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# Mortgage and Financial Stress

*Survey of Canadians*

**DATE** 2024-06-10

# Methodology

## Method

Online survey among respondents 18 years of age or older.
(Canadian sample: n= 1,528). Respondents had the option of completing the survey in English or in French and were randomly recruited using LEO's online panel.

## When

June 7 to June 9, 2024

## Margin of error

For comparison purposes, a probability sample of this size yields a margin of error no greater than ±2.5%, (19 times out of 20) for the Canadian sample.

## Weighting

Results were weighted according to **age, gender, mother tongue, region, education and presence of children in the household** in order to ensure a representative sample of the Canadian population.

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# Methodology

## Significant differences

Data in bold **red** characters indicate a significantly lower proportion than that of other respondents. Conversely, data in bold **green** characters indicate a significantly higher proportion than that of other respondents.

## Rounded data

The numbers presented have been rounded up. However, the numbers before rounding were used to calculate the sums presented and might therefore not correspond to the manual addition of these numbers.

## Questions

Have questions about the data presented in this report? Please contact Andrew Enns, Executive Vice-President, Central Canada at the following e-mail addresses:
aenns@leger360.com

*A more detailed methodology is presented in the Appendix.*

# Methodology

Leger is the polling firm that has presented the most accurate election survey data, on average, over the last ten years in Canada. During the last federal election in 2021, Leger was once again **the most accurate firm in the country**. This accuracy is attributed to the quality of the LEO panel and rigorous application of methodological rules by Leger's 600 employees, including 200 professionals in Leger's eight offices across Canada (Montreal, Toronto, Quebec City, Winnipeg, Calgary, Edmonton and Vancouver) and in the United States (New York).

Poll aggregator 338Canada.com gave Leger the highest rating among all polling firms in Canada for the accuracy of its studies.
See  https://338canada.com/pollster-ratings.htm

| **2021 CANADIAN FEDERAL ELECTION** | | | | | | |
|---|---|---|---|---|---|---|
| **LEGER SURVEY** Published in *Le Journal de Montréal and The National Post/Postmedia* September 18, 2021 | 33% | 32% | 19% | 7% | 6% | 2% |
| **OFFICIAL RESULTS** 2021 **Canadian** Federal Election* | 33.7% | 32.6% | 17.8% | 7.7% | 5.0% | 2.3% |

# Key Highlights

*From June 7 to June 9, 2024, we surveyed Canadians to find out their opinions, perceptions, and stress levels regarding their mortgages and interest rates.*

**Some of the key highlights of our survey on mortgages and financial stress include...**

- Four out of ten Canadians (42%) think that it is a good thing for the Bank of Canada to be cautious about lowering rates too quickly to save off inflation, while around one-third (35%) think that the Bank of Canada is not lowering interest rates fast enough.

- Among respondents with a mortgage who plan on renewing it in the next two years, two-thirds (66%) plan to renew with a fixed rate, 11% with a variable rate, and 24% are undecided.

- More than six out of ten Canadians with a mortgage (62%) are financially stressed about their current mortgage, while 38% are not stressed about it. Mortgage holders aged 18 to 34 years old are more likely to be very stressed financially (30%) when compared to those aged 35-54 (18%) and 55+ (15%).

- When thinking about the renewal of their fixed rate, six out of ten Canadians (61%) are stressed, while 31% are not.
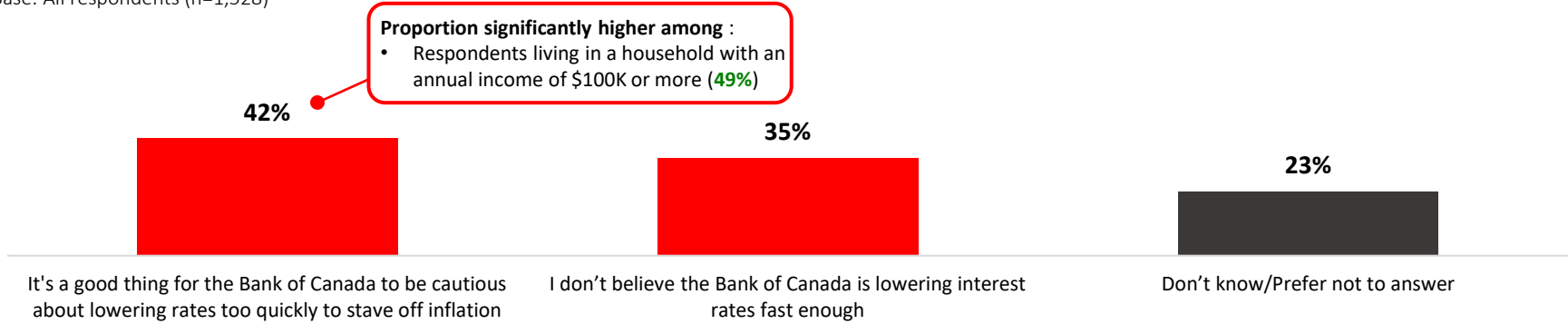
**REPORT**

