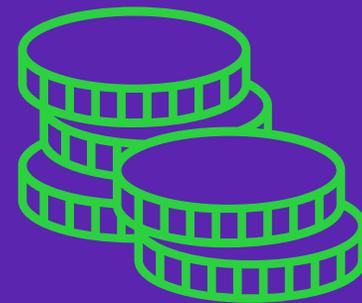


2026 CONSUMER DEBT REPORT

Prepared for  Credit
Counselling
Society



METHODOLOGY

What

Canadians were surveyed on their financial health and perceptions of financial assistance. Specific topic areas included debt and savings levels, people's experiences managing and carrying debt, and perspectives Canadians have on reaching out for financial assistance.

Who

A nationally representative sample of n=1,222 Canadians, plus boosts of n=100 Canadians in each of B.C., Alberta, Saskatchewan, Manitoba and Ontario. Final data are weighted to match census proportions on age, gender, and province.

When

The study was fielded from January 26 to 28, 2026.

Note

Differences between netted (summed) results and their individual components in this report are due to rounding.

Where relevant, significant differences vs. a study fielded in January 2025 are noted with   at 95% confidence. If there are no differences, it will not be referenced in the report.

KEY INSIGHTS: CANADIANS' FINANCIAL SITUATIONS HAVE GENERALLY REMAINED STABLE SINCE JANUARY 2025, WITH EQUAL SHARES FEELING COMFORTABLE AND UNCOMFORTABLE.

Canadians' Personal Finances

A number of Canadians are entering the new year under financial pressure, with 27% reporting a worse financial position. Rising costs of essentials remains the leading contributor of worsened finances and the top financial concern by a wide margin. More than two-thirds (68%) are concerned about the rising cost of living, helping explain why nearly one-third (30%) feel anxious rather than confident about their current financial situation. Increased reliance on credit instead of cash further underscores ongoing affordability pressures. Among those whose finances have improved, income gains or job changes remain the top driver, highlighting the continued importance of earnings growth in offsetting cost pressures.

Debt and Savings

Debt-related stress is widespread among Canadians, with 65% feeling concerned or anxious about what they owe, and 46% reporting that their debt has increased over the past year. Repayment pressures are evident, as just over half (52%) say they are paying only slightly more than the minimum required. Managing debt has led to trade-offs, with three-in-four (73%) making lifestyle changes and 56% turning to borrowing or adjusting their savings. While 43% say they have managed their debt pre-emptively, suggesting a mix of reactive and proactive approaches as Canadians navigate ongoing financial pressures.

Perceptions of financial assistance

Canadians experience conflicting emotions when seeking financial help, particularly embarrassment and personal responsibility. While one-third (33%) say personal finance difficulties are what they worry about most, many remain uncomfortable talking about these concerns, highlighting an ongoing discomfort around money conversations. Talking about debt is not among Canadians' most severe fears, suggesting that hesitation to discuss financial challenges stems more from unease than outright fear. When seeking support, 32% are most comfortable contacting financial advisors, while 10% would approach a non-profit credit counselling agency.

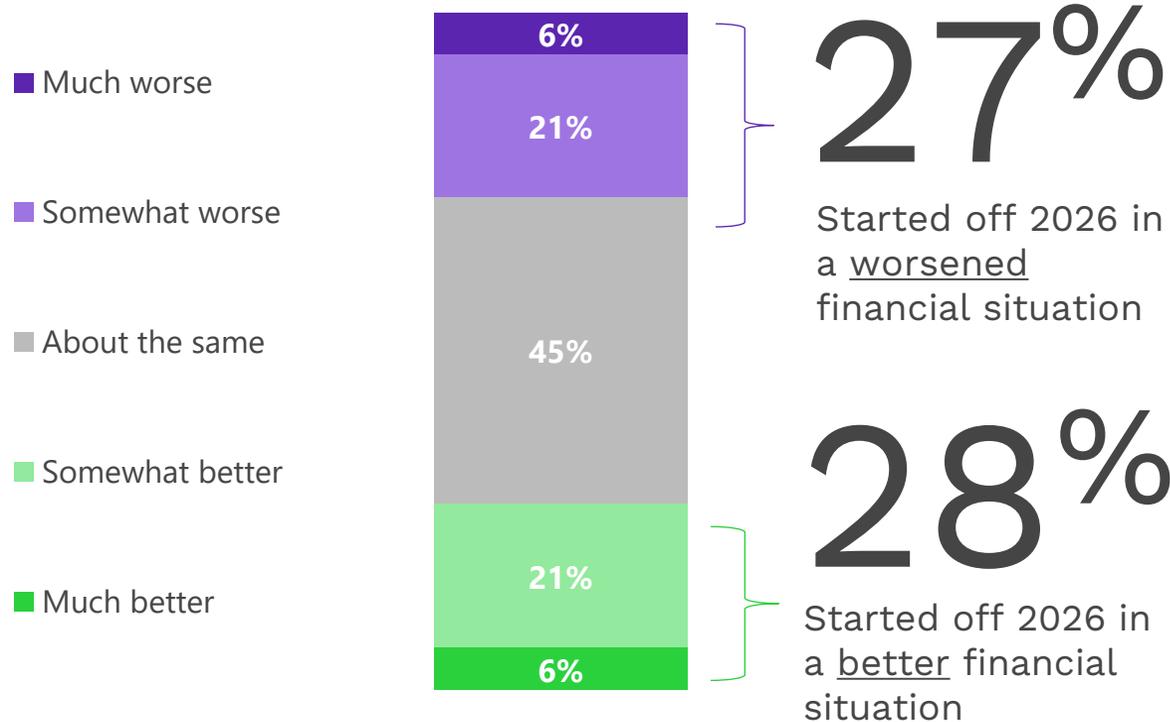


STATE OF CANADIANS' PERSONAL FINANCES

ONE-IN-FOUR (27%) CANADIANS ARE STARTING THE NEW YEAR IN A WORSE FINANCIAL POSITION COMPARED TO LAST YEAR.

Younger Canadians (36%) and those with a university degree (34%) are most likely to begin 2026 in a better financial state.

Current Financial Situation



Canadians are more likely to face a worse financial situation this year if **their debt levels increased** over 2025 (51% vs. 19% no change in debt and 12% with decreased debt).

Net: **-1%**
More Canadians are in a worse financial situation in 2026 than a better one.

