligations each month, how much is left over? In other words, how much wiggle room do you have before you wouldn't be able to pay all your bills and debt payments each month (which is called financial insolvency)?
Base: All Respondents (unweighted) n=2,004

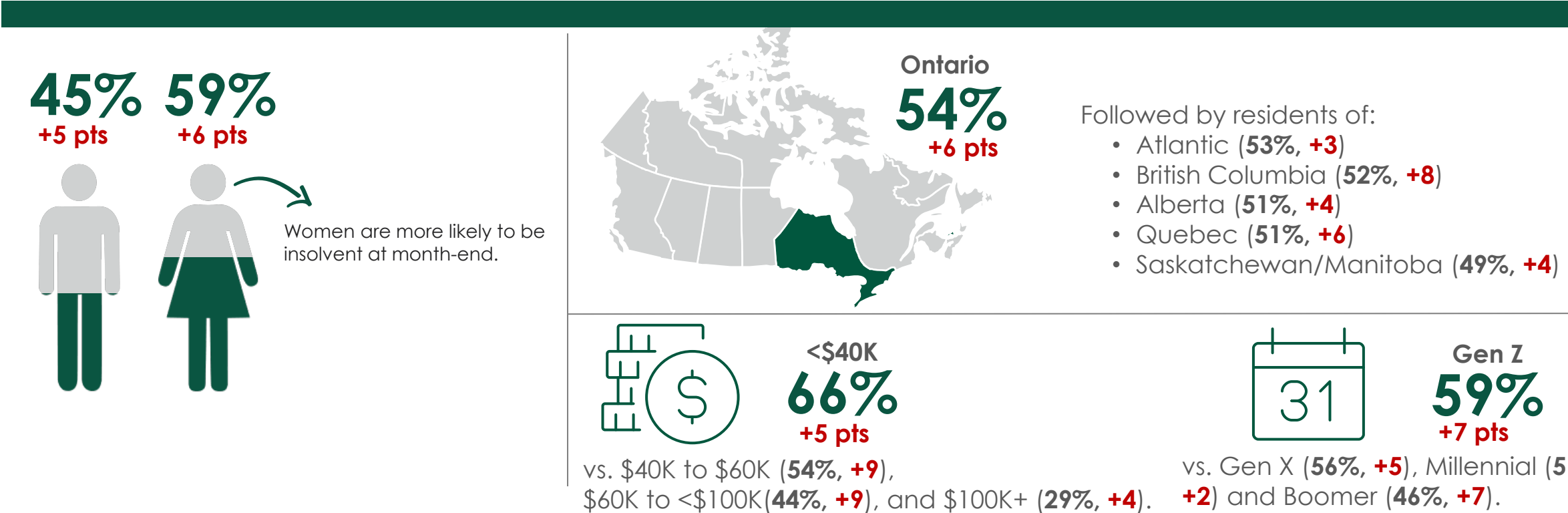
Average Finances Left at Month-End (Regional View)



Q1. Thinking about the amount of after-tax income you make each month compared to the amount of your bills and debt obligations each month, how much is left over? In other words, how much wiggle room do you have before you wouldn't be able to pay all your bills and debt payments each month (which is called financial insolvency)?
Base: All Respondents (unweighted) n=2,000, BC (n=322); AB (n=203); SK/MB (n=199); ON (n=748); QC (n=325); ATL (n=203).

Finances at Month-End – % \$200 or less from insolvency

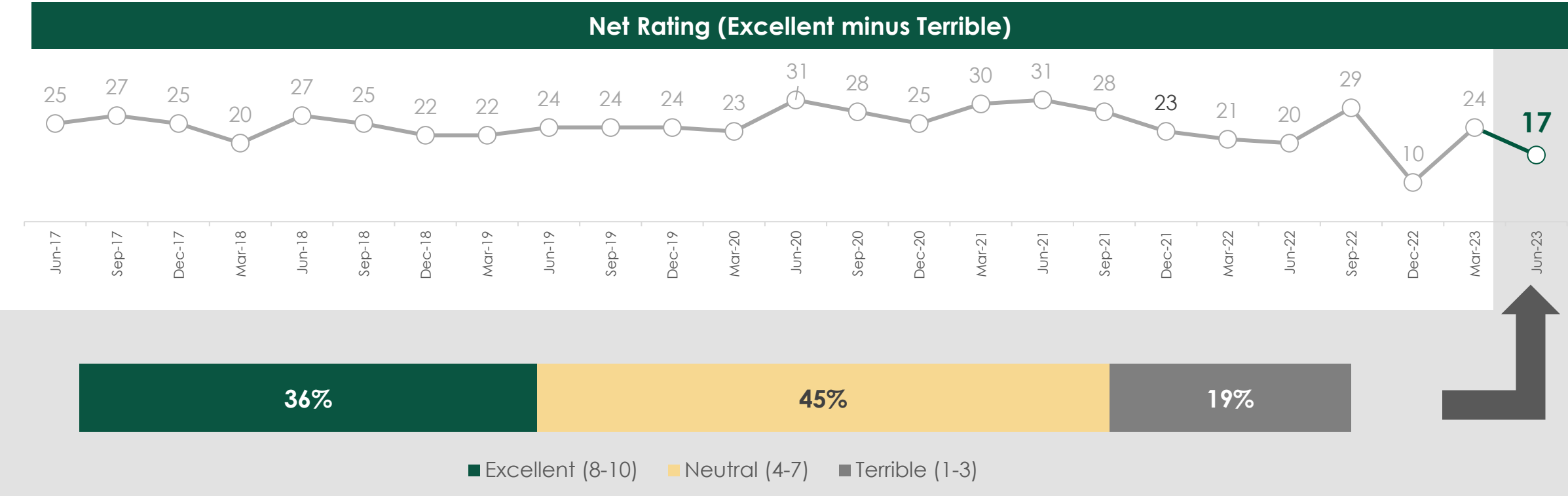
Canadians who report being \$200 or less away from insolvency are more likely to be women (59%, +6), Gen Z (59%, +7), or those with less than \$40K income (66%, +5) Those living in Ontario are the most likely to say they are either insolvent or precariously close to it (54%, +6) than those from other regions,



Q1. Thinking about the amount of after-tax income you make each month compared to the amount of your bills and debt obligations each month, how much is left over? In other words, how much wiggle room do you have before you wouldn't be able to pay all your bills and debt payments each month (which is called financial insolvency)?
Base: All Respondents (unweighted) n=2,000 BC (n=322); AB (n=203); SK/MB (n=199); ON (n=748); QC (n=325); ATL (n=203).

Personal Debt Rating

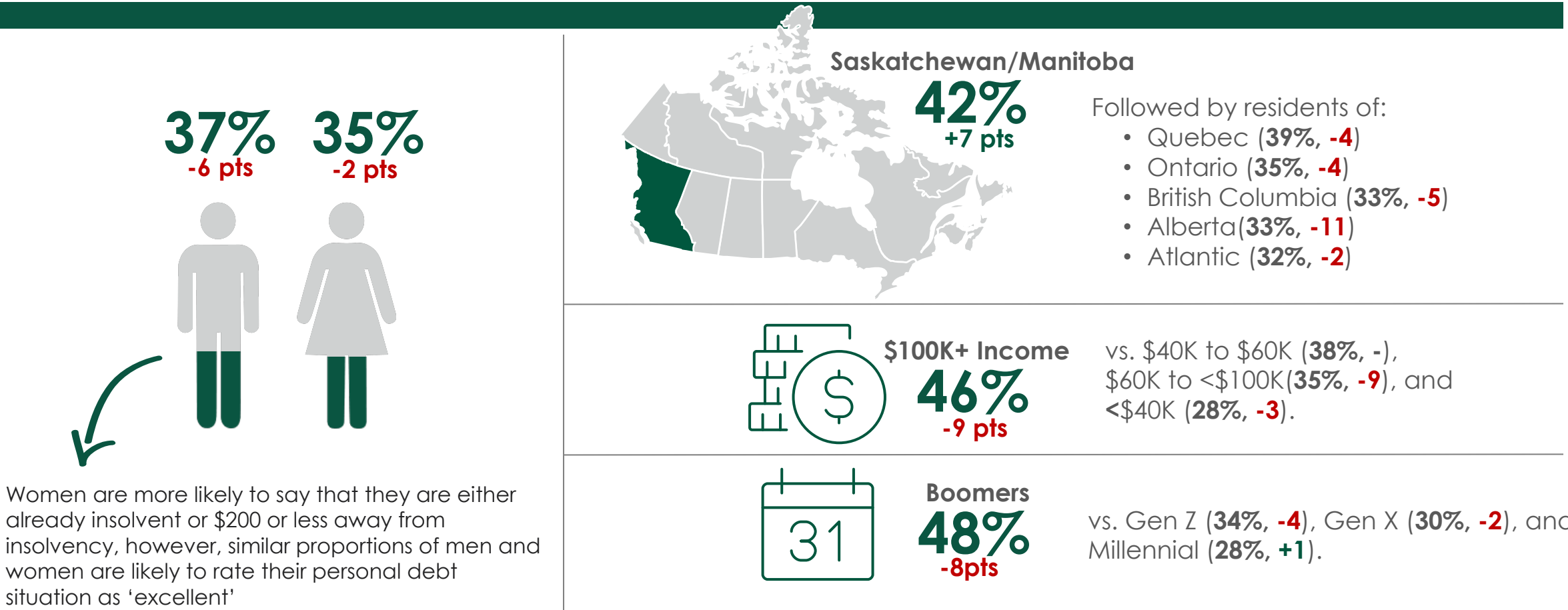
Canadians' **net personal debt rating has declined to 17 points**, a seven-point decrease from last quarter. The shift is a result of fewer Canadians rating their personal debt situation as 'excellent' (36%, -4) and more rating it as 'terrible' (19%, +3).



Q2. On a scale of 1 to 10, where 1 is 'terrible' and 10 is 'excellent', how would you rate your personal debt situation?
Base: All Respondents (unweighted) n=2,004

Excellent Personal Debt Self-Assessment

Who is more likely to rate their personal debt situation as 'good'? Assessments are down across the board.



