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REPORT

Economic Confidence

Jan 2024

ALBERTA FOCUS



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

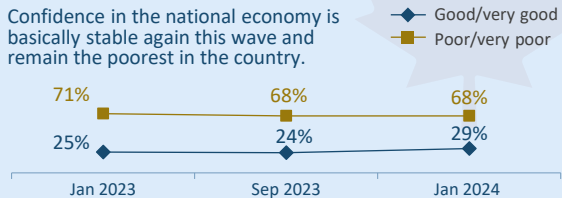
- Results are based on online research conducted among a sample of Albertans 18 years of age and older.
- The most recent wave was conducted among a sample of 401 Albertans, with fieldwork January 5-7, 2024.
- The data was statistically weighted according to 2021 Canadian Census figures.
- A margin of 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.

DASHBOARD OF KEY METRICS

NATIONAL ECONOMY

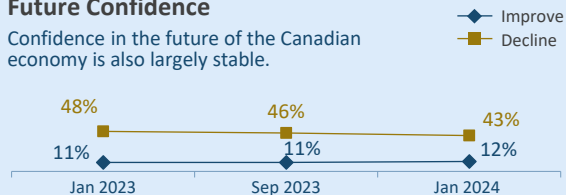
Current Confidence

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



Future Confidence

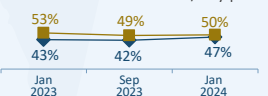
Confidence in the future of the Canadian economy is also largely stable.



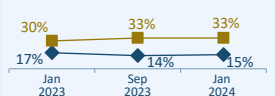
ALBERTA ECONOMY

Views of the provincial economy are also holding steady

Current Confidence



Future Confidence



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

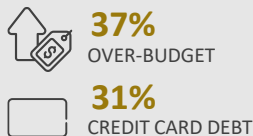


Predictions about discretionary spending demonstrate that optimism has yet to extend to a greater willingness to shop.

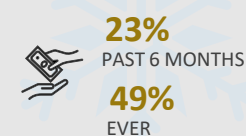
BUDGETS AND DEBT

Many over-spent during the holidays and have credit card debt to pay off. More generally, use of BNPL is quite widespread.

Winter Holiday Spending



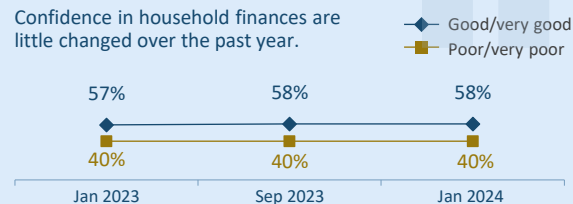
Buy Now/Pay Later



HOUSEHOLD FINANCES

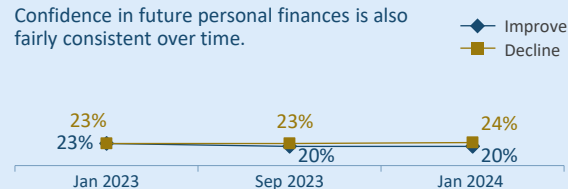
Current Confidence

Confidence in household finances are little changed over the past year.



Future Confidence

Confidence in future personal finances is also fairly consistent over time.