# Detailed Results

# Opinion on Bank of Canada Interest Rate Decision

**Q6.** The Bank of Canada dropped their rates by 25 basis points this past week, the first decrease after two years of increases. What is your position on the interest rates that are set by the Bank of Canada do you think...
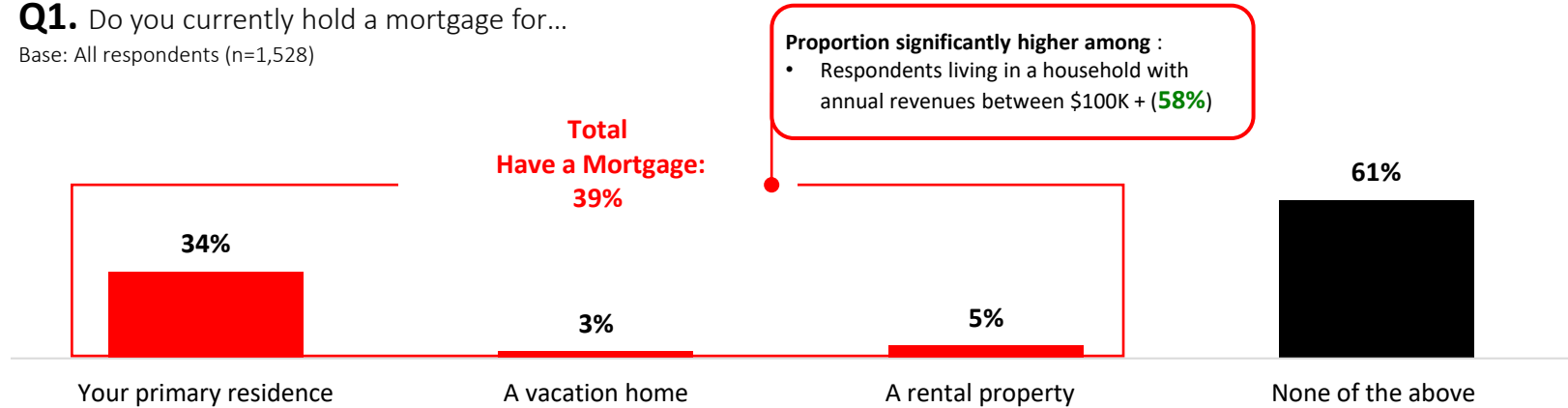Base: All respondents (n=1,528)

**Proportion significantly higher among** :
- Respondents living in a household with an annual income of $100K or more (**49%**)

**42%**
It's a good thing for the Bank of Canada to be cautious about lowering rates too quickly to stave off inflation

**35%**
I don't believe the Bank of Canada is lowering interest rates fast enough

**23%**
Don't know/Prefer not to answer

| | Total Canada | ATL | QC | ON | MB/SK | AB | BC | Male | Female | 18-34 | 35-54 | 55+ | Urban | Sub-Urban | Rural |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Unweighted n= | *1,528* | *100* | *410* | *610* | *126* | *126* | *156* | *739* | *789* | *379* | *432* | *717* | *671* | *570* | *271* |
| It's a good thing for the Bank of Canada to be cautious about lowering rates too quickly to stave off inflation | **42%** | 40% | **55%** | **37%** | 42% | 37% | 41% | **49%** | **36%** | **34%** | **35%** | **54%** | 42% | 45% | 39% |
| I don't believe the Bank of Canada is lowering interest rates fast enough | **35%** | 34% | **27%** | 37% | 31% | **46%** | 38% | 34% | 36% | 35% | **40%** | **31%** | 34% | 35% | 40% |
| Don't know/Prefer not to answer | **23%** | 26% | **19%** | **26%** | 27% | 17% | 21% | **17%** | **28%** | **31%** | 25% | **15%** | 24% | 20% | 21% |