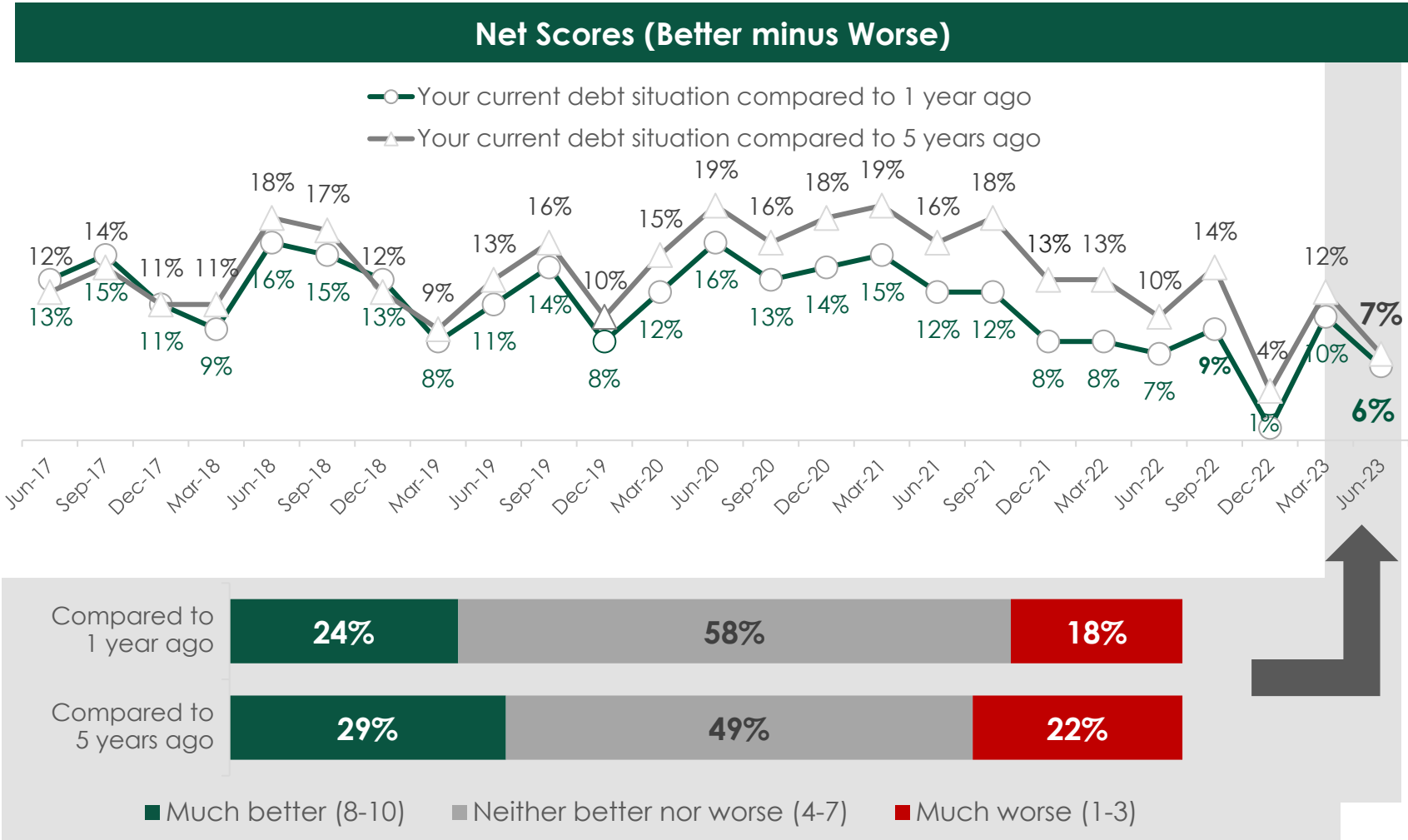
Q2. On a scale of 1 to 10, where 1 is 'terrible' and 10 is 'excellent', how would you rate your personal debt situation? Top three box responses.
Base: All Respondents (unweighted) n=2,000 BC (n=322); AB (n=203); SK/MB (n=199); ON (n=748); QC (n=325); ATL (n=203).

Current Debt Situation

The impact of inflation is showing in consumers' current debt situation as Canadians are feeling less confident about their current debt.

When asked to **look back to one year ago**, a fifth of Canadians perceive their current debt situation to be much better (24%, -1) and 18% (+3) have rated it much worse.

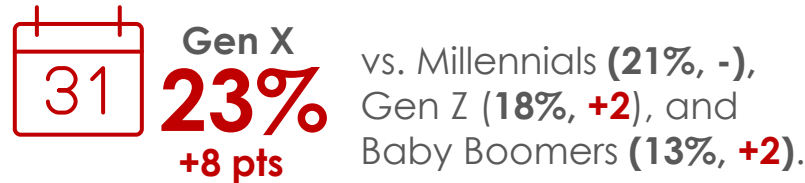
Looking back to five years ago, three in ten (29%, -3) say their debt situation has improved and a rising proportion (22%, +2) says it has worsened.



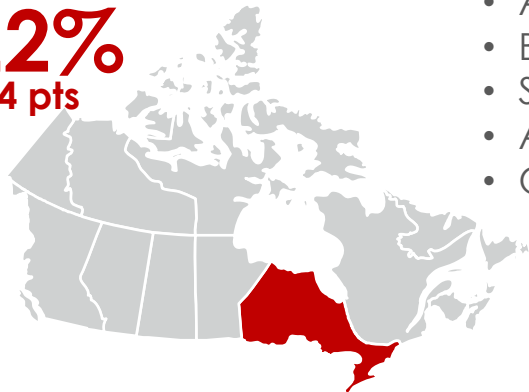
Q3. On a scale of 1 to 10, where 1 is 'much worse' and 10 is 'much better', how would you rate ...?
Base: All Respondents (unweighted) n=2,000

Current Debt Situation: **Worse**

Your current debt situation compared to 1 year ago



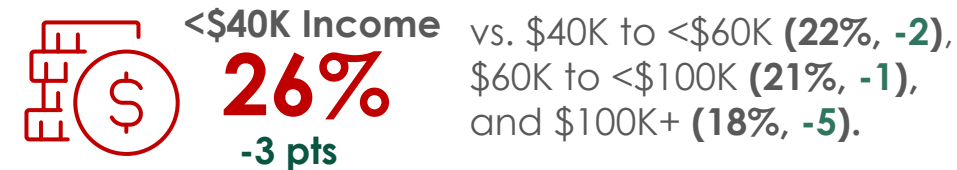
Ontario
22%
+4 pts



Followed by residents of:

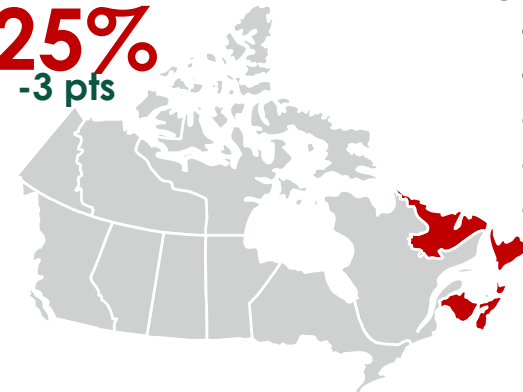
- Atlantic Canada (20%, -1)
- British Columbia (18%, +3)
- Saskatchewan/Manitoba (17%, -)
- Alberta (15%, -)
- Quebec (13%, +3)

Your current debt situation compared to 5 years ago



Atlantic Canada

25%
-3 pts



Followed by residents of:

- British Columbia (24%, +3)
- Ontario (24%, +1)
- Alberta (21%, +2)
- Saskatchewan/Manitoba (21%, -2)
- Quebec (16%, +3)

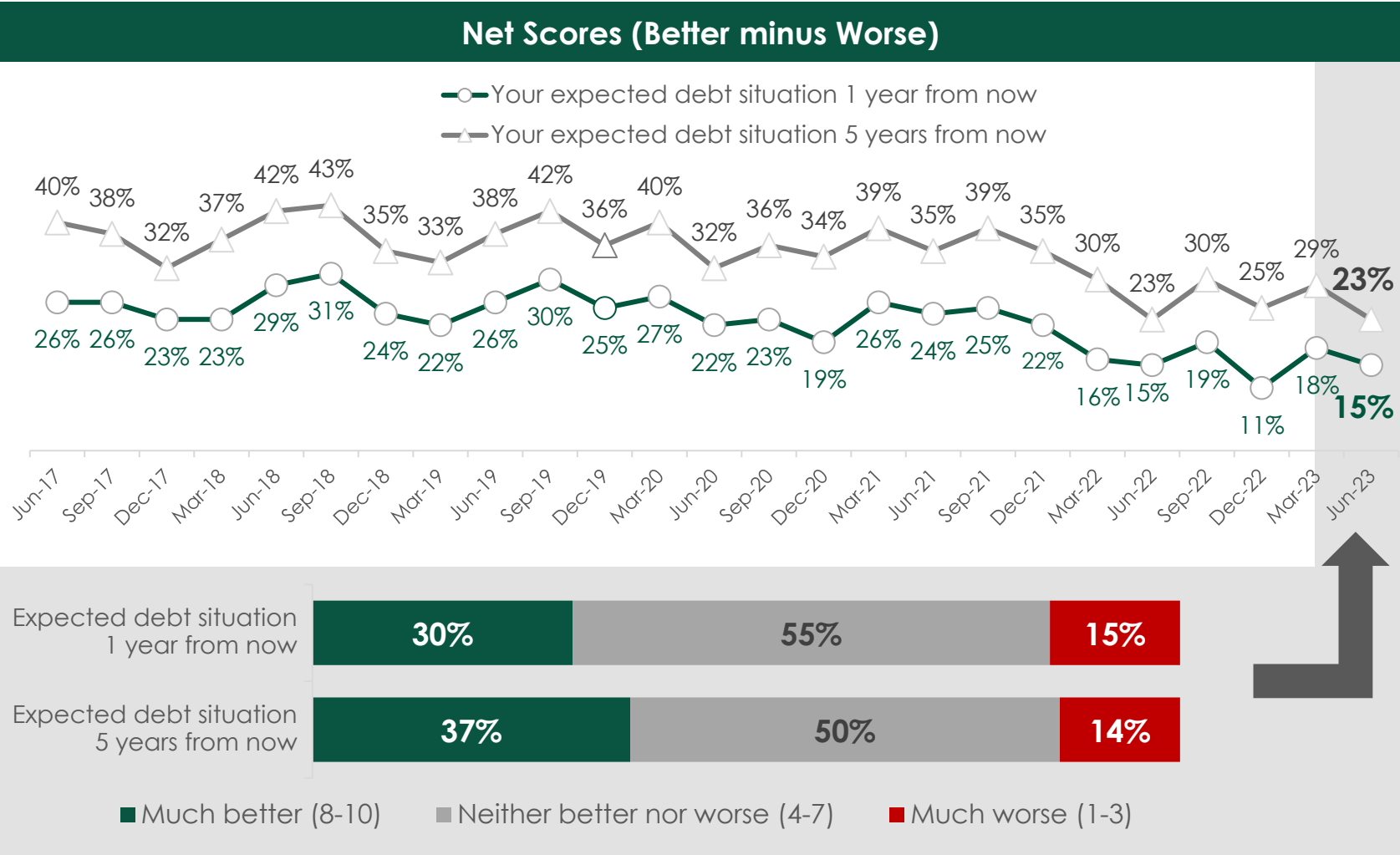
Q3. On a scale of 1 to 10, where 1 is 'much worse' and 10 is 'much better', how would you rate ...? Bottom three box responses.
Base: All Respondents (unweighted) n=2,000 BC (n=322); AB (n=203); SK/MB (n=199); ON (n=748); QC (n=325); ATL (n=203).