WORRIES

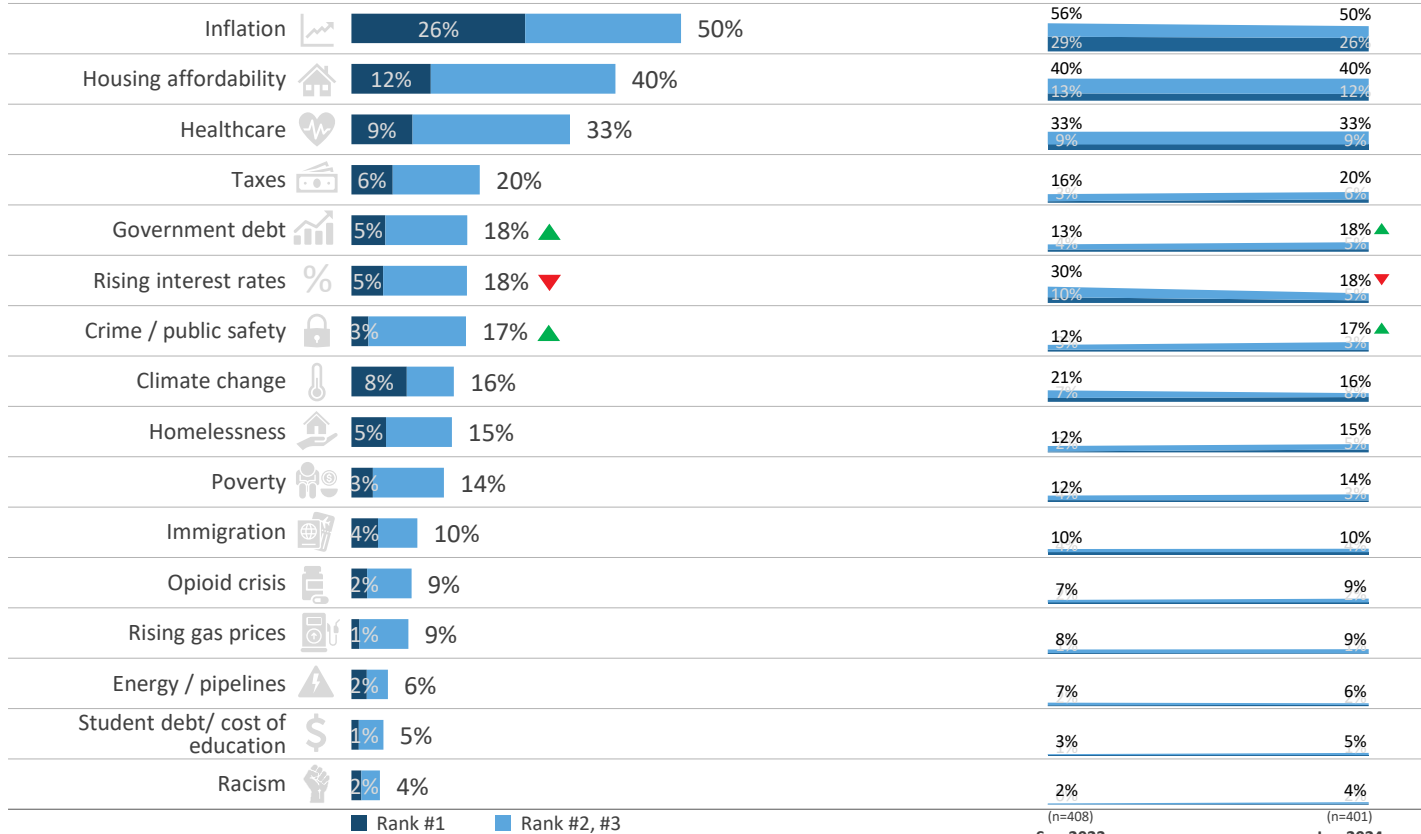
Worries about day-to-day finances and other concerns are at a steady or slightly increasing level again this wave, in keeping with a general lack of financial optimism in Alberta.

IMPORTANT CANADIAN ISSUES: AIDED

Economic concern continues to be the key issue in Alberta to an even greater extent than Canada-wide. While some finance-related issues like interest rates and even inflation are abating somewhat, economic worries still feel high in this province.

As in other regions, worries about **government debt** (likely a reflection of the need to pay off COVID supports) have increased.

More unique to Alberta, **crime/ public safety** is also slightly more top-of-mind this wave.