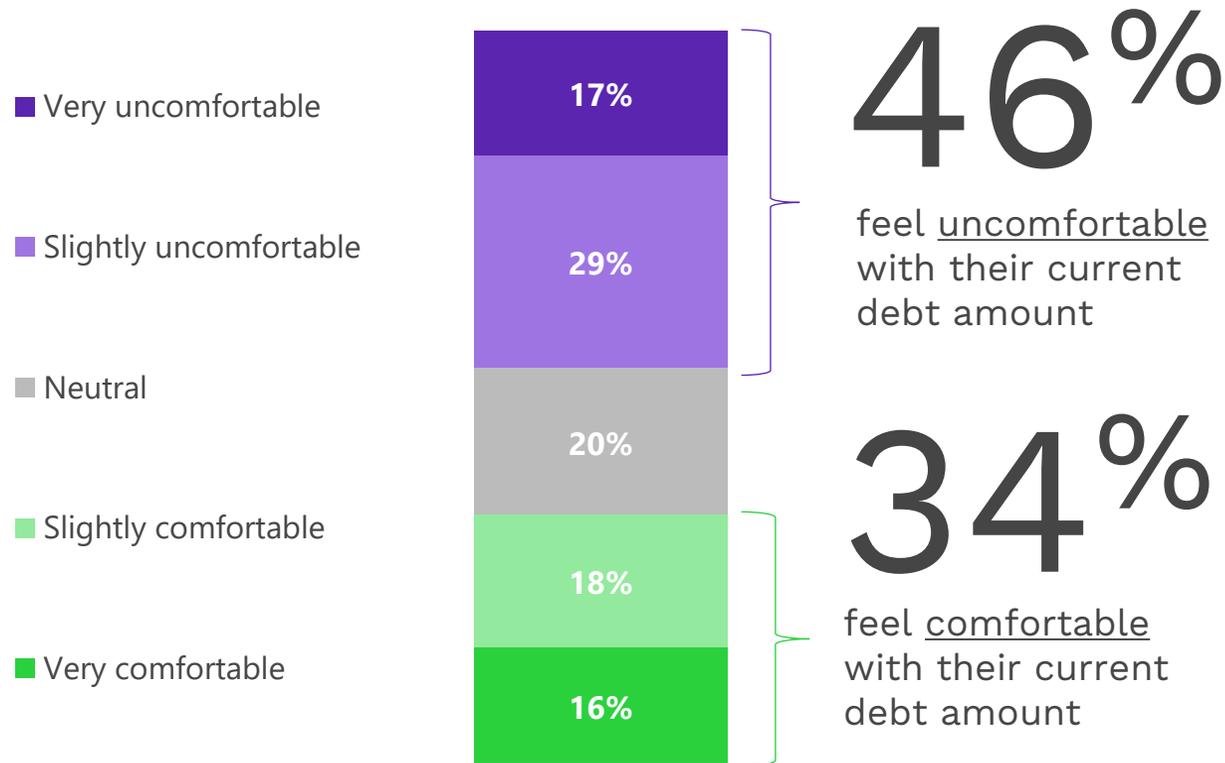
Canadians are more likely to face a better financial situation this year if:

- **They are 34 or younger** (36% vs. 24% of 35 or older)
- **They hold a university degree** (34% vs. 24% who have lower education levels)
- **Their debt levels decreased** over 2025 (50% vs. 23% no change in debt and 17% with increased debt).

NEARLY HALF (46%) FEEL UNCOMFORTABLE WITH THEIR CURRENT DEBT LEVELS.

While two-thirds (64%) of those who took on additional debt in 2025 are uncomfortable with their current debt situation.

Level of Comfort with Debt



Canadians are more likely to feel uncomfortable with their current debt if:

- **They are women** (51% vs. 42% of men)
- **Their debt levels increased** over 2025 (64% vs. 36% no change in debt and 26% with decreased debt).
- They **earn <\$50k** annually (57% vs. 44% earning \$100K+)

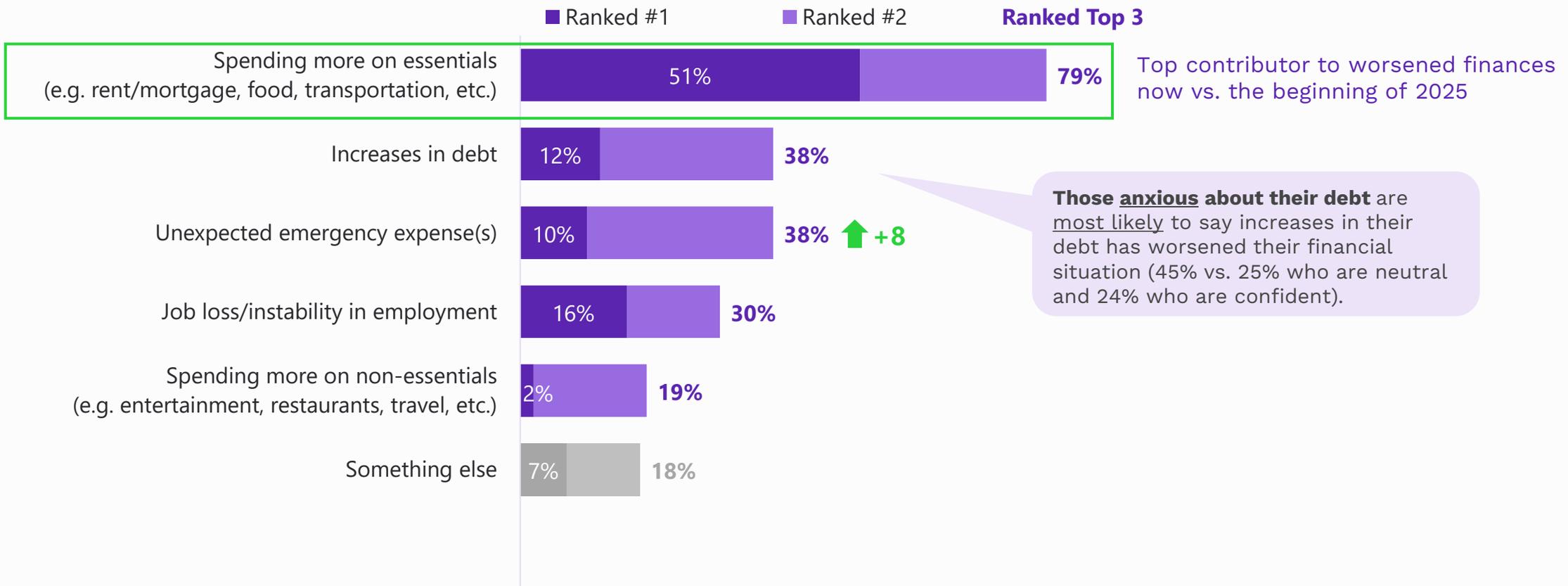
Canadians are more likely to feel comfortable with their current debt if:

- **They feel confident about their finances** (60% vs. 25% neutral and 9% who are anxious).
- **Their debt levels decreased** over 2025 (54% vs. 37% no change and 20% with increased debt).

INCREASED SPENDING ON ESSENTIALS CONTINUES TO BE THE LEADING CONTRIBUTOR TO CANADIANS WORSENE FINANCIAL SITUATIONS.

Unexpected emergencies have become a more common reason for Canadians' worsened finances over the past year.