Expected Debt Situation

Canadians' perceptions of their expected debt situation in the future continues to remain lower than the 5-year average as expectations are tempered.

Looking to **one year from now**, 3 in 10 Canadians expect their debt situation to improve (30%, -1) but more believe it will worsen (15%, +2).

Looking **five years into the future**, fewer Canadians are feeling better about their expected debt (37%, -3) and one in ten believe that their debt situation will worsen (14%), a three-point increase from last quarter.



Q3. On a scale of 1 to 10, where 1 is 'much worse' and 10 is 'much better', how would you rate ...?
Base: All Respondents (unweighted) n=2,000

Expected Debt Situation: **Worse**

Your expected debt situation 1 year from now



<\$40K Income

19%
+2 pts

vs. \$40K to <\$60K (14%, +3),
\$60K to <\$100K (12%, +3),
and \$100K+ (11%, +1).



Gen X

18%
+2 pts

vs. Baby Boomers (15%, +3), Millennials (13%, +1),
and Gen Z (11%, +2).

Ontario

18%
+4 pts

Followed by residents of:

- British Columbia (14%, -1)
- Atlantic Canada (14%, -)
- Alberta (13%, -)
- Quebec (13%, +4)
- Sask./Manitoba (12%, -1)

Your expected debt situation 5 years from now



<\$40K Income

18%
+3 pts

vs. \$40K to <\$60K (15%, +3),
\$60K to <\$100K (10%, +3),
and \$100K+ (10%, +3).



Gen X

19%
+4 pts

vs. Gen Z (13%, +5),
Baby Boomers (13%, +2), and
Millennials (10%, -).

Ontario

16%
+3 pts

Followed by residents of:

- Atlantic Canada (14%, +2)
- British Columbia (13%, +3)
- Alberta (13%, -1)
- Quebec (12%, +4)
- Sask./Manitoba (11%, -2)

Q3. On a scale of 1 to 10, where 1 is 'much worse' and 10 is 'much better', how would you rate ...? Bottom three box responses.

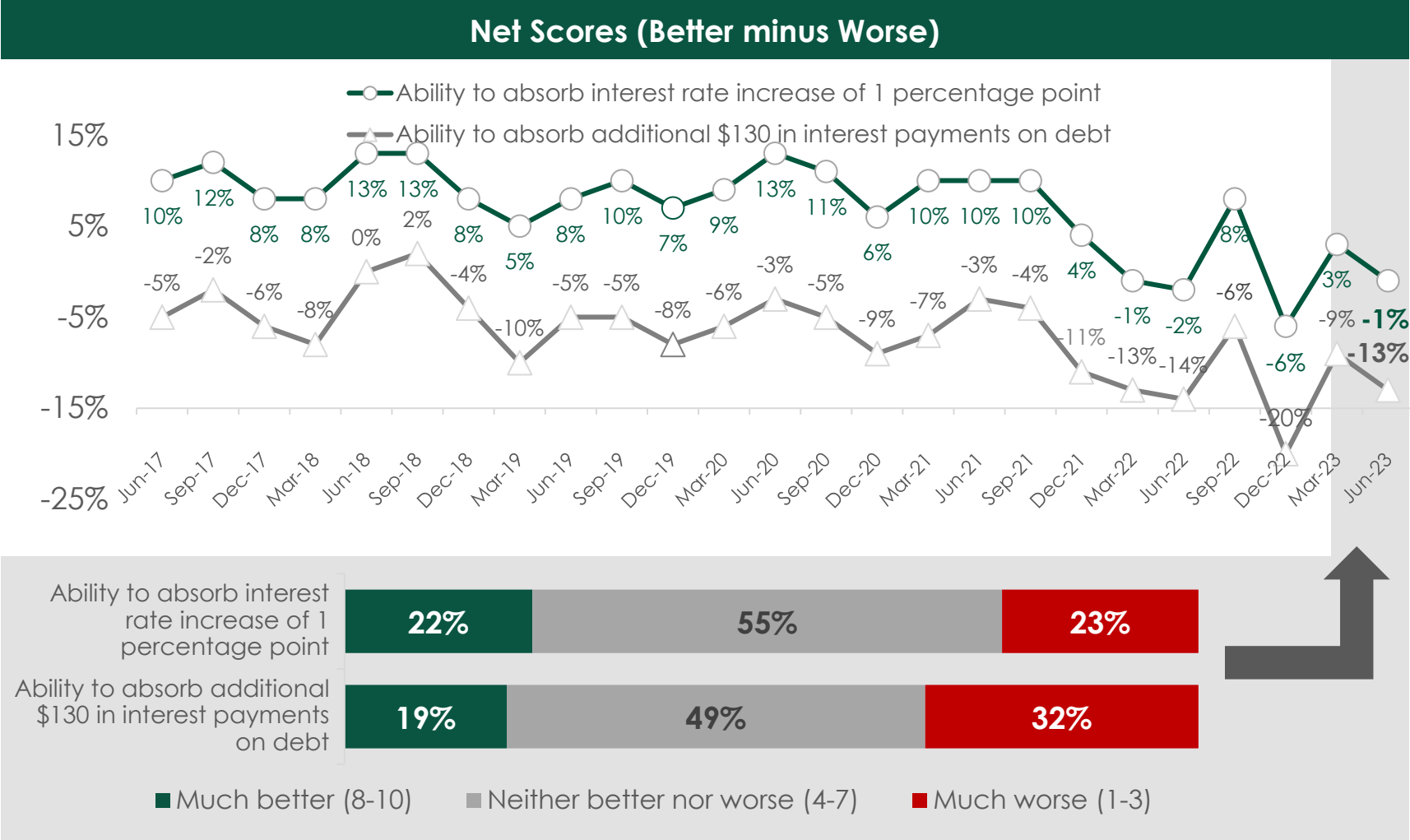
Base: All Respondents (unweighted) n=2,000 BC (n=322); AB (n=203); SK/MB (n=199); ON (n=748); QC (n=325); ATL (n=203).

Current Ability to Absorb Interest Rate Increase

Canadians are feeling worse about their ability to absorb interest rates increases.

Net score when phrased as a **one percentage point increase** has decreased by 2 percentage points to -1%.

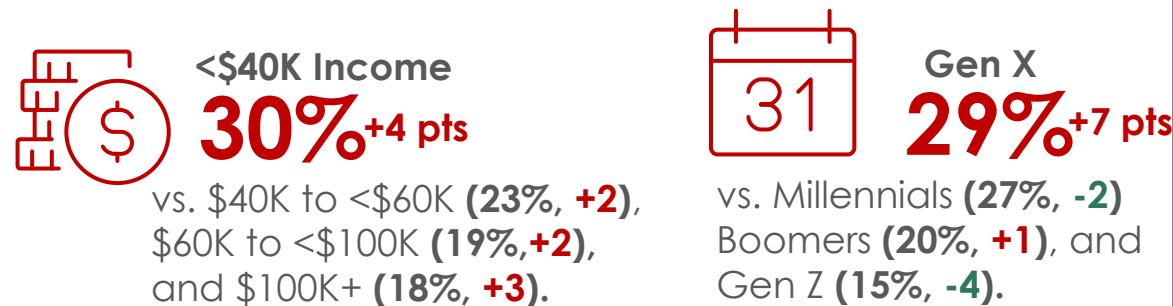
Net ability to absorb **an extra \$130 in interest payments** also decreased by 4 percentage points to -13%, indicating that sentiment is consistently more negative when phrased in dollar amount.



