



REPORT

# Economic Confidence

ALBERTA  
FOCUS



July 2024



# Background

- Perceptions of the economic state in Canada is an important driver of how consumers will spend (or not spend) in the coming months.
- Leger, the largest Canadian-owned polling and marketing research firm, monitors views on the economy and Canadians' own finances to keep a pulse on the mood and sentiment of the public.
- *This report represents the results that focus on **Alberta** in particular.*



## Methodology

- Results are based on online research conducted among a sample of Albertans 18 years of age and older.
- The most recent wave was conducted among a sample of 401 Albertans, with fieldwork July 12-15, 2024.
- The data was statistically weighted according to 2021 Canadian Census figures.
- A margin of error cannot be associated with a non-probability sample in a panel survey, but for comparison purposes, a probability sample of 401 would have a margin of error of  $\pm 4.9\%$ , 19 times out of 20.

*Additional methodology details can be found in the appendix.*

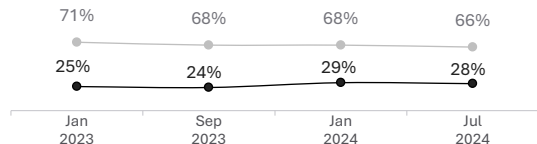


## NATIONAL ECONOMY

### Current Confidence

Confidence in the national economy is basically stable again this wave and remain the poorest in the country.

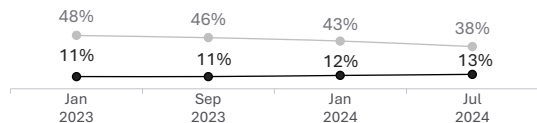
● Good/very good  
● Poor/very poor



### Future Confidence

Confidence in the future of the Canadian economy is also largely stable.

● Improve  
● Decline

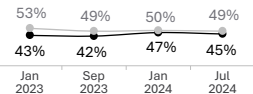


## ALBERTA ECONOMY

Views of the provincial economy are also holding steady.

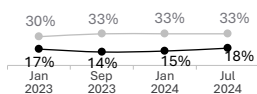
### Current Confidence

● Good/very good  
● Poor/very poor



### Future Confidence

● Improve  
● Decline

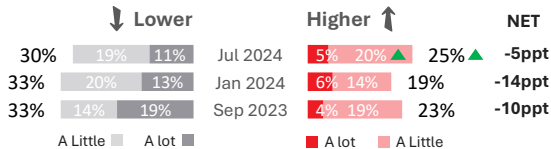


In contrast to the national sense of cautious optimism, economic confidence in AB (national, provincial and personal) is stable again this wave. Views remain pessimistic overall.

Concerns about inflation remain almost as high as ever, despite less worry about rising interest rates. After over-spending on the holidays (resulting in credit card debt for many), it may be a little while longer before we see a resurgence in spending.

### Discretionary Spending

Predictions about discretionary spending suggest some positive trending.



### Mortgage/Rent Increases

Many Albertans are experiencing higher housing costs and are paying for those increases both by spending less (especially on everyday items, dining out and entertainment) and saving less/ dipping into existing savings.

#### EXPERIENCE INCREASE



#### PAID FOR INCREASE

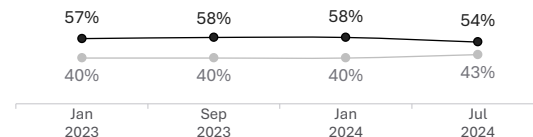


## HOUSEHOLD FINANCES

### Current Confidence

Confidence in household finances are slightly softer in July.

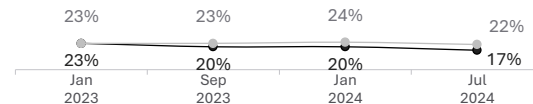
● Good/very good  
● Poor/very poor



### Future Confidence

Confidence in future personal finances is only a little changed.

● Improve  
● Decline



### Worries

Less concern about the value of investments and safety of savings are offset by lingering worries in other areas, which means the worry index is unchanged.