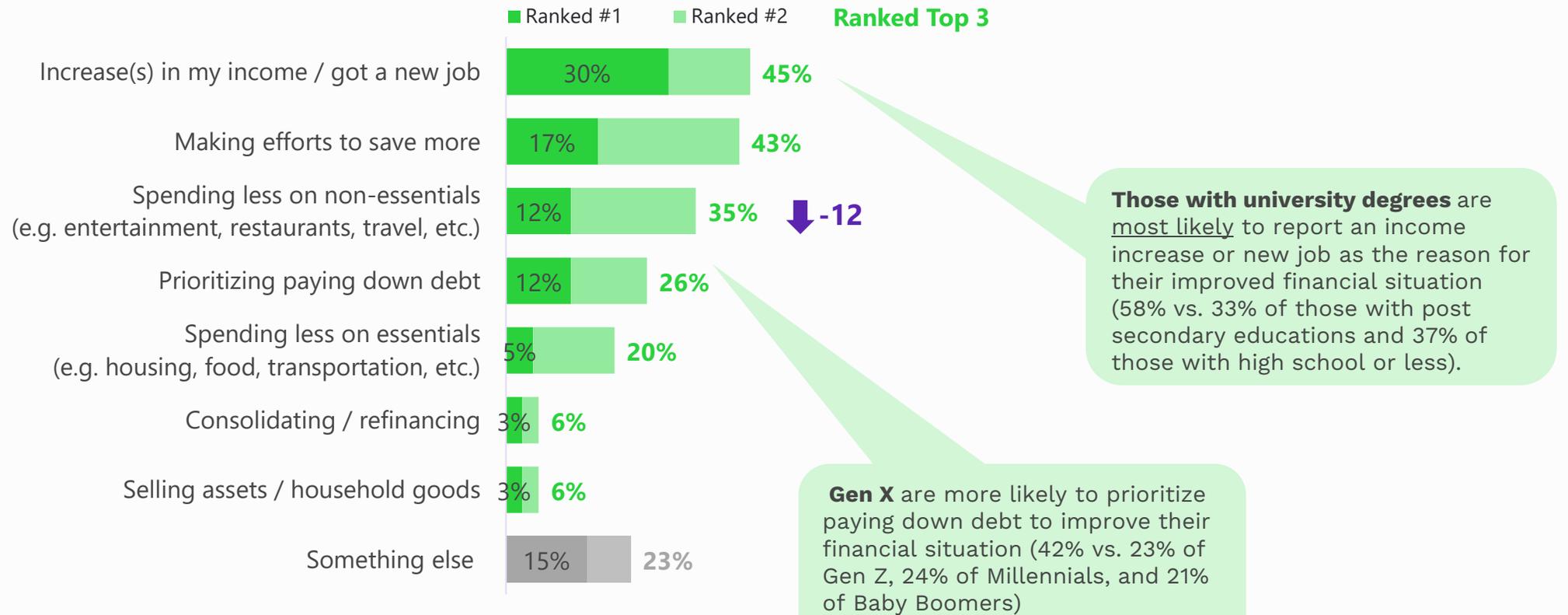
Reasons for Worsened Financial Situation



INCREASES IN INCOME OR JOB CHANGES REMAINS THE TOP DRIVER FOR CANADIANS IMPROVED FINANCES.

Spending less on non-essentials has declined as a reason for improved financial situations.

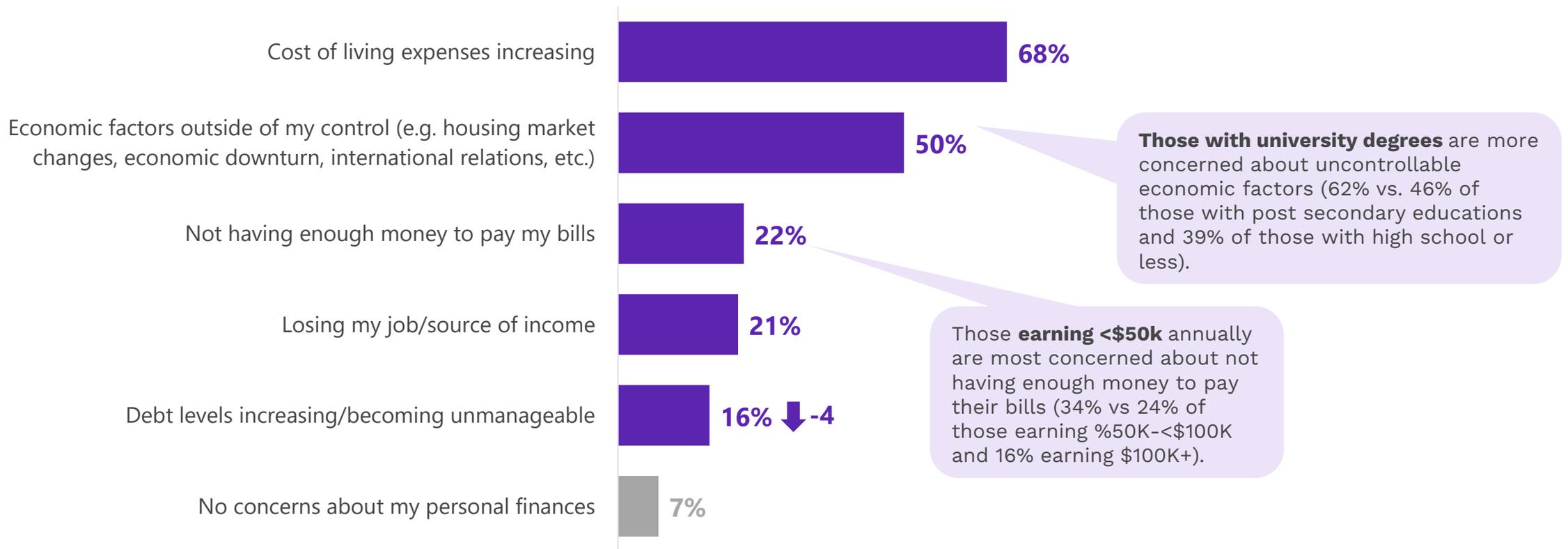
Reasons for Improved Financial Situation



WHEN IT COMES TO PERSONAL FINANCES, TWO-THIRDS (68%) OF CANADIANS ARE CONCERNED ABOUT RISING COST-OF-LIVING EXPENSES.

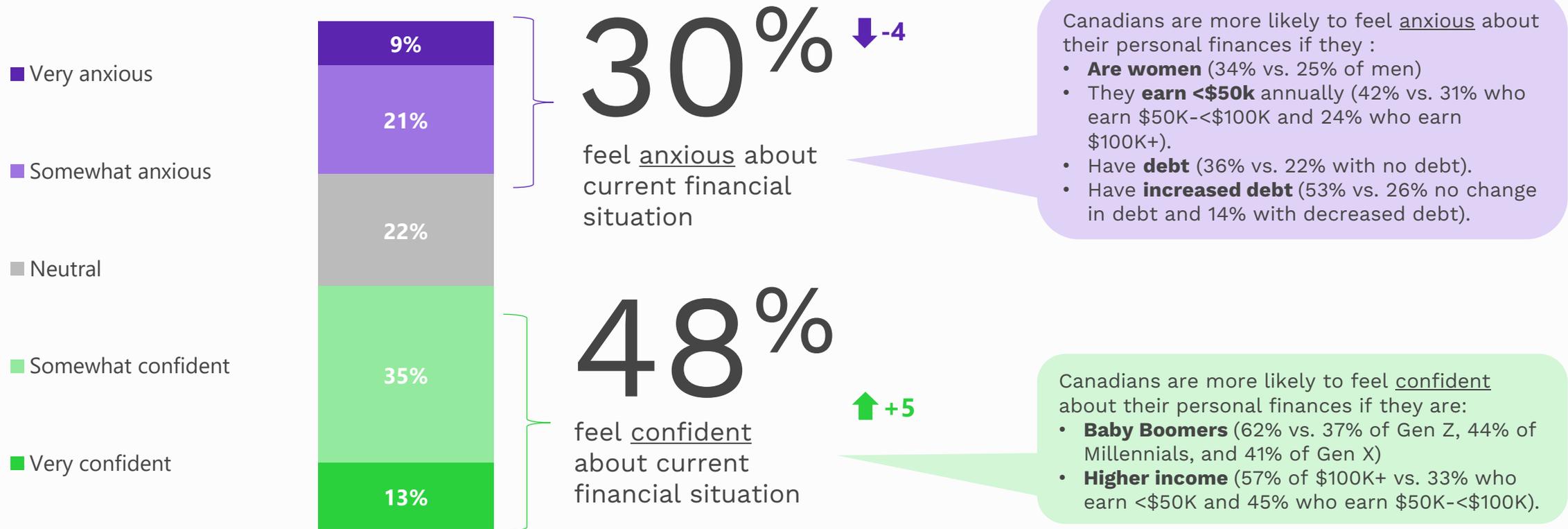
Concerns around debt levels becoming unmanageable has slightly decreased since 2025.