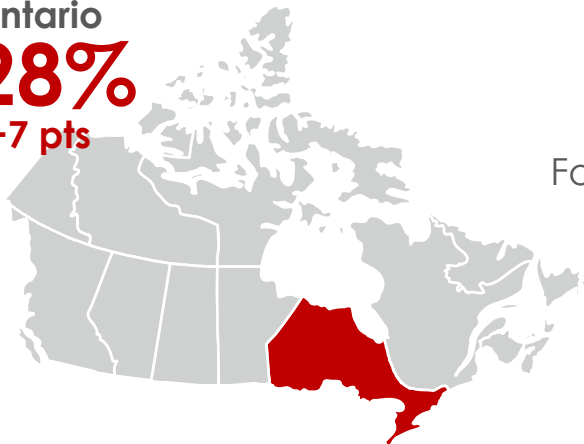
Q3. On a scale of 1 to 10, where 1 is 'much worse' and 10 is 'much better', how would you rate ...?
Base: All Respondents (unweighted) n=2,000

Current Ability to Absorb Interest Increase: **Worse**

Your current ability to absorb an interest rate increase of 1 percentage point

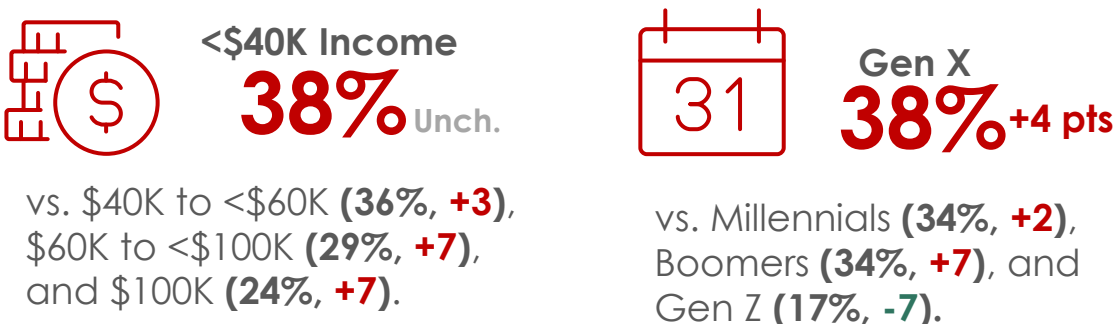


Ontario
28%
+7 pts

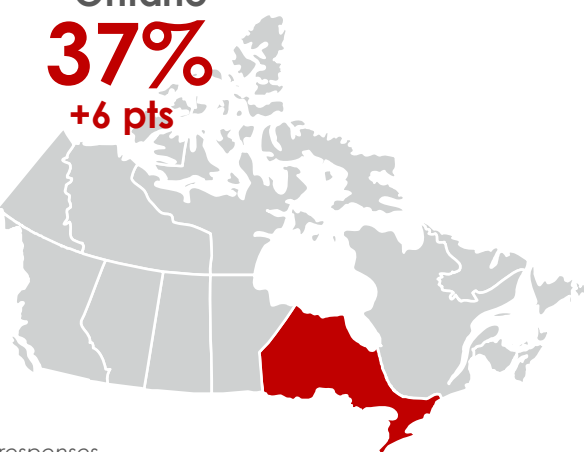


- Followed by residents of:
- Atlantic Canada (**23%, -2**)
 - Alberta (**22%, -2**)
 - British Columbia (**20%, -2**)
 - Sask./Manitoba (**20%, -7**)
 - Quebec (**19%, +3**)

Your current ability to absorb an additional \$130 in interest payments on debt



Ontario
37%
+6 pts

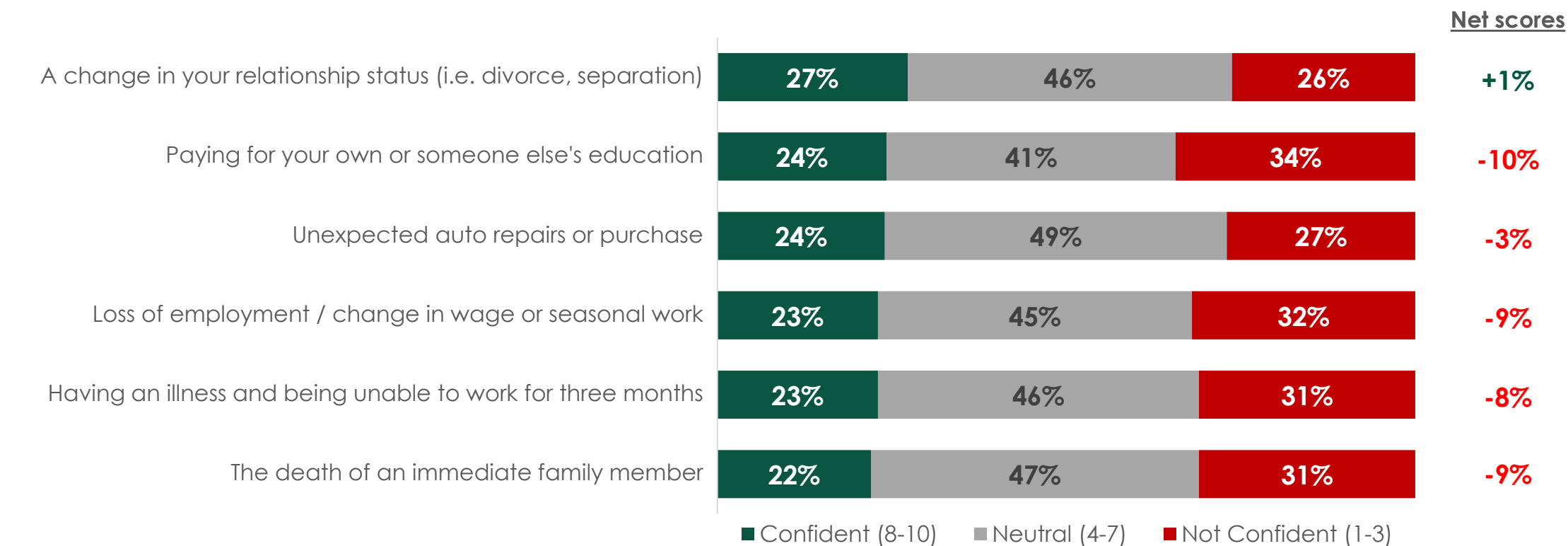


- Followed by residents of:
- British Columbia (**35%, +3**)
 - Alberta (**31%, +3**)
 - Sask./Manitoba (**31%, -1**)
 - Atlantic Canada (**30%, -7**)
 - Quebec (**23%, -2**)

Q3. On a scale of 1 to 10, where 1 is 'much worse' and 10 is 'much better', how would you rate ...? Bottom three box responses.
Base: All Respondents (unweighted) n=2,000 BC (n=322); AB (n=203); SK/MB (n=199); ON (n=748); QC (n=325); ATL (n=203).

Confidence in Ability to Cope

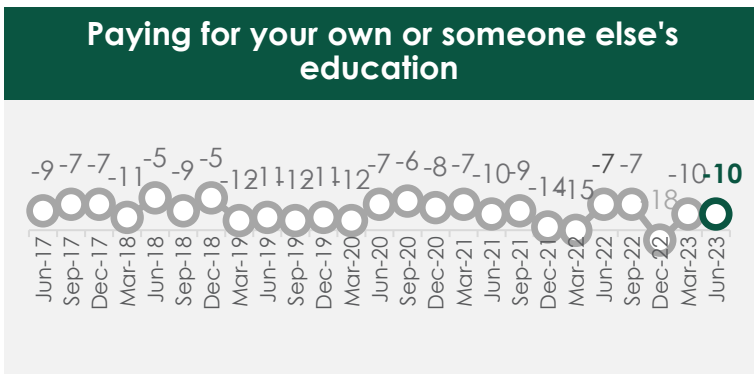
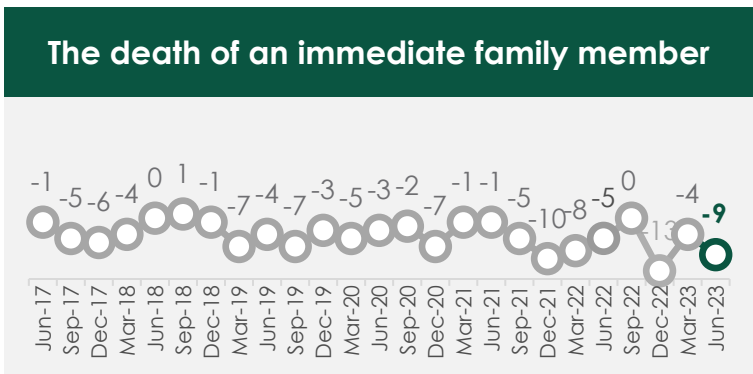
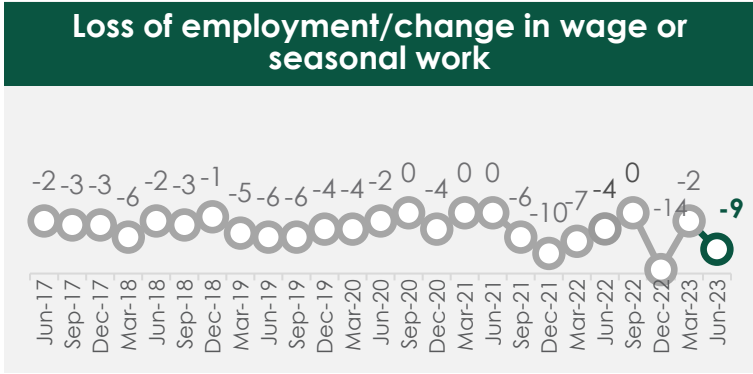
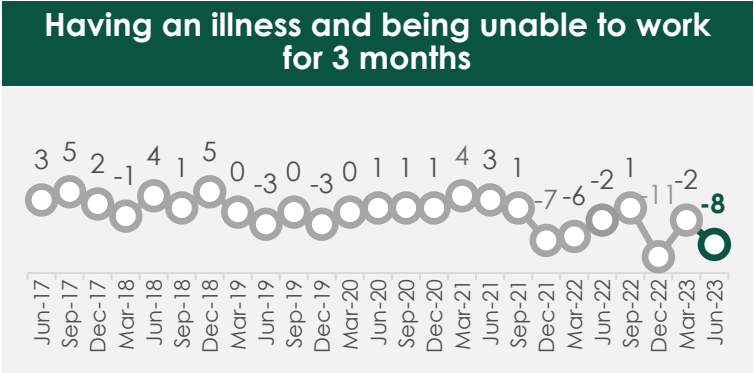
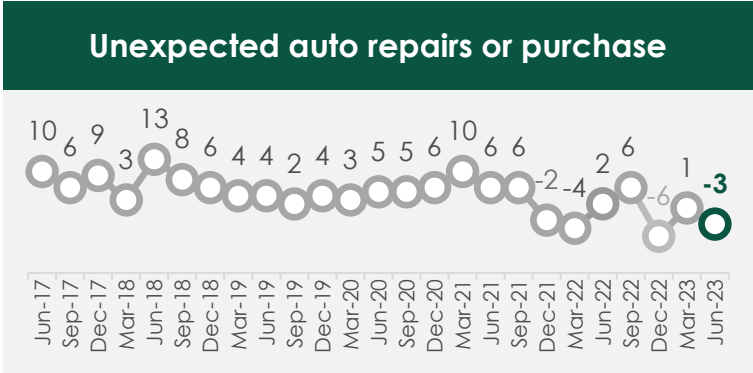
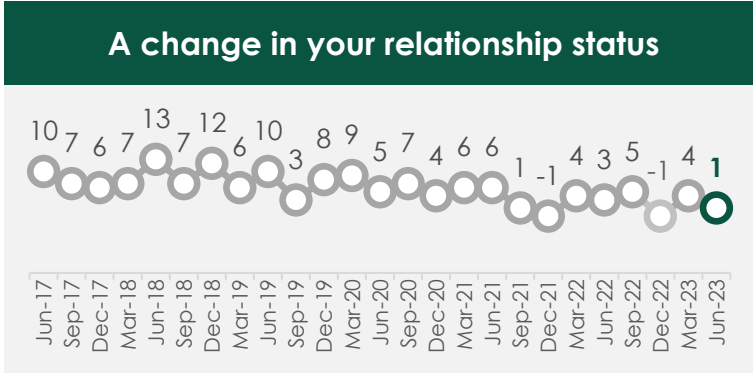
Canadians are pessimistic about their ability to cope with life's unexpected expenses. Confidence continues to remain lower than average since tracking began.