#### WORRY INDEX

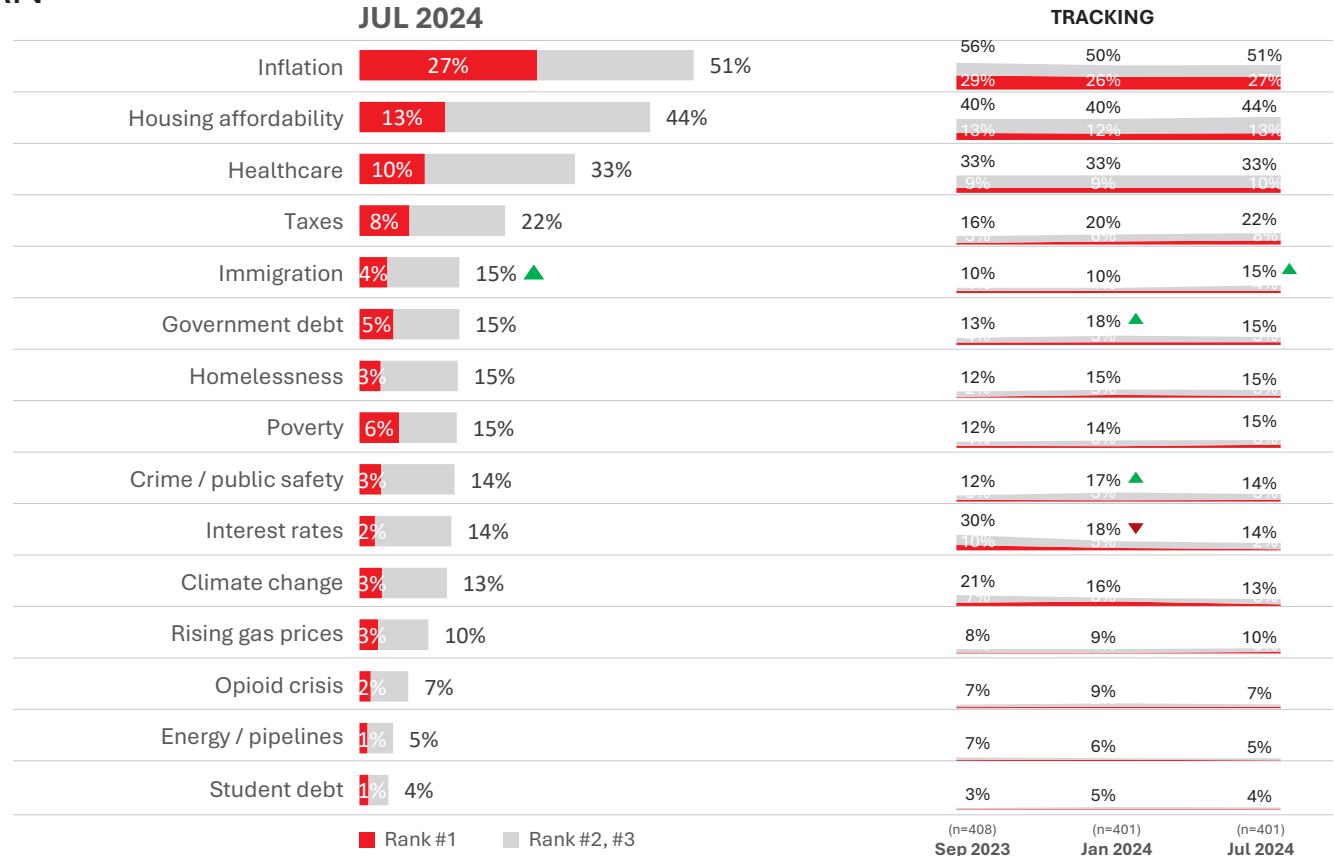


# IMPORTANT CANADIAN ISSUES: AIDED

Despite the pace of inflation slowing in Canada, this issue remains the top concern in Alberta, and to a larger degree than nationally. The interest rate cut, however, appears to have had a positive impact as concerns specific to that issue continue to decline for the second wave in a row.

While second to inflation, housing affordability is also key in Alberta and concerns show no sign of abating (and may even be trending up).

As in all other regions, concerns about immigration appear to be an emerging trend. In contrast, climate change continues to slip further down the list in Alberta.



Note: Responses 4% and greater for JUL 2024 are shown.

What is the number one important issue facing Canada today?  
 What is the second most important issue? The third most important?

▲▼ Statistically significantly higher/lower than previous wave

# CURRENT ECONOMIC PERCEPTIONS

For the second wave in a row, Albertans are largely holding steady in their views of the national and provincial economies and their household finances. Any optimism present in other provinces or nationally is not showing through in Alberta.