Most Concerning Factors around Personal Finances



NEARLY ONE-THIRD (30%) OF CANADIANS FEEL ANXIOUS INSTEAD OF CONFIDENT ABOUT THEIR CURRENT FINANCIAL SITUATION.

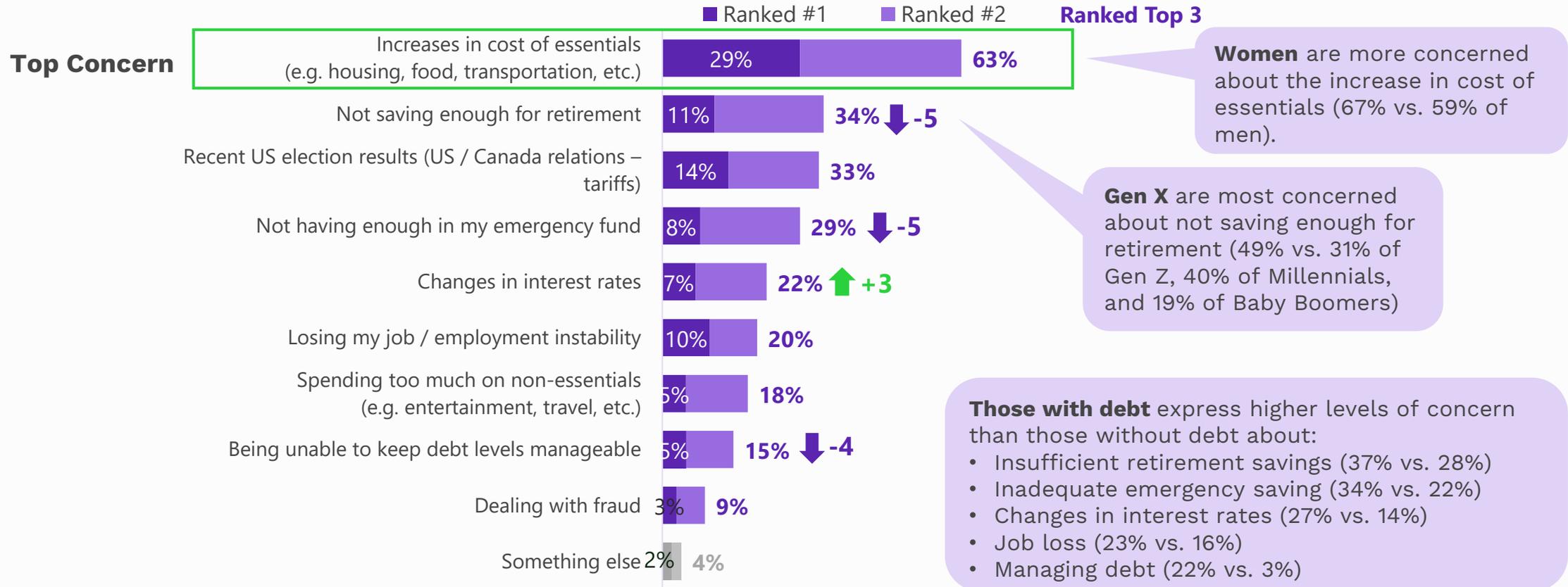
Financial anxiety is highest among women, Canadians earning less than \$50K annually, and those with increased debt.



COST OF ESSENTIALS CONTINUES TO BE CANADIANS' GREATEST FINANCIAL CONCERN BY A SIGNIFICANT MARGIN.

Concern over the cost of essentials is most pronounced among women.

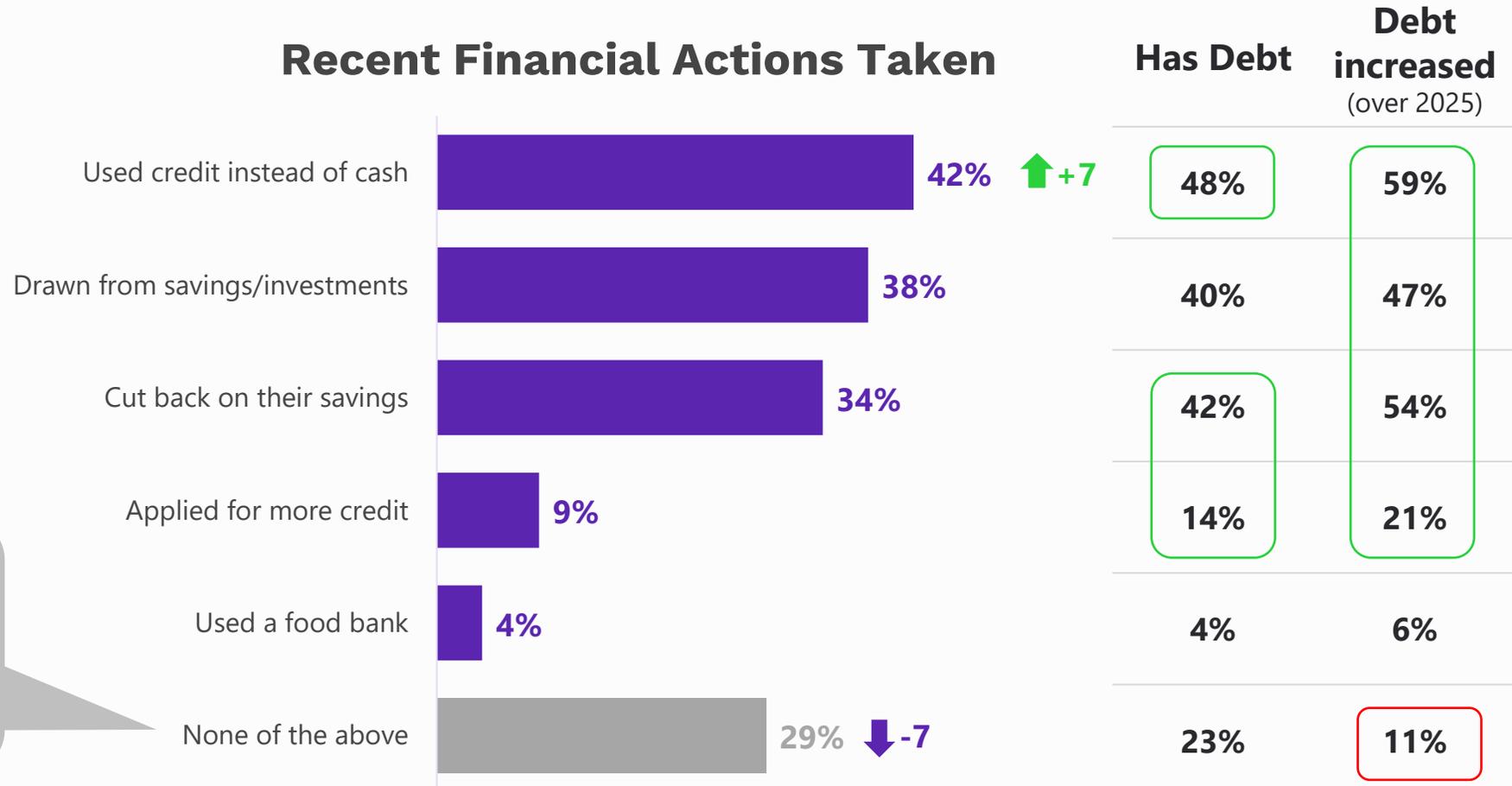
Greatest Current Financial Concerns



MORE CANADIANS REPORT USING CREDIT INSTEAD OF CASH THAN LAST YEAR.