Q4. On a scale of 1 to 10, where 1 is 'not at all confident' and 10 is 'extremely confident', how confident are you in your ability to cope with the following life changes without increasing your debt?
Base: All Respondents (unweighted) n=2,000

Confidence in Ability to Cope – Net Scores

Net confidence scores on coping with life changes have remained consistent or decreased from last quarter.



Q4. On a scale of 1 to 10, where 1 is 'not at all confident' and 10 is 'extremely confident', how confident are you in your ability to cope with the following life changes without increasing your debt?
Base: All Respondents (unweighted) n=2,000

Not Confident in Ability to Cope

A change in your relationship status



\$40K to <\$60K Income

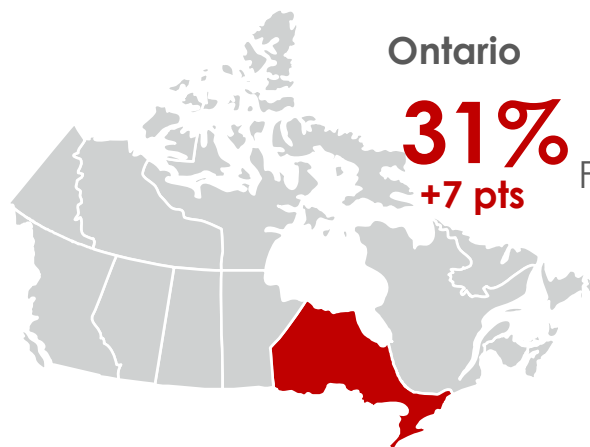
29%
+7 pts

Vs. \$100K+ (**27%**, +9),
<\$40K (26%, -5),
and \$60K to <\$100K (**24%** +1).



Millennial
31% Unch.

vs. Gen X (**31%**, +6),
Baby Boomers (**24%**, +3),
and Gen Z (**17%**, -5).



Followed by residents of:

- Alberta (**30%**, +1)
- British Columbia (**26%**, +1)
- Sask./Manitoba (**26%**, -)
- Atlantic Canada (**21%** -13)
- Quebec (**20%**, -1)

Unexpected auto repairs or purchase



<\$40K

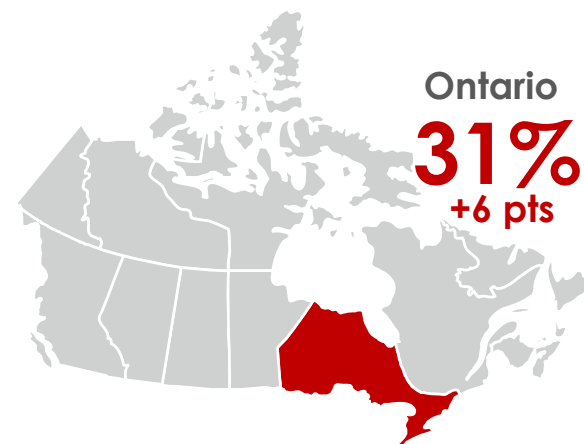
36% +1 pts

vs. \$40K to <\$60K Income (**28%**, +3),
\$60K to <\$100K (**23%**, +4)
and \$100K+ (**18%**, +5).



Gen X
32% -2 pts

vs. Millennials (**28%**, -4),
Boomers (**27%**, +4),
And Gen Z (**20%**, -5).



Followed by residents of:

- Sask./Manitoba (**31%**, -1)
- Alberta (**27%**, +2)
- British Columbia (**25%**, +4)
- Atlantic (**24%**, -8)
- Quebec (**21%**, -2)

Q4. On a scale of 1 to 10, where 1 is 'not at all confident' and 10 is 'extremely confident', how confident are you in your ability to cope with the following life changes without increasing your debt? Bottom three box responses.
Base: All Respondents (unweighted) n=2,000 BC (n=322); AB (n=203); SK/MB (n=199); ON (n=748); QC (n=325); ATL (n=203).

Not Confident in Ability to Cope

Having an illness and being unable to work for 3 months



Gen X
36% +7 pt

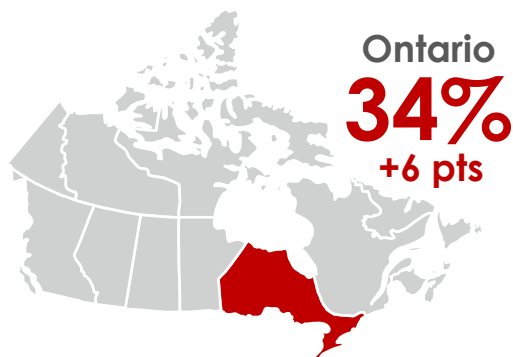
vs. Millennials (**34%**, -2), Baby Boomers (**26%**, +6), and Gen Z (**25%**, -7).



\$40K to <\$60K

35% +7 pt

vs. <\$40K (**33%**, -1), \$60K to <\$100K (**28%**, +2), and \$100K+ (**23%**, +6).



Followed by residents of:

- Alberta (**33%**, +6)
- Sask./Manitoba (**30%**, -1)
- British Columbia (**30%**, -3)
- Atlantic Canada (**20%**, -17)
- Quebec (**24%**, +1)

The death of an immediate family member



Millennials
35% +3 pts

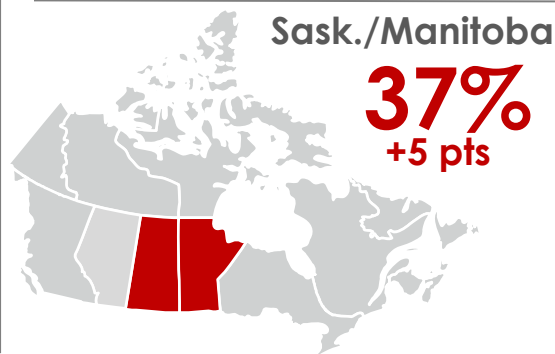
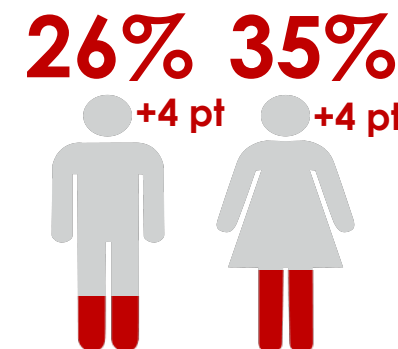
vs. Gen X (**34%**, +7), Gen Z (**32%**, +3), and Baby Boomers (**25%**, +1).

<\$40K Income

36% +1 pts



vs. \$40K to <\$60K (**35%**, +8), \$60K to <\$100K (**27%**, +4) and \$100K+ (**25%**, +7).



Followed by residents of:

- Ontario (**36%**, +9)
- Atlantic Canada (**34%**, -3)
- Alberta (**32%**, -1)
- British Columbia (**30%**, -1)
- Quebec (**21%**, -)

Q4. On a scale of 1 to 10, where 1 is 'not at all confident' and 10 is 'extremely confident', how confident are you in your ability to cope with the following life changes without increasing your debt? Bottom three box responses.
Base: All Respondents (unweighted) n=2,000 BC (n=322); AB (n=203); SK/MB (n=199); ON (n=748); QC (n=325); ATL (n=203).

Not Confident in Ability to Cope

Loss of employment/change in wage or seasonal work



Gen X
41% ^{+11 pts}

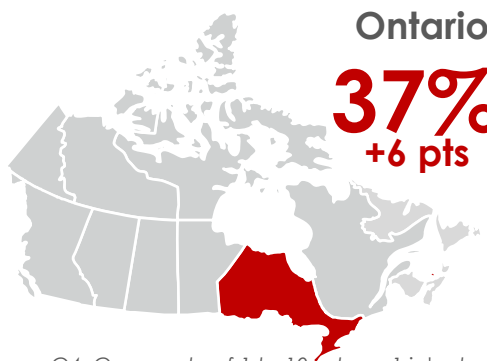
vs. Millennial (**34%**, -),
Gen Z (**30%**, **+2**), and
Baby Boomers (**24%**, **+3**).



<\$40K Income

37% ^{+4 pts}

vs. \$ 100K+ (**31%**, **+9**),
\$40K to <\$60K (**30%**, **+4**),
and \$60K to <\$100K (**28%**, **+4**).