Putting views in a larger context, residents of this province are now marginally the most pessimistic on all three fronts.

- Good/very good
- Poor/very poor



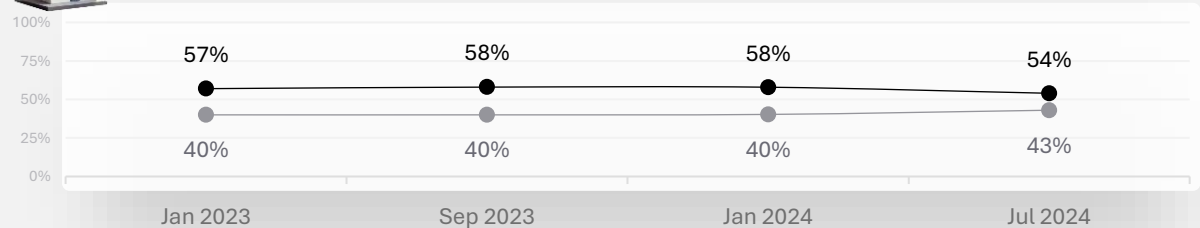
## Canada Economy



## Alberta Economy



## Household Finances



How would you describe the economic conditions in Canada today?  
 Thinking specifically about your home province/territory, how would you describe the economic conditions in ... today?  
 How would you describe your own household's finances today?

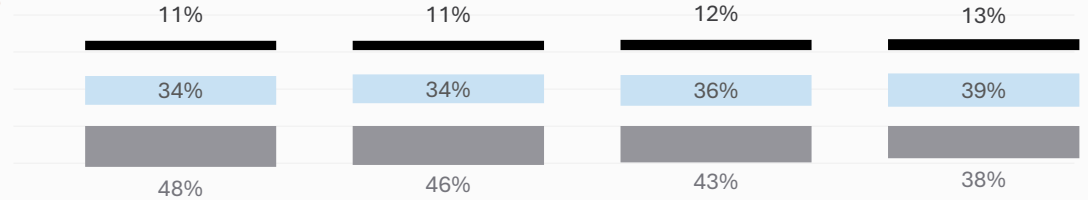
▲ ▼ Statistically significantly higher/lower than previous wave

# FUTURE ECONOMIC CONFIDENCE

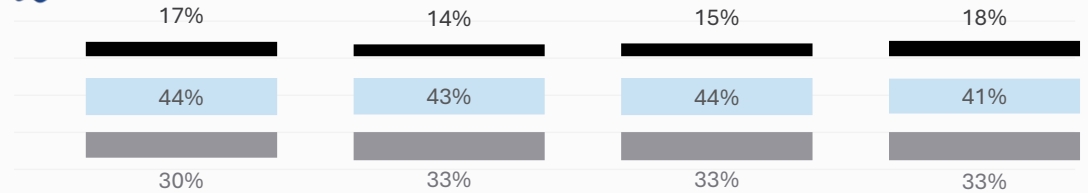
In keeping with current views, expectations of the national and provincial economy are essentially flat for the fourth wave in a row and remain in negative territory. The same can also largely be said for household finances, although a small negative trend may even be emerging.