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

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

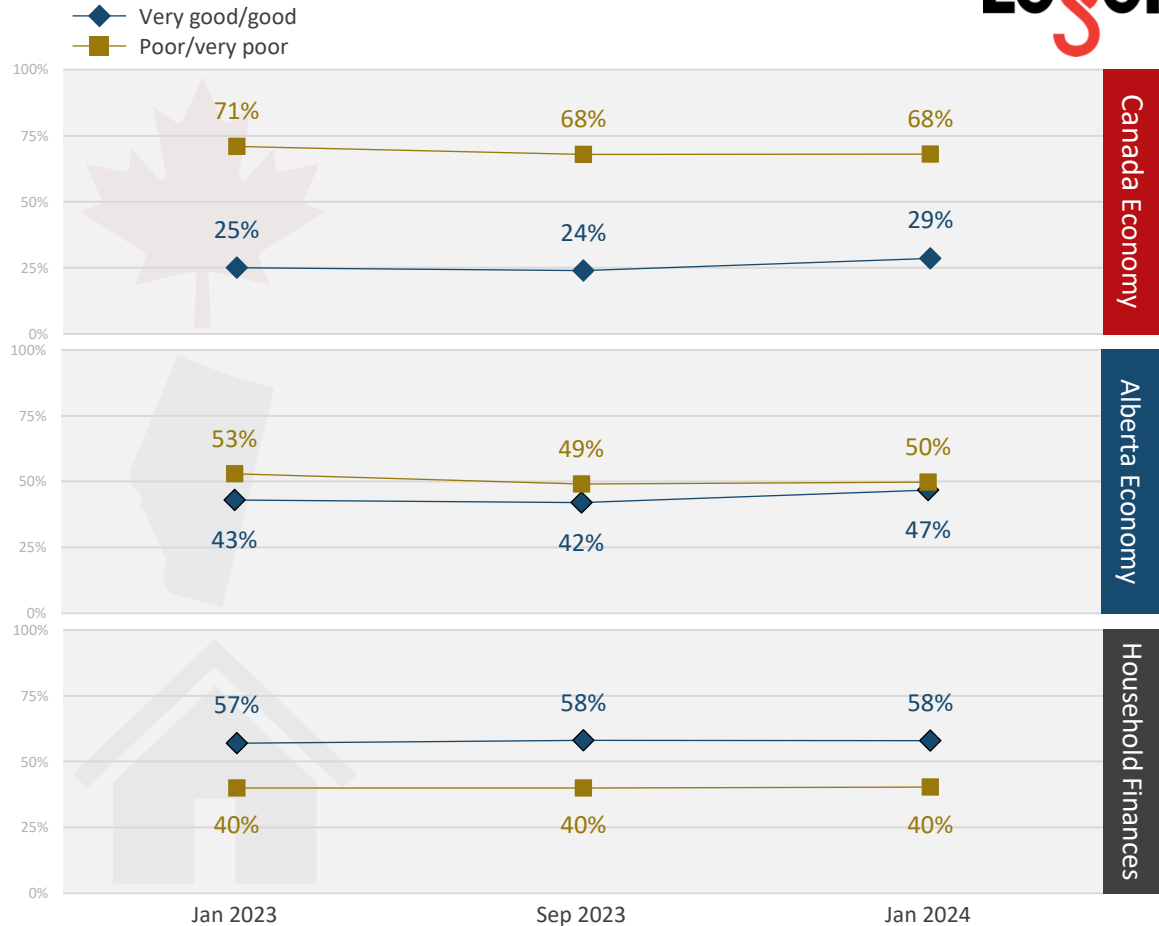
†Note: Responses 4% and greater for Jan 2024 are shown.

CURRENT ECONOMIC PERCEPTIONS



Contrary to the national trend – which shows increasing optimism around both Canadian and household finances – Albertans are largely holding steady in their views since last fall.