# Types of Mortgages Held

**Q1.** Do you currently hold a mortgage for...
Base: All respondents (n=1,528)

**Total Have a Mortgage: 39%**

**Proportion significantly higher among** :
• Respondents living in a household with annual revenues between $100K + (**58%**)

| | 34% | 3% | 5% | 61% |
|---|---|---|---|---|
| | Your primary residence | A vacation home | A rental property | None of the above |

| | **Total Canada** | ATL | QC | ON | MB/SK | AB | BC | Male | Female | 18-34 | 35-54 | 55+ | Urban | Sub-Urban | Rural |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Unweighted n= | *1,528* | *100* | *410* | *610* | *126* | *126* | *156* | *739* | *789* | *379* | *432* | *717* | *671* | *570* | *271* |
| **Total Have a Mortgage** | **39%** | 37% | 41% | **34%** | 37% | 47% | 42% | **42%** | **35%** | 41% | **55%** | **25%** | 36% | **43%** | 40% |
| Your primary residence | **34%** | 35% | 36% | **30%** | 33% | 36% | 37% | **37%** | **31%** | **29%** | **52%** | **23%** | **30%** | **37%** | 36% |
| A vacation home | **3%** | 1% | 4% | 2% | 4% | 5% | 1% | **4%** | **2%** | **6%** | 2% | **1%** | 2% | 3% | 2% |
| A rental property | **5%** | **1%** | **3%** | 5% | 3% | 9% | 6% | 4% | 6% | **8%** | 6% | **2%** | 6% | 5% | 4% |
| None of the above | **61%** | 63% | 59% | **66%** | 63% | 53% | 58% | **58%** | **65%** | 59% | **45%** | **75%** | 64% | **57%** | 60% |

# Mortgage Rate Types and Renewal Dates

**Q2.** Do you have a variable rate or a fixed rate mortgage?

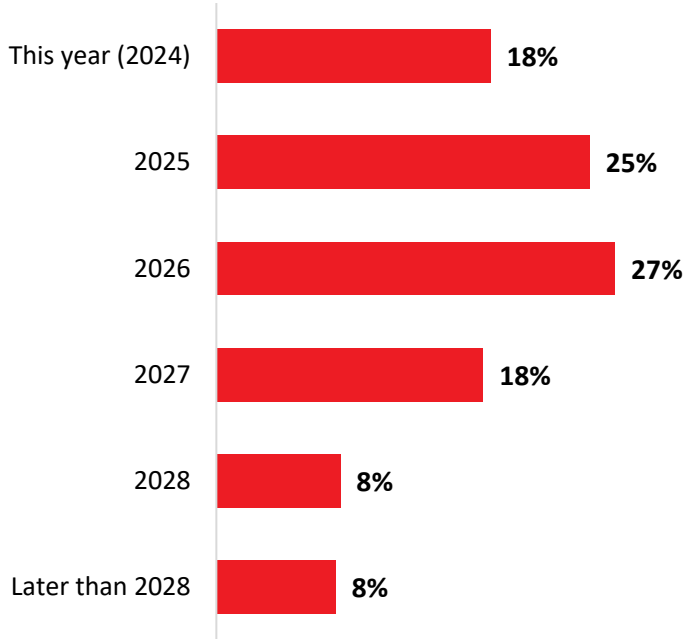*If you have more than one mortgage, select all that apply\**

Base: Respondents who have a mortgage (n=595)

| | |
|---|---|
| Fixed | 77% |
| Variable | 21% |
| Don't know | 6% |
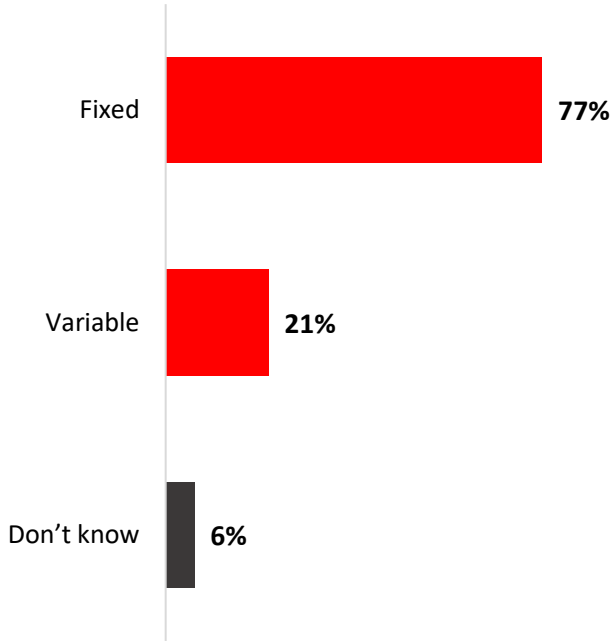
**Q3.** When does your mortgage come up for renewal?