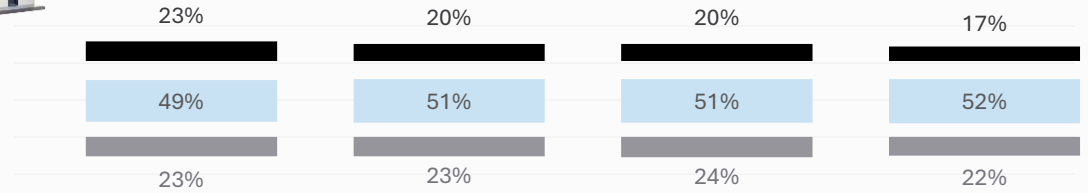
## Canada Economy



## Alberta Economy



## Household Finances



- Improve
- Stay the same
- Decline

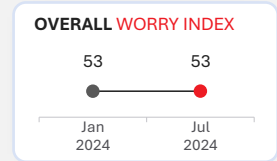
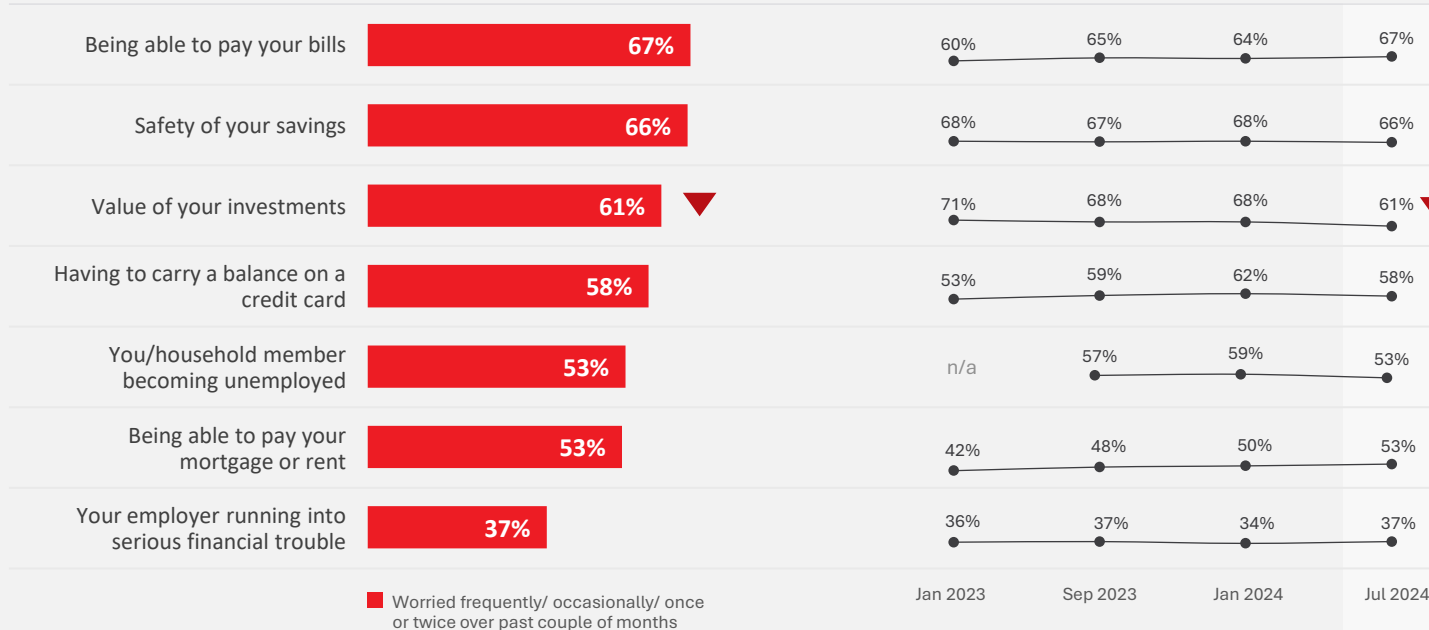
Over the next six months, do you expect the Canadian economy to improve, remain the same, or decline?  
 Thinking specifically about your home province/territory, over the next six months, do you expect the economy to improve, remain the same, or decline?  
 Over the next six months, do you expect your own household's finances to improve, remain the same, or decline?

▲ Statistically significantly higher than previous wave.  
▼ Statistically significantly lower than previous wave.

# WORRIES

Likely in reaction to stronger financial markets and a small interest rate cut in recent months, worries related to savings and investments appear to be abating in Alberta (as they are nationally). Reflecting general stable or softer of views about the economy and their finances, any small changes in other areas reflect increasing (rather than decreasing) worry in this province. Collectively the two trends result in an unchanged “worry index” from January.