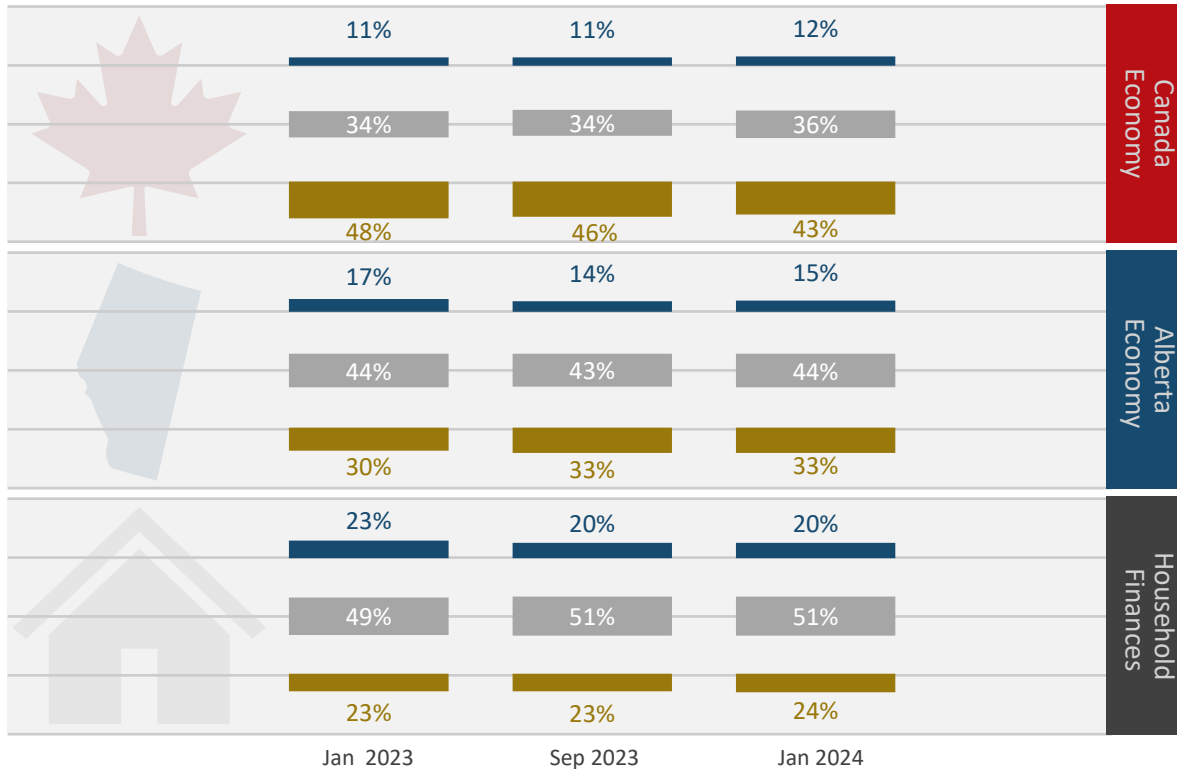
Putting views in a larger context, residents of this province are most pessimistic in the country when it comes to the Canadian economy yet the most optimistic for their own province's economy. They are just slightly below average when it comes to their own household finances.



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

FUTURE ECONOMIC CONFIDENCE



In keeping with current views, expectations of the national economy, provincial and household finances are flat since the fall and remain in negative territory. This again contrasts with national figures that show improving views since last wave.