Canadians with debt are more likely to use or apply for additional credit or reduce their savings; this is especially true among those who say that their debt has increased over the last year.

Recent Financial Actions Taken



Higher among:

- **Gen X and Baby Boomers** (32% and 33% respectively vs. 23% of Millennials)
- **Quebec** residents (39% vs. 20-34% for ROC)

Base: Total (n= 1222); Increased Debt (n=348)
Q31. And have you recently done any of the following?

Significantly higher/lower than all respondents

Significantly higher/lower in 2026 vs 2025

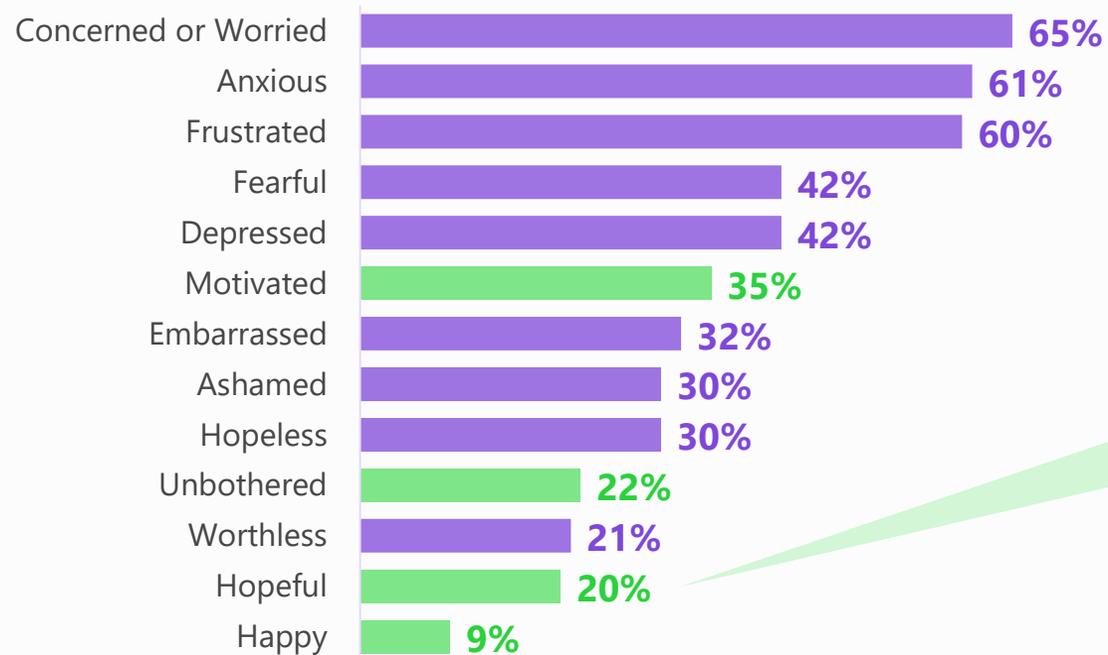


DEBT AND SAVINGS

WHILE TWO-THIRDS (65%) OF CANADIANS FEEL CONCERNED OR ANXIOUS ABOUT THEIR DEBT, 35% FEEL MOTIVATED TO TAKE ACTION.

Women and those earning <\$50K are more likely to feel negatively about their debt levels.

Emotions Felt as a Result of Debt



Women and **lower-income individuals (<\$50K)** are more likely to experience negative emotions related to their debt levels.

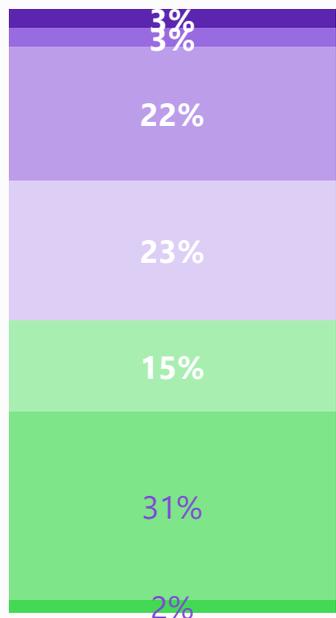
Baby Boomers are more likely to feel hopeful about their debt levels (38% vs. 12% of Gen Z, 15% of Millennials, and 17% of Gen X)

MORE THAN HALF (52%) OF CANADIANS REPORT PAYING ONLY SLIGHTLY MORE THAN THE MINIMUM REQUIRED.

Struggles with meeting payments are most prevalent among Canadians who report financial anxiety or increased debt over the past year.

How Canadians are Dealing with Increased Debt

- Deferring debt payments
- Unable to keep up with my minimum payments, but not deferring
- Paying minimum required payments only
- Paying a bit more than minimum payments
- Paying much more than minimum payments
- Paying off my debt in full every month
- Paying off my debt using a form of consolidation



52%

are not paying much more than the minimum payments

Canadians are more likely to be struggling to manage their debt if they:

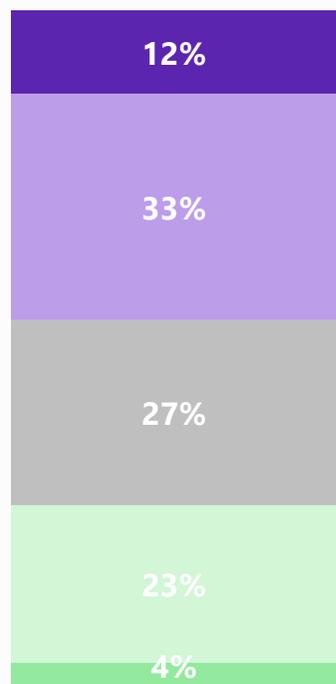
- Are women** (55% vs 48% of men).
- Feel anxious** about their current financial situation (74% vs. 49% neutral and 34% confident).
- Have increased debt levels** since last year (65% vs. 47% no change in debt and 33% decreased debt levels.)

NEARLY HALF (46%) OF CANADIANS WITH DEBT REPORT AN INCREASE IN THEIR DEBT OVER THE PAST YEAR.

Debt-anxious Canadians are most likely to have experienced an increase in their debt levels.