*If you have more than one mortgage, select all that apply\**

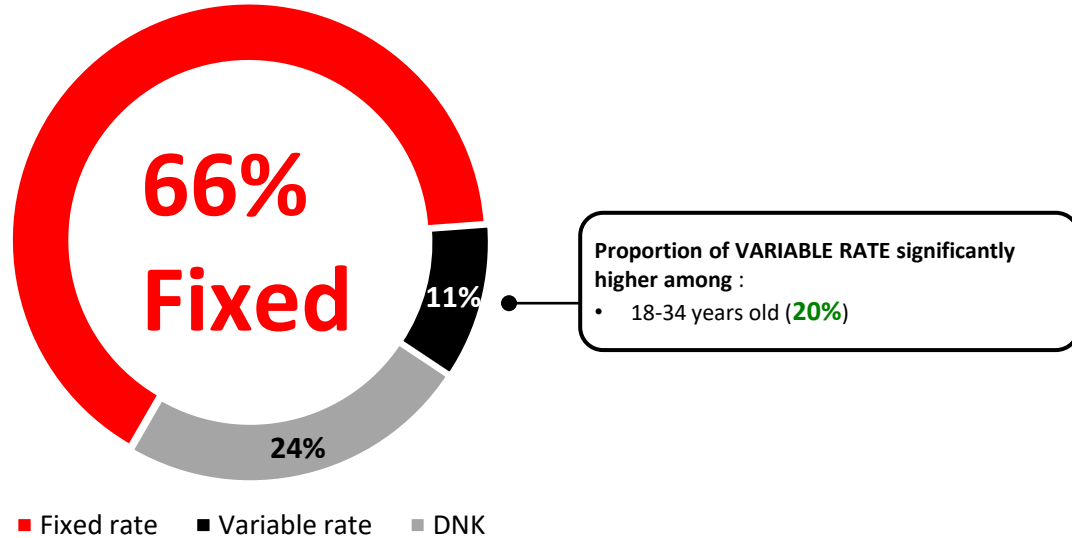Base: Respondents who have a fixed mortgage (n=449)

| | |
|---|---|
| This year (2024) | 18% |
| 2025 | 25% |
| 2026 | 27% |
| 2027 | 18% |
| 2028 | 8% |
| Later than 2028 | 8% |

*\*Since respondents could select more than one answer, total may exceed 100%.*

# Renewal Rate Preference

**Q3B.** Do you plan to renew with a fixed rate or a variable rate?
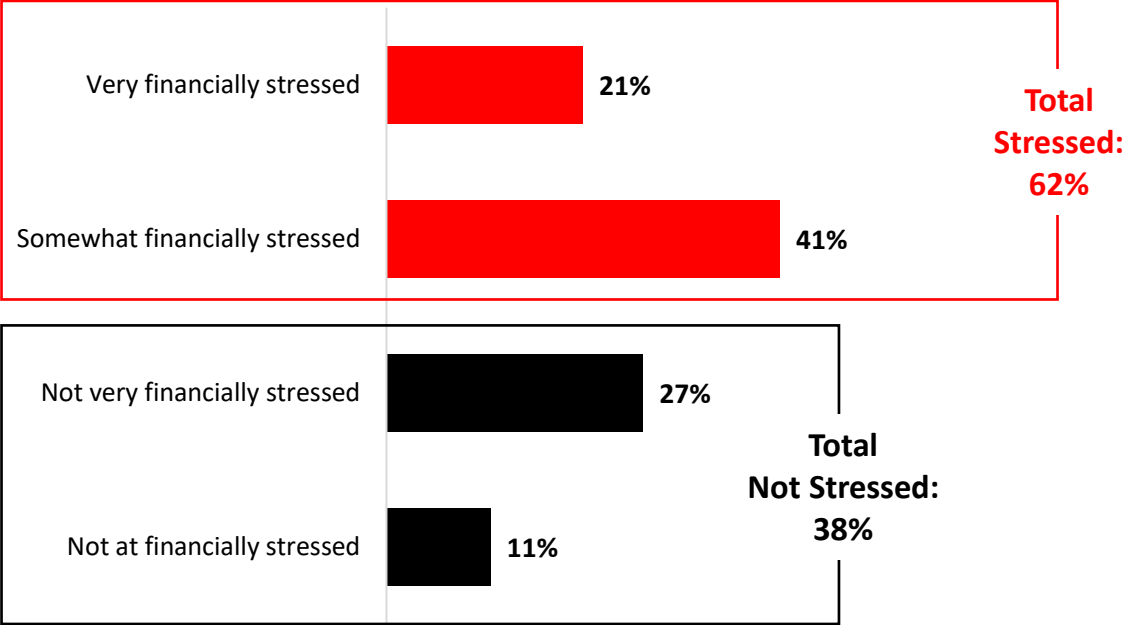
Base: Respondents who plan on renewing in the next two years (n=321)