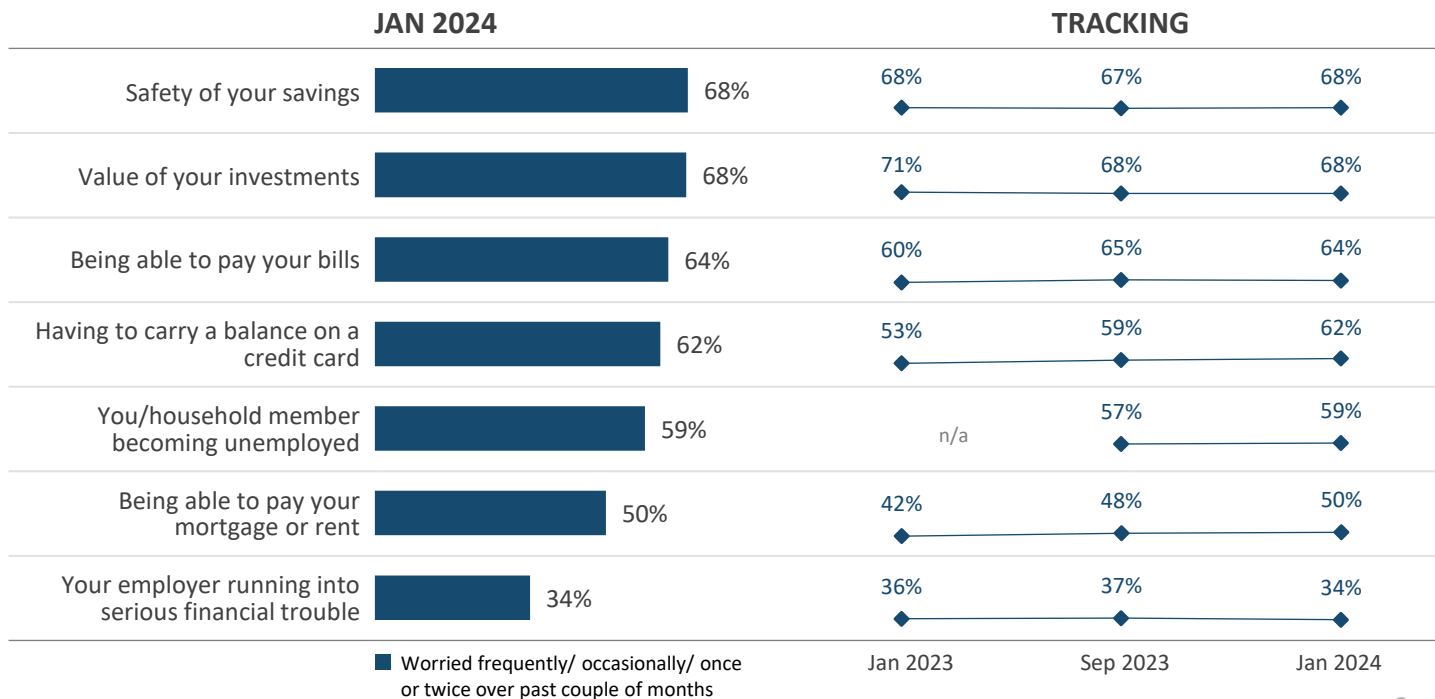
- Improve
- Stay the same
- Decline

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

In keeping with stable economic views, Albertans' worries have not abated this wave. Numbers are largely flat or in the case of being able to pay rent/mortgage, slowly trending upward.

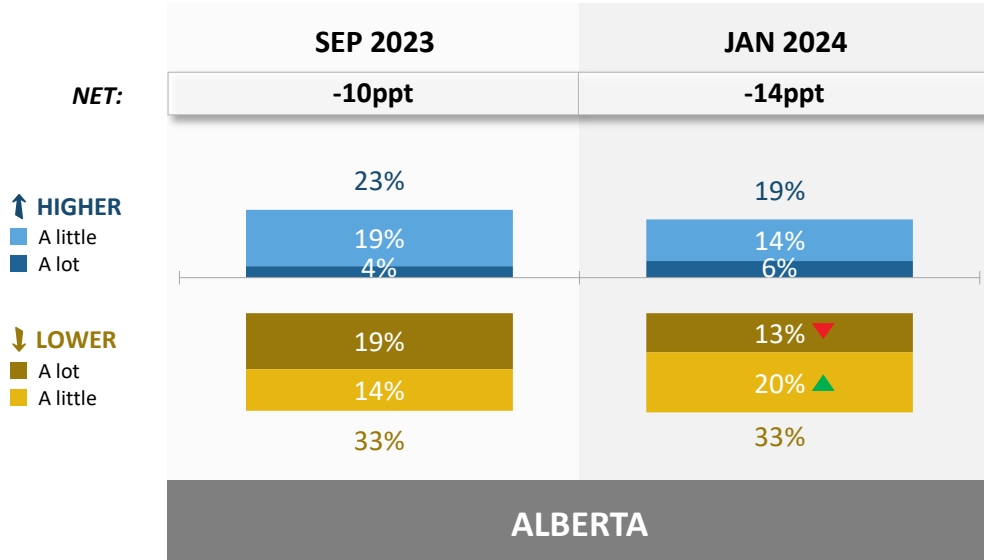


In the past couple of months, how often have you worried about each of the following?

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

OVERALL DISCRETIONARY SPENDING EXPECTATIONS

In keeping with generally stable yet pessimistic views, it is unlikely that many Albertans will increase their discretionary spending in the short term. Compared to last wave, the number who plan to spend less is just as strongly outweighed by the number who plan to spend less this wave versus last.



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** (October 2023-March 2024) to be higher, about the same or lower compared to the past 6 months (April-September 2023)?