Past Year Change in Debt

- Increased significantly
- Increased somewhat
- No increase
- Decreased somewhat
- Decreased significantly



46%

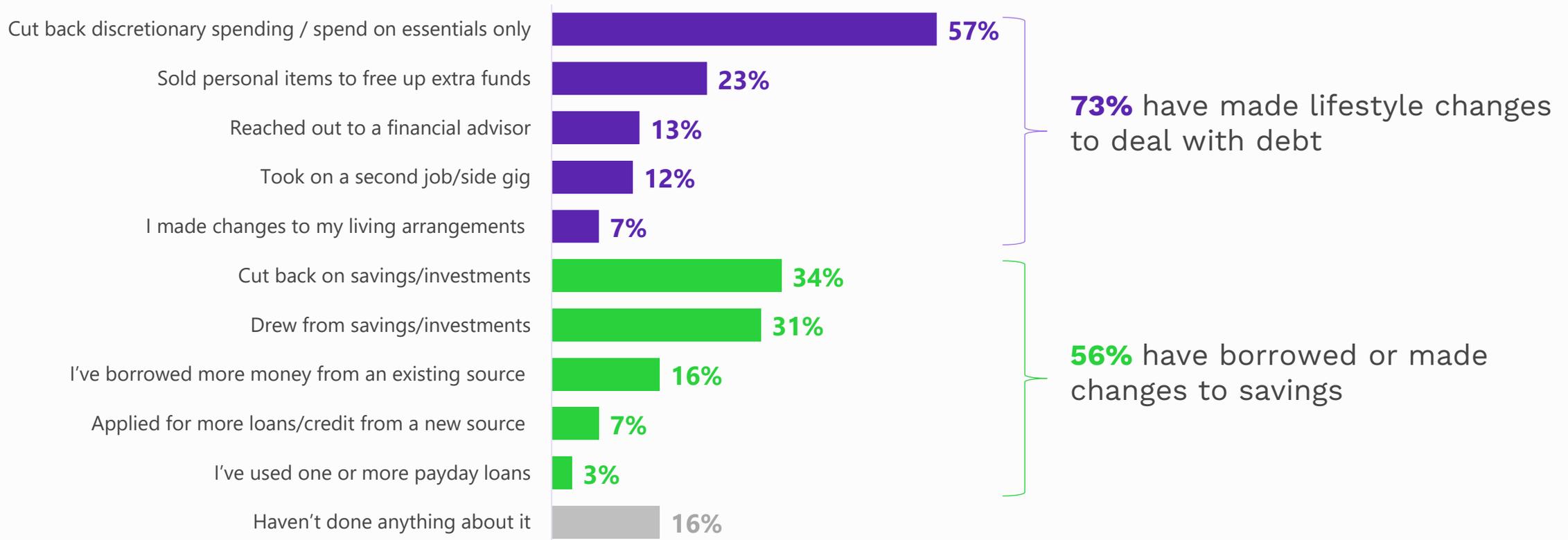
have experienced an increase in their debt in the past year

Those **anxious about their debt** are far more likely to have seen it increase over the past year (68% vs. 40% who are neutral and 29% who are confident).

DEBT MANAGEMENT HAS LED 73% OF CANADIANS TO MAKE LIFESTYLE CHANGES, WHILE 56% REPORT BORROWING OR ADJUSTING SAVINGS.

The most common lifestyle change made to manage rising debt is prioritizing spending on essentials only.

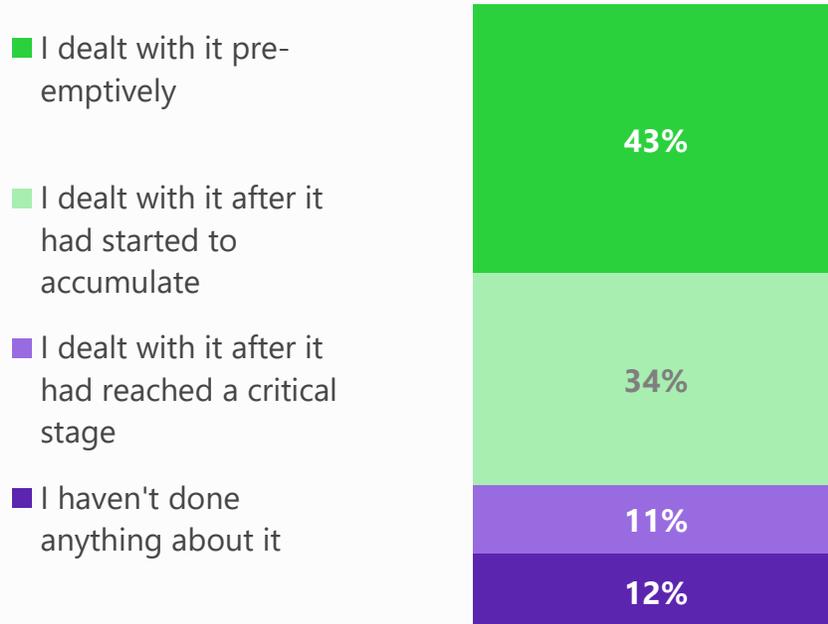
Changes to Manage Debt



OVER TWO-IN-FIVE (43%) CANADIANS MANAGED THEIR DEBT PRE-EMPTIVELY.

One-third (34%) only acted after their debt started to accumulate.

How Long Before Taking Action on Debt



Canadians are more likely to be deal with their debt after it has accumulated if they:

- **Earn <\$50K** (47% vs. 34% who earn \$50K-<\$100K and 30% who earn \$100K+).
- **Have a high school education or less** (43% vs. 34% of those with post secondary educations and 29% of those with university degrees).