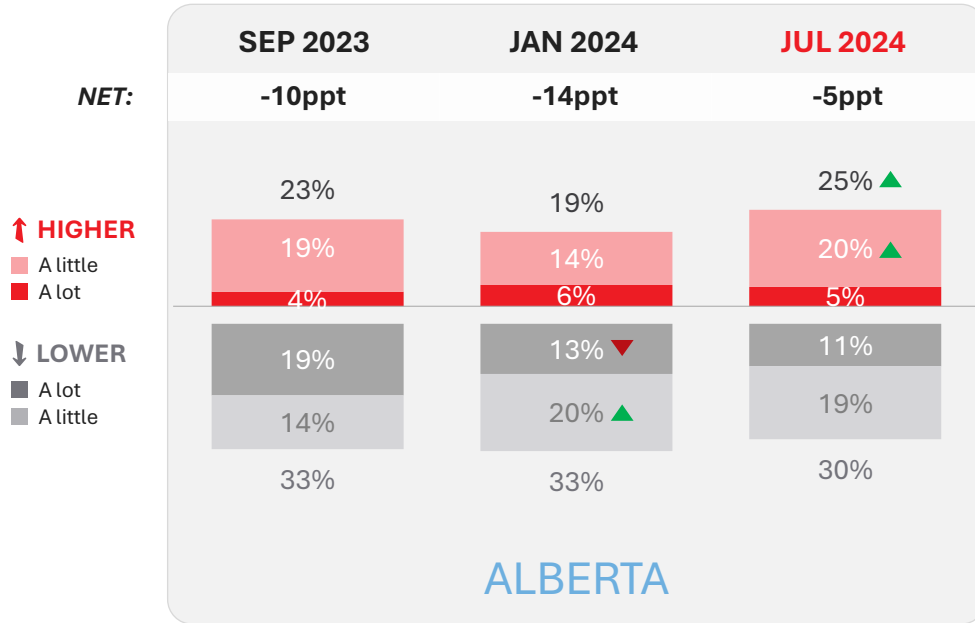
## JUL 2024



➔ **Note**  
 Weighted score of worries, with weights determined by key driver analysis against current perceptions of household finances.

# OVERALL DISCRETIONARY SPENDING EXPECTATIONS

Discretionary spending provides more cause for optimism than many other metrics, with a significant increase in those who expect to spend more versus six months ago. Notable, however, is that fact that this is not quite offset by the number who indicate they will spend less.



The next questions are about your **discretionary spending** – by this, we mean your spending on **non-essential** items (items that you can choose to spend your money on or not). Do you expect your discretionary spending in the **next 6 months** to be higher, about the same or lower compared to the past 6 months?

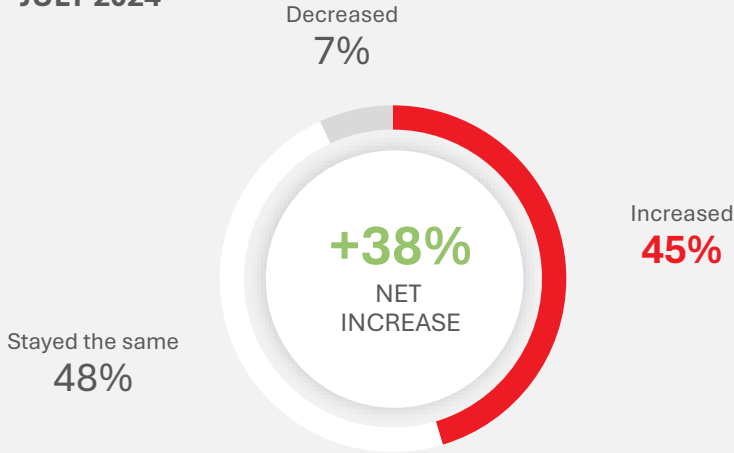
▲▼ Statistically significantly higher/lower than previous wave



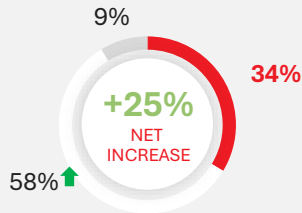
# CHANGE IN MORTGAGE/RENT PAST 2 YEARS

Clearly demonstrating why housing affordability is an important issue, nearly half of the province’s residents who pay mortgage or rent report an increase in their payments over the past 2 years. This rises to an even greater majority (65%) among renters.