Ontario

37%
^{+6 pts}

Followed by residents of:

- Sask./Manitoba (**36%**, **+4**)
- British Columbia (**33%**, **+1**)
- Atlantic Canada (**31%**, **-6**)
- Alberta (**31%**, **-3**)
- Quebec (**21%**, -)

Paying for your own or someone else's education



Gen X
40% ^{+6 pts}

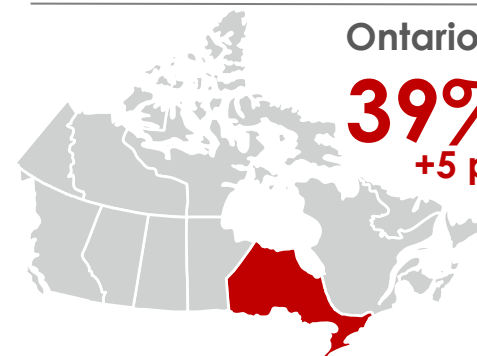
vs. Millennial (**35%**, **+1**),
Baby Boomers (**34%**, -)
and Gen Z (**26%**, **-2**).



<\$40K Income

40% ^{-3pts}

vs. \$40K to <\$60K (**38%**, **+5**),
\$60K to <\$100K (**31%**, **-3**),
and \$100K+ (**26%**, **+6**).



Ontario

39%
^{+5 pts}

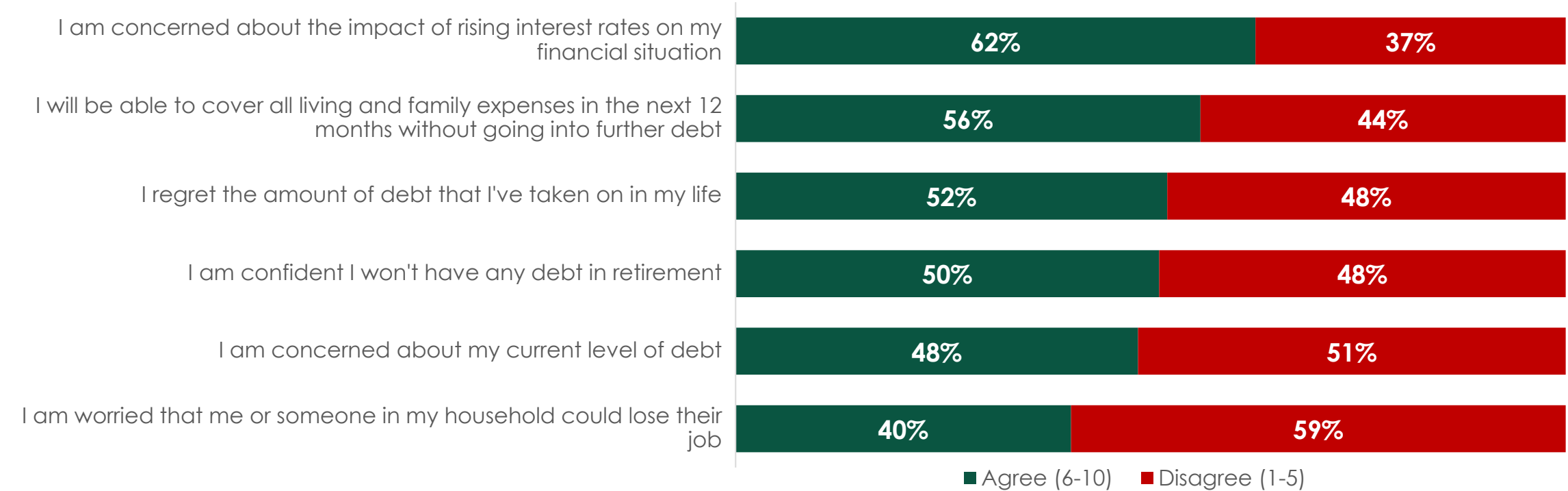
Followed by residents of:

- Atlantic Canada (**39%**, **-5**)
- Sask./Manitoba (**38%**, **+2**)
- British Columbia (**38%**, **+2**)
- Alberta (**34%**, **-4**)
- Quebec (**23%**, **+1**)

Q4. On a scale of 1 to 10, where 1 is 'not at all confident' and 10 is 'extremely confident', how confident are you in your ability to cope with the following life changes without increasing your debt? Bottom three box responses.
Base: All Respondents (unweighted) n=2,000 BC (n=322); AB (n=203); SK/MB (n=199); ON (n=748); QC (n=325); ATL (n=203).

Evaluating Personal Finances

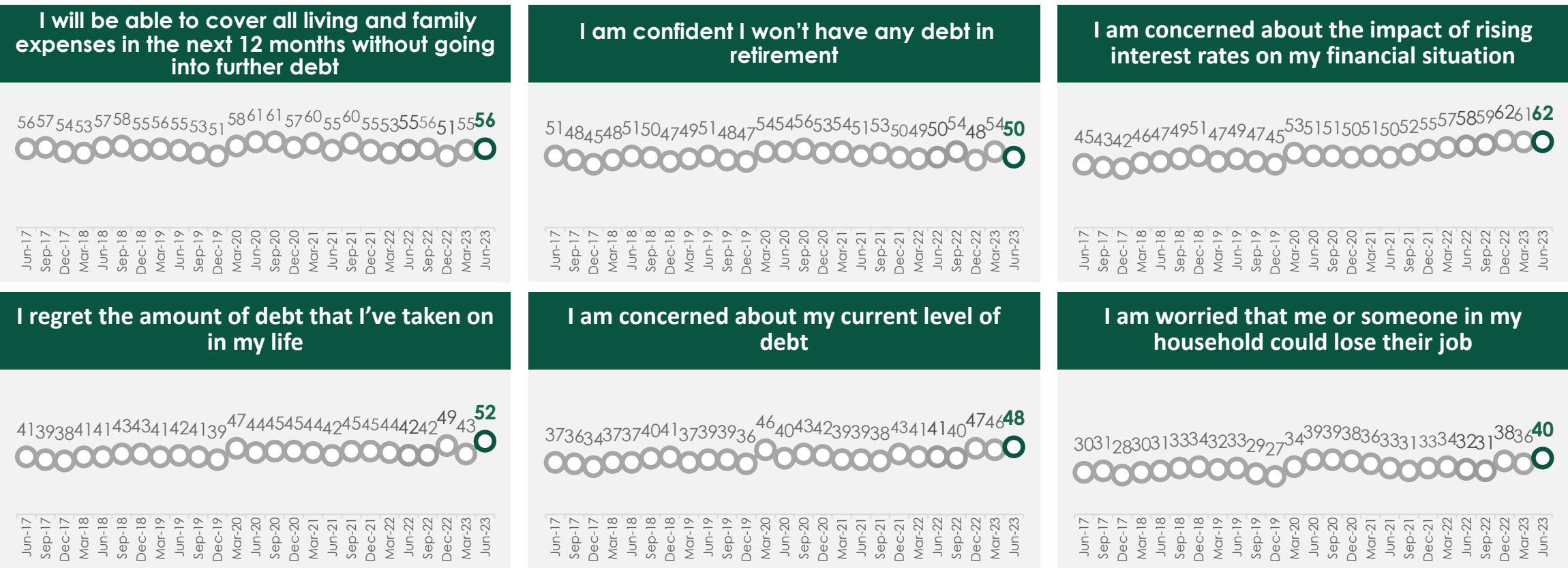
Three in five Canadians agree they are concerned about the impact of rising interest rates on their financial situation (62%, +3). Only half say they will be able to cover all living/family expenses in the next year without going further into debt (51%, -5).



Q5. On a scale of 1 to 10, where 1 is 'strongly disagree' and 10 is 'strongly agree', how much do you agree or disagree with the following ...?
Base: All Respondents (unweighted) n=2,000

Evaluating Personal Finances – Agree (6-10)

Compared to the previous wave, Canadian households' are more concerned with finances as more regret the amount of debt they have taken on in their life (52%, +9), are concerned about current debt (48%, +2), and worry about someone in their household will lose their job (40%, +4).



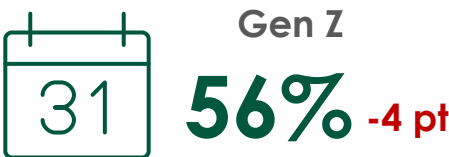
Q5. On a scale of 1 to 10, where 1 is 'strongly disagree' and 10 is 'strongly agree', how much do you agree or disagree with the following ...?
Base: All Respondents (unweighted) n=2,004

Evaluating Personal Finances – Agree (6-10)

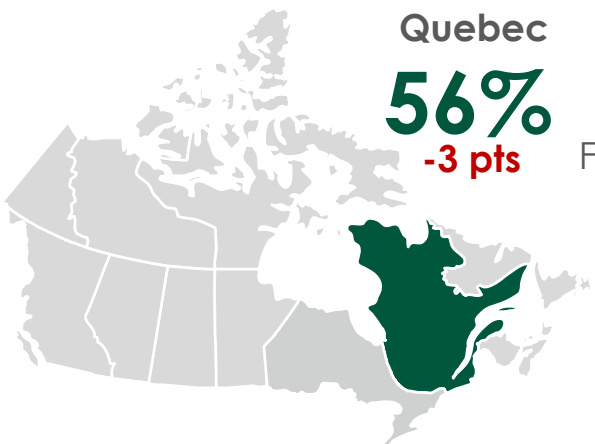
I am confident I won't have any debt in retirement



<\$40K (51%, +5).
vs. \$60K to <\$100K (50%, -10),
and \$40K<\$60K (48%, -1).



vs. Millennials (52%, +6),
Boomers (52%, -6),
And Gen X (48%, -3).