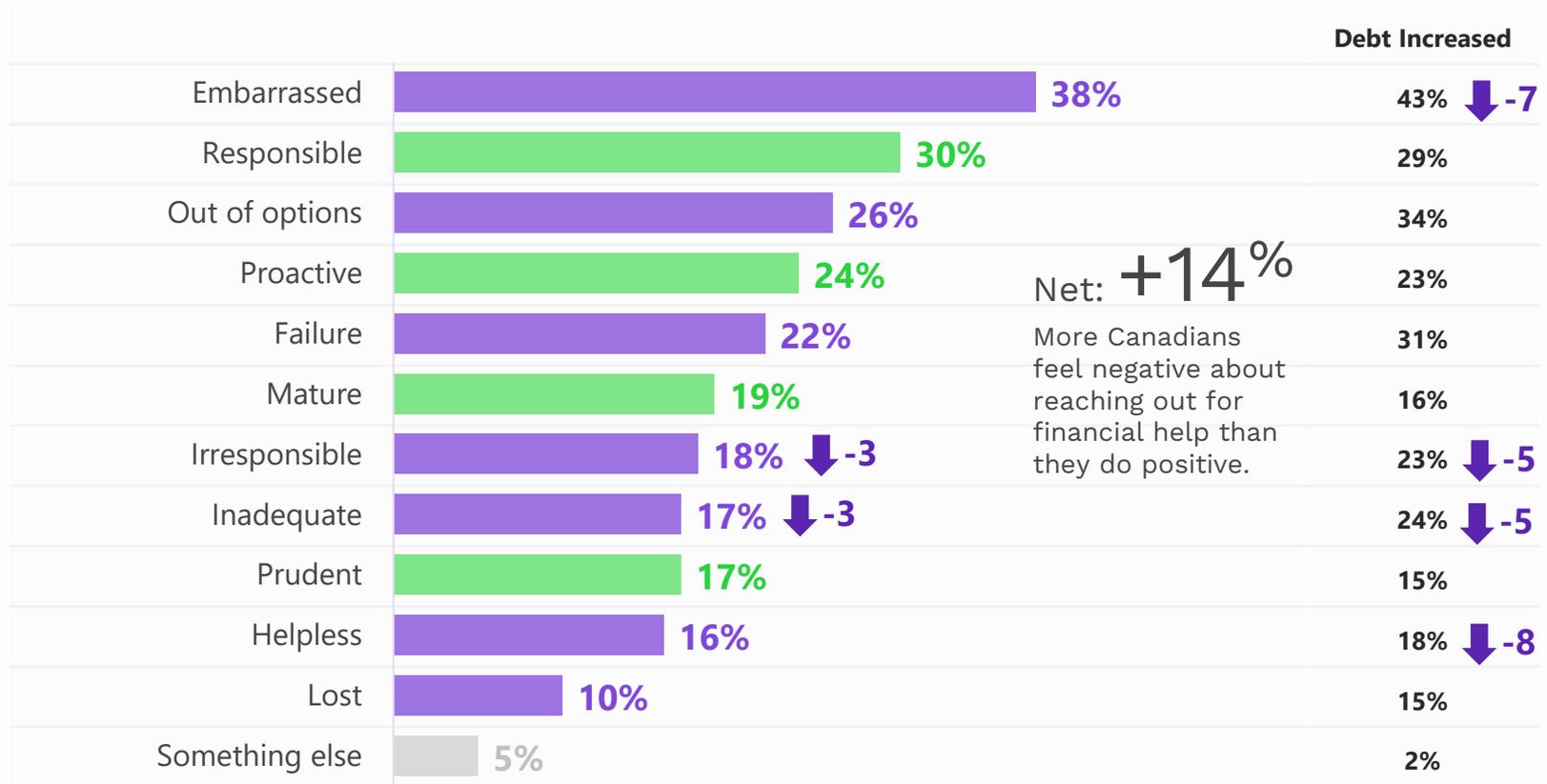
PERCEPTIONS OF FINANCIAL ASSISTANCE

CANADIANS FEEL AN ARRAY OF EMOTIONS WHEN SEEKING HELP WITH THEIR DEBTS, PRIMARILY EMBARRASSMENT AND A SENSE OF RESPONSIBILITY.

Those who have accumulated greater debt over the past year are more likely than the average Canadian to feel negatively about reaching out for financial help.

How Reaching out for Help with Debt Would Make You Feel

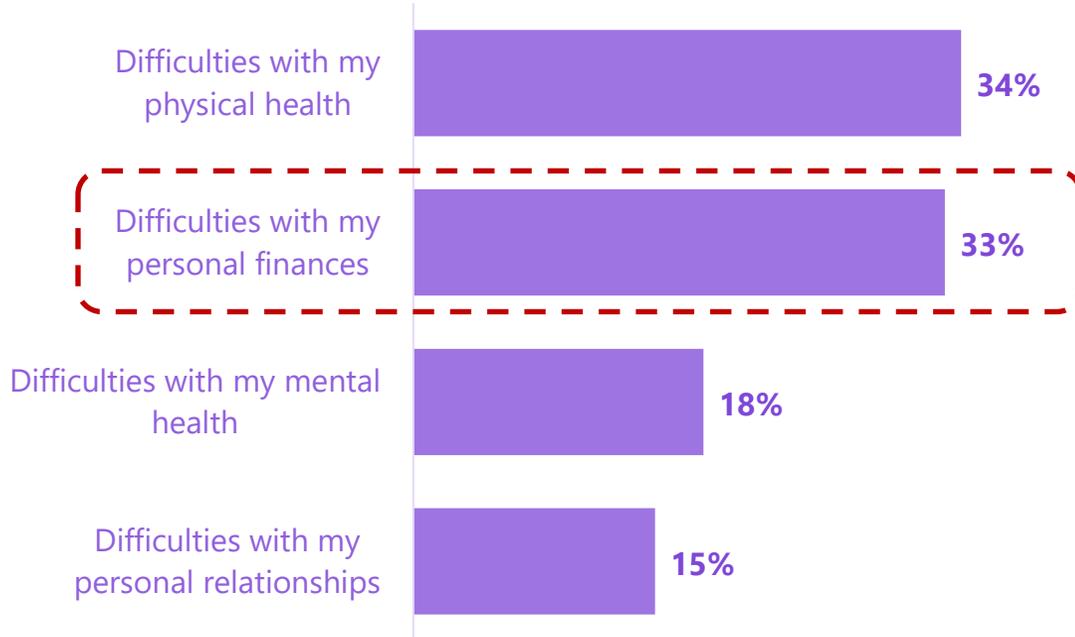
Those anxious about their debt levels are most likely to feel negatively when reaching out for financial help (79% vs. 60% of those who feel neutral and 53% who are confident).



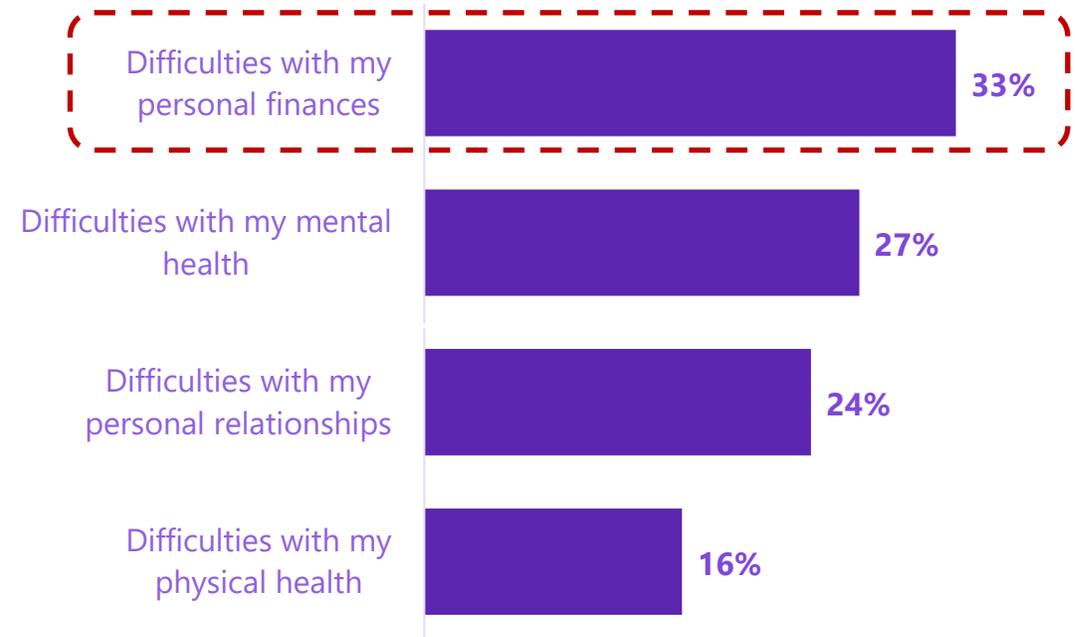
ONE-THIRD (33%) OF CANADIANS SPEND TIME WORRYING ABOUT PERSONAL FINANCIAL DIFFICULTIES, AND THE SAME PROPORTION IS UNCOMFORTABLE WITH DISCUSSING IT .

Discomfort discussing financial difficulties with close friends or family is likely related to the embarrassment many point to feeling when seeking help.