**66% Fixed**

11%

24%

**Proportion of VARIABLE RATE significantly higher among** :
- 18-34 years old (**20%**)

■ Fixed rate  ■ Variable rate  ■ DNK

# Financial Stress Levels About Current Mortgage (1/2)

**Q4.** How financially stressed do you feel about your current mortgage?
Base: Respondents who have a mortgage (n=595)



Very financially stressed — 21%

Somewhat financially stressed — 41%

**Total Stressed: 62%**

Not very financially stressed — 27%

Not at financially stressed — 11%

**Total Not Stressed: 38%**

# Financial Stress Levels About Current Mortgage (2/2)

**Q4.** How financially stressed do you feel about your current mortgage?

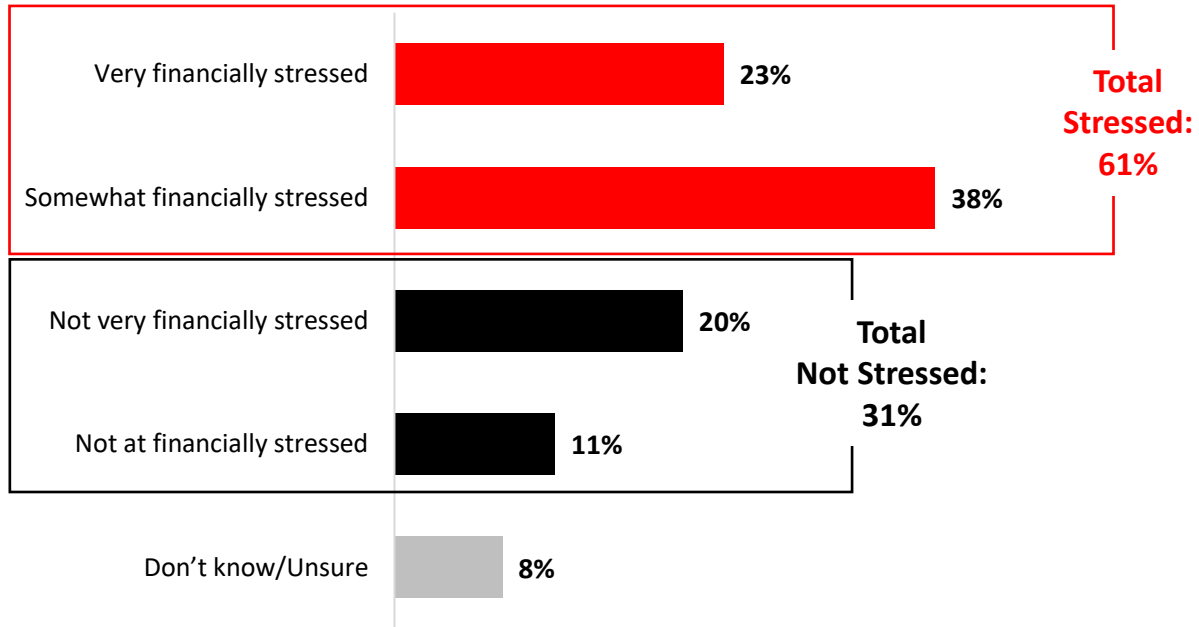Base: Respondents who have a mortgage

| | Total Canada | ATL | QC | ON | MB/SK | AB | BC | Male | Female | 18-34 | 35-54 | 55+ | Urban | Sub-Urban | Rural |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Unweighted n= | 595 | 36 | 171 | 228 | 38 | 56 | 66 | 312 | 283 | 175 | 241 | 179 | 244 | 235 | 112 |
| **Total Stressed** | **62%** | 56% | **54%** | 68% | 72% | 63% | 59% | 59% | 66% | 68% | 64% | **53%** | 61% | 65% | 60% |
| Very financially stressed | **21%** | 26% | **11%** | **28%** | 13% | 18% | 22% | **16%** | **26%** | **30%** | 18% | **15%** | 19% | 24% | 17% |
| Somewhat financially stressed | **41%** | 30% | 43% | 40% | 59% | 45% | 37% | 43% | 40% | 38% | 45% | 38% | 42% | 41% | 43% |
| **Total Not Stressed** | **38%** | 44% | **46%** | 32% | 28% | 37% | 41% | 41% | 34% | 32% | 36% | **47%** | 39% | 35% | 40% |
| Not very financially stressed | **27%** | 28% | 30% | 26% | 19% | 25% | 28% | 28% | 26% | 22% | 29% | 29% | 30% | 23% | 29% |
| Not at financially stressed | **11%** | 16% | 16% | **6%** | 9% | 12% | 13% | 13% | 9% | 10% | **7%** | **19%** | 9% | 13% | 10% |

# Anticipated Financial Stress at Renewal (1/2)

**Q5.** How financially stressed will you be when your mortgage comes up for renewal?
Base: Respondents who have a fixed rate (n=449)

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Very financially stressed — 23%

Somewhat financially stressed — 38%

**Total Stressed: 61%**

Not very financially stressed — 20%

Not at financially stressed — 11%

**Total Not Stressed: 31%**

Don't know/Unsure — 8%

# Anticipated Financial Stress at Renewal (2/2)

**Q5.** How financially stressed will you be when your mortgage comes up for renewal?
Base: Respondents who have a fixed rate