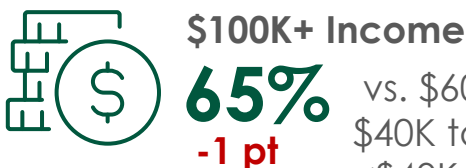
Followed by residents of:

- Sask./Manitoba (55%, +4)
- British Columbia (52%, +1)
- Ontario (51%, +2)
- Atlantic Canada (48%, +6)
- Alberta (45%, -7)

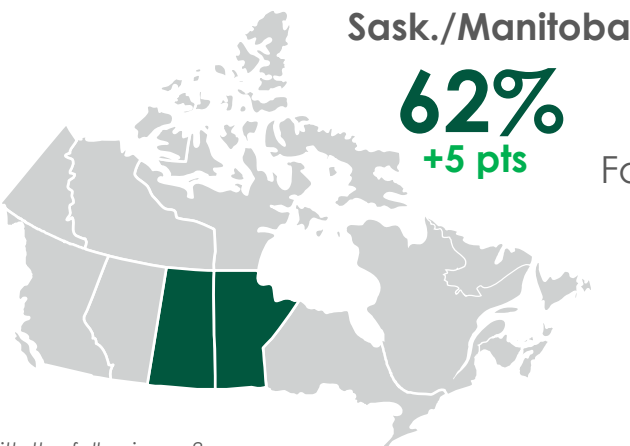
I will be able to cover all living and family expenses in the next 12 months without going into further debt



Vs. Gen X (52%, -),
Millennials (51%, +5),
and . Gen Z (50%, +5).



vs. \$60K to <\$100K (59%, -4),
\$40K to <\$60K (55%, -), and
<\$40K (48%, +2).



Followed by residents of:

- Atlantic Canada (59%, +10)
- Quebec (58%, -2)
- Alberta (57%, -1)
- British Columbia (56%, +3)
- Ontario (51%, -3)

Q5. On a scale of 1 to 10, where 1 is 'strongly disagree' and 10 is 'strongly agree', how much do you agree or disagree with the following ...?
Base: All Respondents (unweighted) n=2,000 BC (n=322); AB (n=203); SK/MB (n=199); ON (n=748); QC (n=325); ATL (n=203).

Evaluating Personal Finances – Agree (6-10)

I am concerned about the impact of rising interest rates on my financial situation



Millennials
69%
+1 pt

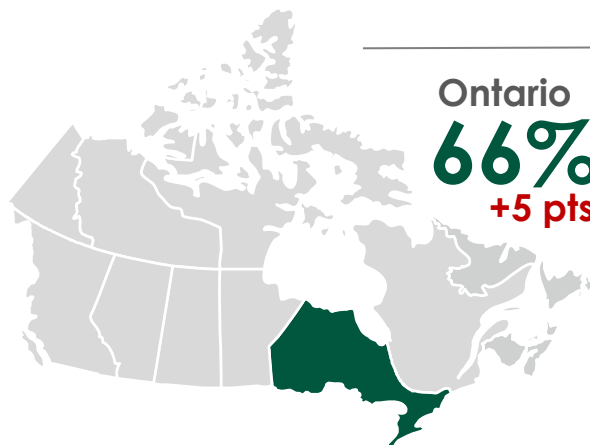
vs. Gen X (67%, +5)
Gen Z (62%, +3), and
Baby Boomers (54%, -).



<\$40K Income

66%
+4 pts

vs. \$60K to <\$100K (62%, -1),
\$100K+ (60%, +4), and
\$40K to <\$60K (59%, -4).



Ontario

66%
+5 pts

Followed by residents of:

- Atlantic Canada (65%, +4)
- Alberta (64%, +3)
- British Columbia (62%, +1)
- Sask./Manitoba (60%, +3)
- Quebec (54%, -5)

I regret the amount of debt that I've taken on in my life



Millennials
61%
+6 pts

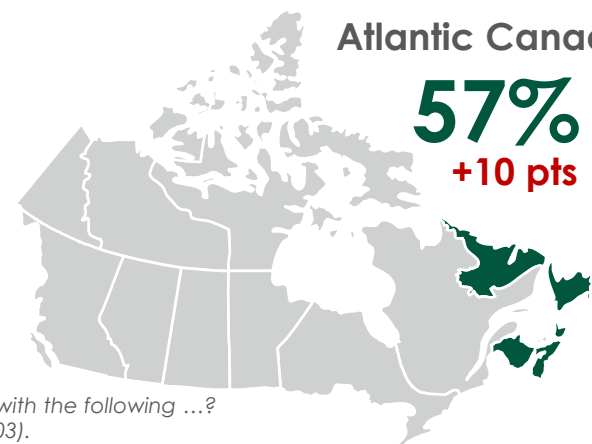
vs. Gen Z (54%, +2),
Gen X (51%, +9) and
Baby Boomers (42%, +11).



\$40K to <\$60K Income

53%
+12 pts

vs. \$60K to <\$100K (52%, +13),
<\$40K (51%, -), and
\$100K+ (51%, +13).



Atlantic Canada

57%
+10 pts

Followed by residents of:

- Alberta (56%, +16)
- Ontario (51%, +7)
- Quebec (51%, +9)
- British Columbia (49%, +6)
- Sask./Manitoba (47%, +3)

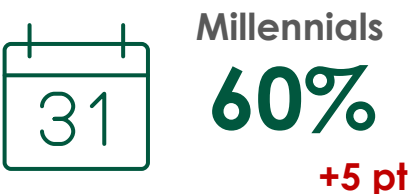
Q5. On a scale of 1 to 10, where 1 is 'strongly disagree' and 10 is 'strongly agree', how much do you agree or disagree with the following ...?
Base: All Respondents (unweighted) n=2,000 BC (n=322); AB (n=203); SK/MB (n=199); ON (n=748); QC (n=325); ATL (n=203).

Evaluating Personal Finances – Agree (6-10)

I am concerned about my current level of debt

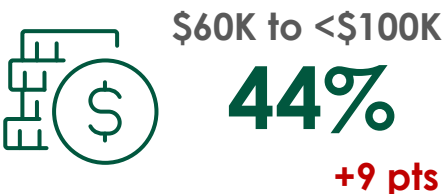


vs. \$60K to <\$100K (48%, +3),
\$100K+ (49%, +11) and
\$40K to <\$60K (47%, +3).

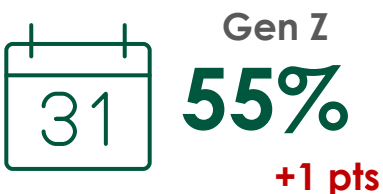


vs. Gen X (54%, +6), Gen
Z (50%, -7), and
Baby Boomers (36%, +3).

I am worried that me or someone in my household
could lose their job



vs. <\$40K (42%, +1).
\$40K to <\$60K (38%, -1),
and \$100K (38%, +5).

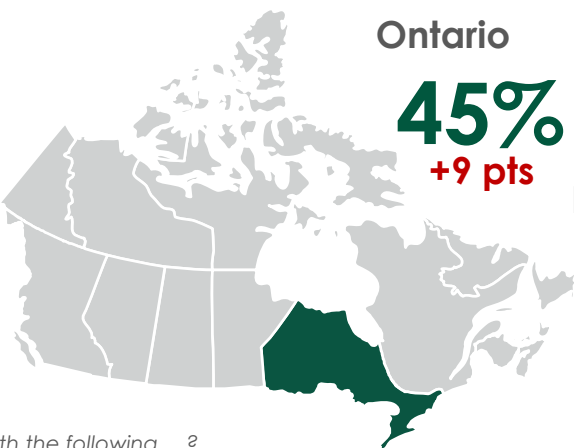


vs. Millennials (49%, +1),
Gen X (45%, +7), and
Baby Boomers (22%, -1).



Followed by residents of:

- Atlantic Canada (50%, +4)
- British Columbia (49%, +2)
- Quebec (49%, +5)
- Alberta (46%, +5)
- Sask./Manitoba (35%, -9)



Followed by residents of:

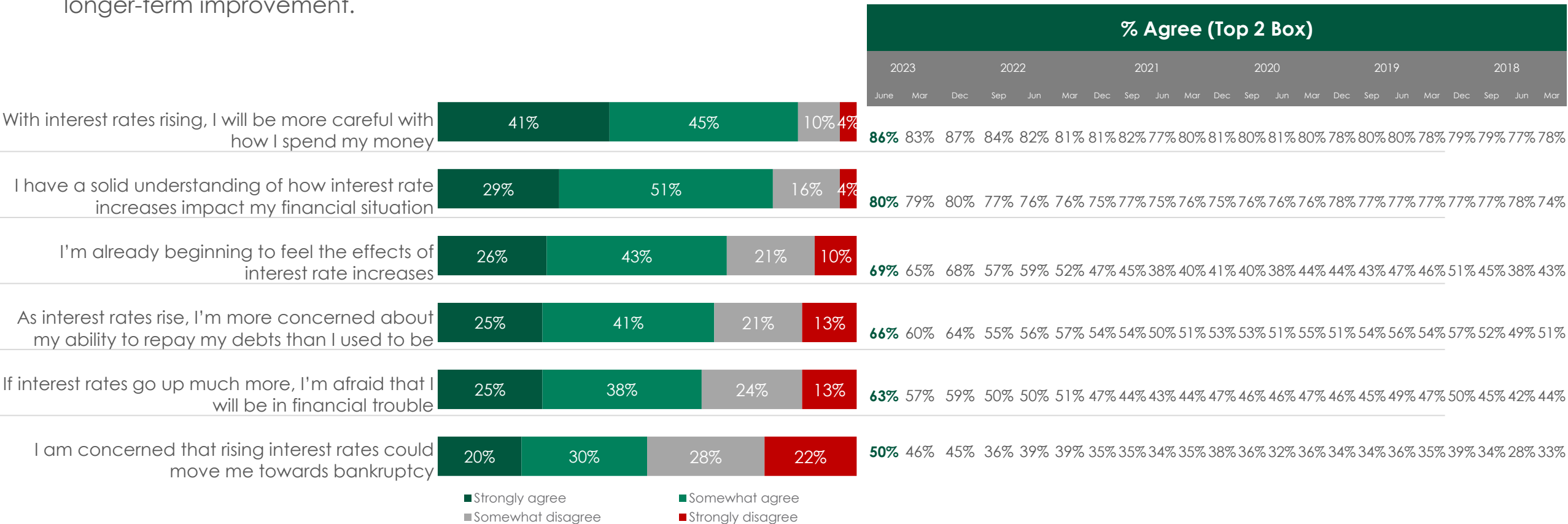
- Quebec (39%, -2)
- Atlantic Canada (39%, +5)
- Alberta (38%, +1)
- British Columbia (36%, +1)
- Sask./Manitoba (34%, -)

Q5. On a scale of 1 to 10, where 1 is 'strongly disagree' and 10 is 'strongly agree', how much do you agree or disagree with the following ...?
Base: All Respondents (unweighted) n=2,000 BC (n=322); AB (n=203); SK/MB (n=199); ON (n=748); QC (n=325); ATL (n=203).