Time Spent Concerned Most Time Spent Concerned (Ranked #1 out of 4)



Comfort Level Least Comfortable (Ranked #4 out of 4)



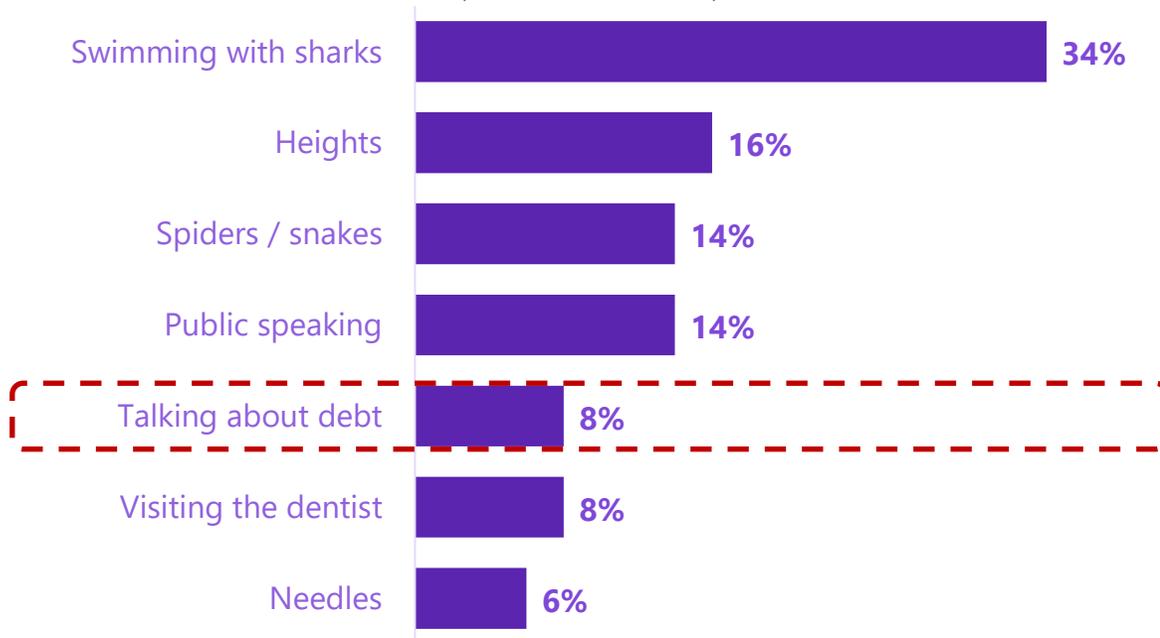
COMPARED TO OTHER LISTED FEARS, CANADIANS' FEAR OF TALKING ABOUT DEBT IS LESS SEVERE THAN: SWIMMING WITH SHARKS, HEIGHTS, AND SNAKES OR SPIDERS RANK HIGHEST.

Those with increased debt in the past year are somewhat more fearful than most about discussing their financial difficulties.

Canadians' Fears

Top Fears

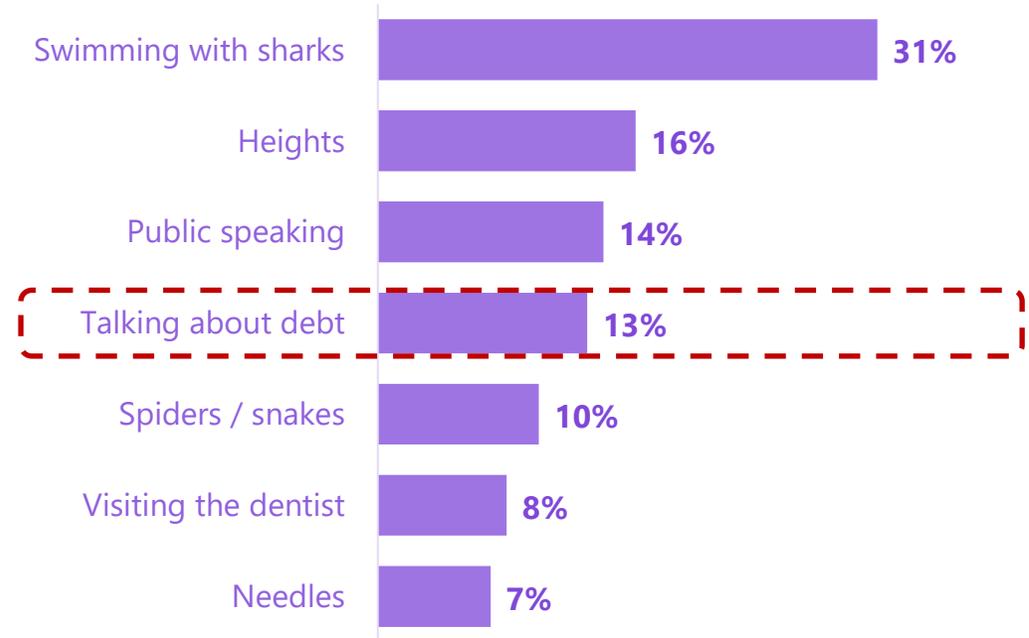
(Ranked #1 out of 7)



Canadians with Increased Debt

Top Fears

(Ranked #1 out of 7)

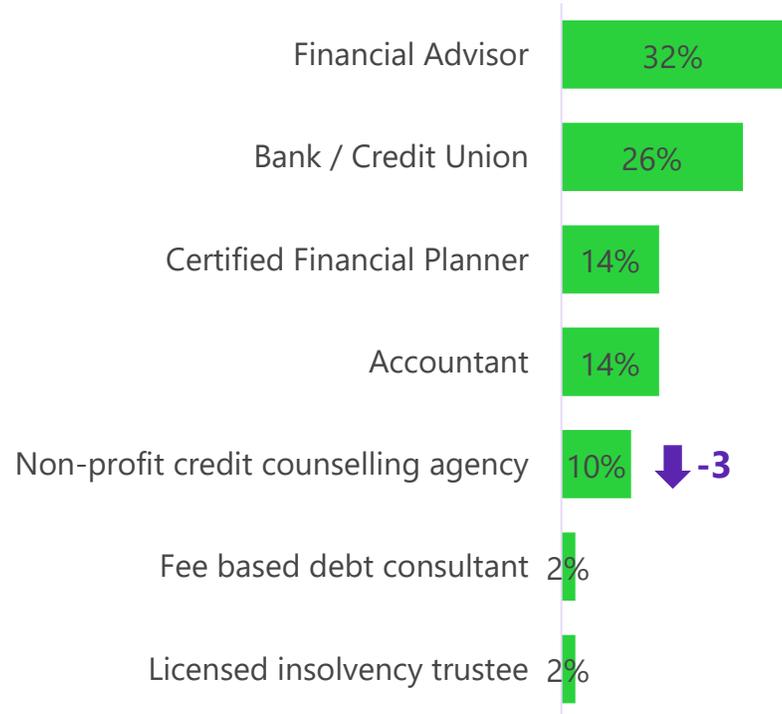


ONE-THIRD (32%) OF CANADIANS ARE MOST COMFORTABLE CONTACTING FINANCIAL ADVISORS WITH THEIR CURRENT UNDERSTANDING OF FINANCIAL RESOURCES.

One-in-ten (10%) are comfortable speaking to a non-profit credit counselling agency, though this has declined slightly since 2025.

Comfort with Contacting Resources

**Based on current understanding of services*



Those **earning <\$50k** annually or are **anxious about their debt levels** are most comfortable contacting non-profit credit counselling agencies (16%).

THANK YOU

