



## PRESS RELEASE

### Angst Over Jobs, Debt, Finances Causes MNP Debt Index to Drop to Lowest Level Ever Recorded

1 in 3 (34%, +7) Canadians Worry They or Someone in Their Family Could Lose Their Job

**Toronto, ON, March 30, 2020** — As the world enters an unprecedented period of uncertainty, Canadian households seem to be on shaky ground for weathering the coming storm. A poll by Ipsos carried out on behalf of MNP LTD carried out in earlier this month has found that Canadians are feeling uncertain about their personal financial situations due to fears over losing their jobs and worries about their current levels of debt. This has brought the MNP Debt Index to 93 (-3 from last wave in December), its lowest reading in the past three years. As municipal, provincial, and federal governments enact increasingly restrictive measures to tackle the global crisis surrounding COVID-19, sentiment is likely to drop even further as everyday Canadians start to feel the effects on their pay cheques, pocketbooks, or stock portfolios.

#### *Confidence in Debt Situation Falters, Debt Index Reaches Lowest Levels*

There has been a surprising increase in the proportion of Canadians who are feeling uneasy about their financial situation. Almost half (46%) say that they are concerned about their current level of debt, a whopping 10-point jump from last December. Finally, 1 in 3 (34%) say that they are worried that either themselves or someone in their household could lose their job, up 7 points. While Canadians have been generally working hard and making progress towards having enough in savings, a general uneasiness nonetheless looms large in the back of many people's minds.

When it comes to the proportion of Canadian households that are financially insolvent, there is some good news. The proportion of Canadians who say they don't make enough to cover their bills and debt payments is down by four points from last wave; however, this still means that 1 in 4 (25%) still say they cannot meet their monthly debt obligations. Furthermore, zooming out and considering the total proportion of those who say they are \$200 or less away from insolvency (including those who are already insolvent) has only decreased by one point, to stand at 49%.

While Canadians may be doing slightly better in the aggregate, it may be only marginally so. For instance, Canadians are on average left with \$602 at month-end after paying their bills, a decrease of \$30 from last wave. While this may not seem like a significant amount, it is important to note that this decrease is disproportionately borne by older Canadians (aged 55+ years), who have seen a decrease of about \$102 from last wave, and households earning \$40,000 or less annually, which have reported having \$79 less. The latter group in particular is already so precariously close to insolvency that any change in income can have a huge impact. More concretely, those in households earning less than \$40,000 a year find themselves with \$272 at the end of the month, which includes the 1 in 3 (34%) in this income bracket who are already insolvent.





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### About the Study

These are some of the findings of an Ipsos poll conducted between March 2-5, 2020, on behalf of MNP LTD. For this survey, a sample of 2,000 Canadians aged 18 years and over was interviewed. Weighting was then employed to balance demographics to ensure that the sample's composition reflects that of the adult population according to Census data and to provide results intended to approximate the sample universe. The precision of Ipsos online polls is measured using a credibility interval. In this case, the poll is accurate to within  $\pm 2.5$  percentage points, 19 times out of 20, had all Canadian adults been polled. The credibility interval will be wider among subsets of the population. All sample surveys and polls may be subject to other sources of error, including, but not limited to coverage error, and measurement error. For more information about the MNP Consumer Debt Index, please visit [mnpdebt.ca/CDI](http://mnpdebt.ca/CDI).

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### About Ipsos

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