INTEREST RATES

Attitudes Towards Interest Rates

Most Canadians agree that with interest rates rising, they will be more careful with how they spend their money (86%, +3), rising to the highest proportion recorded in the last 5 years. More Canadians say they are beginning to feel the effects of interest rate increases (69%, +4) and concerned about their ability to repay their debts than they used to be (66%, +6). Notably, four in five (80%, +1) now agree they have a solid understanding of how interest rate increases impact their financial situation, showing a longer-term improvement.



Q7. To what extent do you agree or disagree with the following?
 Base: All Respondents (unweighted) n=2,000

Attitudes Towards Interest Rates

Women and Canadians ages 35-54 and 55+ are most likely to agree they will be more careful with how they spend their money due to rising interest rates. Canadians with less than \$40K household income and those ages 18-34 and 35-54 are most likely to feel the effects of interest rate increases, concerned with their ability to repay their debts, will be in financial trouble, and fear that rising interest rates moving them close towards bankruptcy.

% Agree (Top 2 Box)																
		Gender		Age			Region						Household Income			
	Top 2 Box	Male A	Female B	18-34 C	35-54 D	55+ E	BC A	AB B	SK/MB C	ON D	QC E	ATL F	<\$40K G	\$40K to <\$60K H	\$60K to <\$100K I	\$100K+ J
With interest rates rising, I will be more careful with how I spend my money	86%	84%	89% A	86%	88%	86%	86%	91% E	87%	88% E	82%	88%	86%	87%	89%	85%
I have a solid understanding of how interest rate increases impact my financial situation	80%	80%	80%	73%	79% C	85% CD	78%	80%	82%	80%	80%	81%	76%	79%	82% G	86% GH
I'm already beginning to feel the effects of interest rate increases	69%	66%	71% A	75% E	74% E	60%	68%	74% CE	60%	73% CE	63%	68%	72%	68%	67%	68%
As interest rates rise, I'm more concerned about my ability to repay my debts than I used to be	66%	62%	69% A	75% E	75% E	51%	60%	72% ACE	61%	71% ACE	60%	67%	70% HI	63%	63%	65%
If interest rates go up much more, I'm afraid that I will be in financial trouble	63%	60%	65%	74% E	73% E	46%	58%	60%	51%	69% ABCE	60%	65% C	71% HIJ	64%	58%	56%
I am concerned that rising interest rates could move me towards bankruptcy	50%	50%	49%	67% DE	57% E	32%	45%	46%	43%	55% ABCE	47%	54%	59% HIJ	50% J	44%	41%

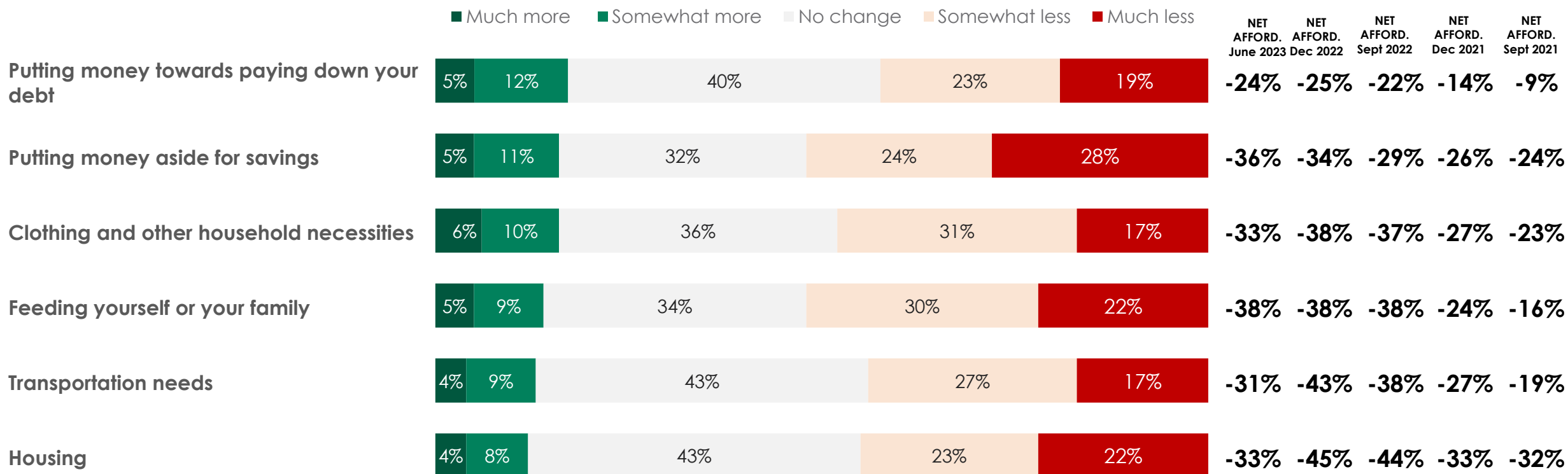
Q7. To what extent do you agree or disagree with the following?
 Base: All Respondents (unweighted) n=2,000 Male (n=948); Female (n=1030); 18-34 (n=555);35-54 N (n=752); 55+ (n=693), <\$40K (n=556), \$40K to <\$60k (n=320), \$60K to <\$100K (n=542), \$100K+ (n=484), BC (n=322), AB (n=203), SK/MB (n=199), ON (n=748), QC (n=325), ATL (n=203)



Economic Conditions and Impact on Personal Finance

Affordability

Canadians are feeling the pressures of the rising costs of living which is evident in the net affordability for savings continuing to decrease. While there are improvements in the affordability of clothing and household needs, transportation, and housing, affordability continues to be lower compared to September 2021.



Q25_1. In the last year, have the following become more affordable or less affordable for your household?
Base: All Respondents (unweighted) n=2,000

Increase in Weekly Expenses - Demographics

A quarter of Canadians have noted their weekly expenses have increased by less than \$100 (23%) or in between \$100 and less than \$200 (27%). Ontarians and Atlantic Canadians are more likely to have noted an increase between \$100 and less than \$200. Canadians who are already insolvent are just as likely to say their weekly expenses has increased as the total population. Notably, Albertans and those with \$100K+ household income are most likely to say their weekly expenses increased by \$500 or more.

	Total	Insolvent	Gender		Age			Region						Household Income			
			Male	Female	18-34	35-54	55+	BC	AB	SK/MB	ON	QC	ATL	<\$40K	\$40K to <\$60K	\$60K to <\$100K	\$100K+
\$0 - none	4%	3%	5%	4%	3%	3%	5%	4%	11%	7%	5%	3%	0%	6%	6%	5%	2%
Less than \$100	23%	22%	23%	23%	18%	20%	30%	26%	16%	25%	21%	26%	26%	29%	22%	19%	15%
\$100 to less than \$200	27%	28%	27%	28%	23%	28%	30%	27%	21%	26%	29%	26%	34%	26%	32%	29%	25%
\$200 to less than \$300	19%	22%	18%	19%	21%	21%	15%	21%	18%	17%	18%	19%	19%	17%	20%	21%	20%
\$300 to less than \$400	8%	8%	6%	9%	11%	8%	6%	7%	8%	6%	8%	8%	5%	6%	4%	8%	11%
\$400 to less than \$500	4%	4%	4%	4%	4%	4%	3%	4%	4%	4%	3%	4%	5%	4%	4%	3%	4%
\$500+	15%	13%	17%	13%	20%	16%	11%	11%	22%	15%	16%	14%	11%	12%	12%	15%	23%
\$ Average	\$230	\$220	\$240	\$223	\$272	\$243	\$191	\$206	\$274	\$227	\$230	\$224	\$208	\$202	\$213	\$222	\$310

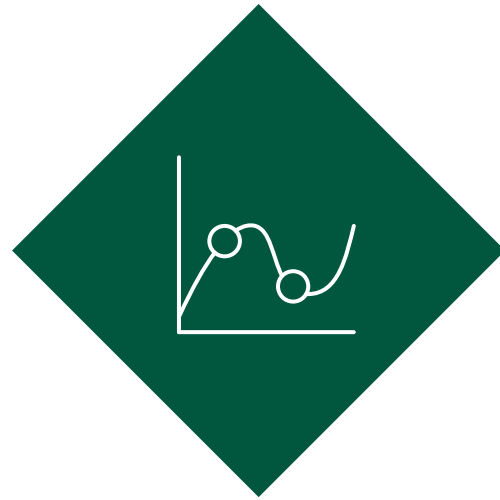
Q25.2. Compared to a year ago, how much more do you think you're spending on weekly necessities, such as food, shelter and transportation? Base: All Respondents (unweighted) n=2,000 Male (n=948); Female (n=1030); 18-34 (n=555); 35-54 (n=752); 55+ (n=693), <\$40K (n=556), \$40K to <\$60K (n=320), \$60K to <\$100K (n=542), \$100K+ (n=484), BC (n=322), AB (n=203), SK/MB (n=199), ON (n=748), QC (n=325), ATL (n=203); Insolvent (n=620)

MEDIA ANGLES



MNP Debt Index Declines Again

With interest rates on the rise, job anxiety is rising as 4 in 10 fear a job loss in their household



Debt Regret Reaches 5-Year High

A majority (52%) of Canadians now regret the amount of debt they've taken on in their life, up 9 points since last quarter.



Interest Rates Causing Canadians to be Cautious with Spending

7 in 10 (69%) are feeling the effects of interest rates on their financial situation as growing majority (86% +3 pts) will be more cautious about how they spend their money



Canadians Struggling with Affordability

Three quarters (73%) of Canadians say their weekly expenditure on necessities is up at least \$100 compared to a year ago

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"Game Changers" – our tagline – summarises our ambition to help our 5,000 clients to navigate more easily our deeply changing world.

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