| | Total Canada | ATL | QC | ON | MB/SK | AB | BC | Male | Female | 18-34 | 35-54 | 55+ | Urban | Sub-Urban | Rural |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Unweighted n= | 449 | 30 | 129 | 166 | 28* | 48 | 48 | 227 | 222 | 119 | 189 | 141 | 184 | 179 | 82 |
| **Total Stressed** | **61%** | 66% | 58% | 68% | 58% | 56% | 55% | **52%** | **71%** | 62% | **69%** | **46%** | 59% | 62% | 62% |
| Very financially stressed | **23%** | 36% | 19% | 28% | 10% | 19% | 22% | **16%** | **30%** | 27% | 26% | **16%** | 22% | 26% | 17% |
| Somewhat financially stressed | **38%** | 30% | 39% | 40% | 48% | 37% | 33% | 36% | 40% | 36% | 43% | 31% | 36% | 37% | 45% |
| **Total Not Stressed** | **31%** | 24% | **41%** | 27% | 36% | 29% | 30% | **39%** | **24%** | 29% | 26% | **42%** | 35% | 28% | 31% |
| Not very financially stressed | **20%** | 7% | 26% | 16% | 22% | 21% | 25% | **26%** | **13%** | 23% | 18% | 21% | 25% | 17% | 19% |
| Not at financially stressed | **11%** | 16% | 15% | 11% | 13% | 8% | 5% | 12% | 10% | 6% | 8% | **22%** | 10% | 12% | 12% |
| Don't know/Unsure | **8%** | 10% | **2%** | 5% | 6% | 15% | 16% | 9% | 6% | 8% | 5% | 11% | 6% | 9% | 7% |

*Given the small number of respondents (n<30) data are presented for illustrative purposes only.*

# Detailed Methodology

# Weighted and Unweighted Sample (1/2)

The table below presents the Canadian geographic distribution of respondents before weighting.

| | Unweighted | Weighted |
|---|---|---|
| **Province** | **1,528** | **1,528** |
| British Columbia | 156 | 212 |
| Alberta | 126 | 169 |
| Manitoba/Saskatchewan | 126 | 97 |
| Ontario | 610 | 593 |
| Quebec | 410 | 354 |
| Atlantic | 100 | 103 |

# Weighted and Unweighted Sample (2/2)

The following tables present the demographic distribution of respondents according to gender, age and language (mother tongue) for Canada.

The table below presents the Canadian geographic distribution of respondents before weighting.

| | Unweighted | Weighted |
|---|---|---|
| **Gender** | **1,528** | **1,528** |
| Male | 739 | 743 |
| Female | 789 | 785 |
| **Age** | **1,528** | **1,528** |
| 18 to 34 | 379 | 407 |
| 35 to 54 | 432 | 490 |
| 55+ | 717 | 631 |
| **Language (Mother tongue)** | **1,528** | **1,528** |
| English | 953 | 1,022 |
| French | 377 | 302 |
| Other | 192 | 1974 |

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18

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