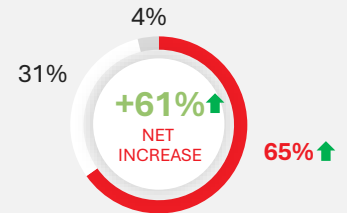
## TOTAL JULY 2024



### MORTGAGE HOLDERS



### RENTERS

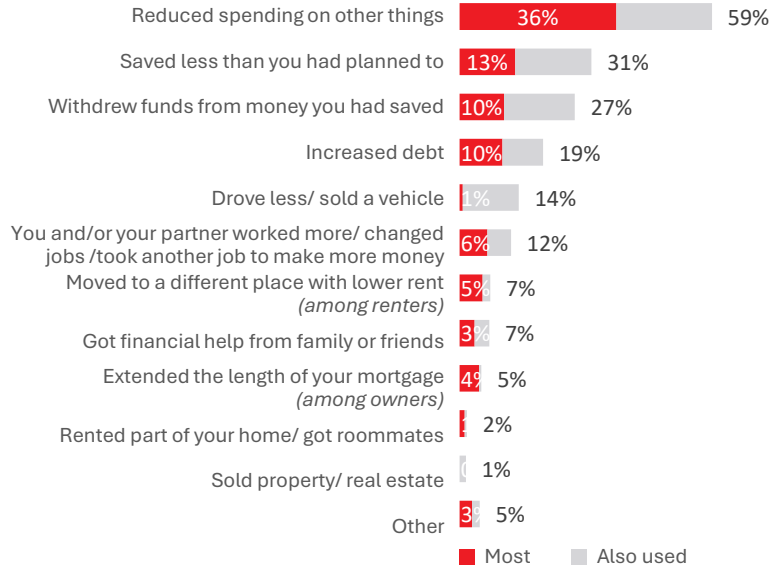


- Increased
- Stayed the same
- Decreased

## SOURCE OF FUNDS FOR INCREASE IN MORTGAGE/RENT

(Among Those Whose Mortgage/Rent Increased)

Higher housing costs are having a double whammy of impacting both spending and saving. Reduced spending is the technique with the most widespread adoption, but reduced future savings or withdrawing funds from savings are the next most prevalent when Albertans look for ways to pay for their more expensive housing.



## REDUCTION IN SPENDING FOR INCREASE IN MORTGAGE/RENT

(Among Those Whose Mortgage/Rent Increased and Decreased Spending as Result)

Most spending reduction is taking place on the everyday front, with reductions most often in day-to-day, entertainment and eating out expenses. Still, the travel and tourism industry will likely be feeling the negative impacts of the housing crisis as over half are cutting back in this area.



What have you done to pay for/manage the increase in your mortgage/rent?  
 What was the one thing that you did that was the most impactful in terms of helping you the most to pay for the increase in your mortgage/rent?

Where or how have you reduced your spending to pay for the increase in your mortgage/rent?  
 What one thing did you reduce your spending most on to pay for the increase in your mortgage/rent?

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APPENDIX



## Methodology

- The LEO (Leger Opinion) panel is the largest Canadian panel with over 400,000 representative panelists from all regions of Canada. LEO was created by Leger based on a representative Canadian sample of Canadian citizens with Internet access.
  - Many of LEO's panelists were randomly selected through Leger's telephone call centre (RDD), panelists from more hard-to-reach target groups were also added to the panel through targeted recruitment campaigns. The double opt-in selection process, a model to detect fraud and the renewal of 25% of the panel each year ensures complete respondent quality. To ensure a higher response rate and reach people on their mobile devices, Leger has developed a high-performance Apple and Android application.
- The results presented in this study comply with the public opinion research standards and disclosure requirements of CRIC (the Canadian Research and Insights Council) and the global ESOMAR network. Leger is a founding member of CRIC and is actively involved in raising quality standards in the survey industry. President Jean-Marc Léger is a member of the CRIC's Board of Directors and the Canadian representative of ESOMAR.



## Weighted and Unweighted Sample (AB)

The tables below present the distribution of respondents for the most recent wave on key variables before and after weighting for the current wave.

| Gender | Unweighted | Weighted |
|--------|------------|----------|
| Male   | 182        | 145      |
| Female | 219        | 148      |

| Age group | Unweighted | Weighted |
|-----------|------------|----------|
| 18-34     | 94         | 84       |
| 35-54     | 106        | 105      |
| 65+       | 201        | 103      |

## Notes on Reading this Report

- The numbers presented have been rounded. However, the numbers before rounding were used to calculate the sums presented and might therefore not correspond to the manual addition of these numbers.
- In this report, statistically significant differences in trending over time are shown as follows:  
 Statistically significantly **higher**/**lower** than previous wave
- In this report, statistically significant differences between subgroups are shown as follows:  
 Statistically significantly **higher**/**lower** than comparison group(s)

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185  
consultants

8  
offices

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Leger is a member of the [Canadian Research Insights Council \(CRIC\)](#), the industry association for the market/survey/insights research industry.



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Leger is also a member of the [Insights Association](#), the American Association of Marketing Research Analytics.



## Contact Us

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