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

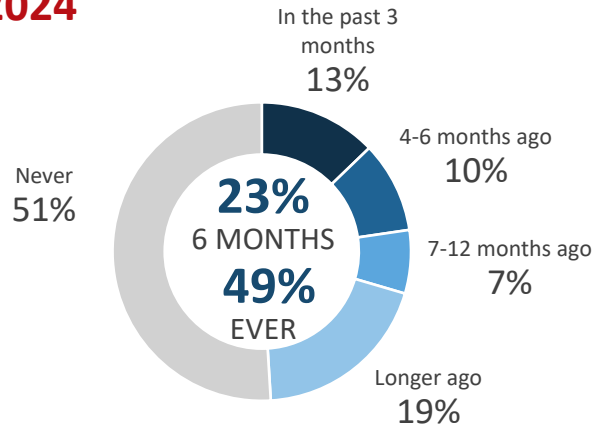
BUY NOW/PAY LATER (BNPL)

Use of BNPL is a newer trend in financing purchases, offered not by lenders like financial institutions or credit cards but directly from a retailer, website or other company.

About half of Albertans have taken advantage of BNPL in the past, but use is probably infrequent for most, as just 23% have used it in the past 6 months and 13% over what can be considered the winter holiday period.

Use of BNPL is a little higher in AB than elsewhere (19% nationally and between 15% and 21% in other regions on a past six-months basis).

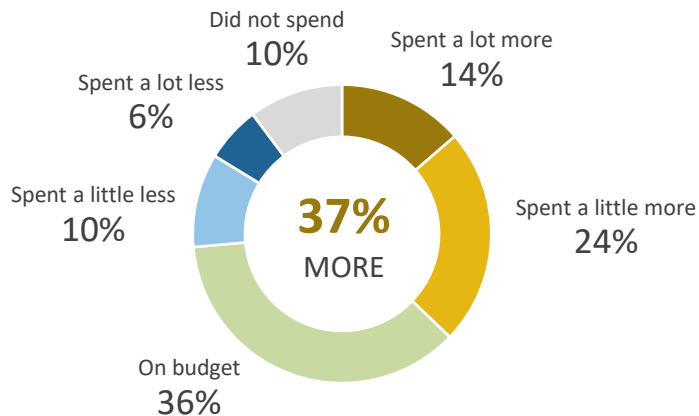
JAN 2024



WINTER HOLIDAY SPENDING VS. BUDGET

Despite economic concerns and pessimism, many Albertans over-spent over the holiday season, just slightly on the high side relative to the national average (33%).

JAN 2024



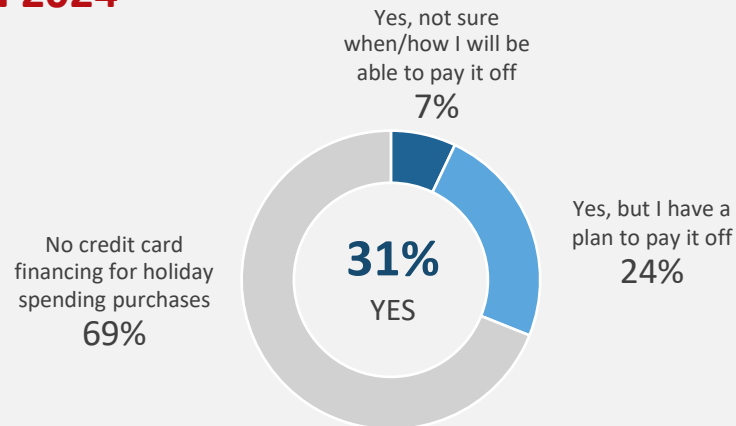
Thinking about spending related to the recent winter holiday season (including gifts, entertaining, and spending for yourself), how did it compare to your intentions/budget?

CREDIT CARD FINANCING FOR WINTER HOLIDAY PURCHASES

(Among Those Who Did Any Holiday Spending)

At three-in-ten, use of credit cards is an expensive form of financing for holiday purchases used by many shoppers. Still, most have a plan to pay off their balances, with only 8% unsure how/when they will do so. Albertans make just slightly higher than average use of credit card debt here compared to national figures (27%).

JAN 2024



Did you/will you have to use any credit card financing (carrying a balance beyond when it is due) to pay for your recent winter holiday season spending?



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	193	113
Female	208	115

AGE GROUP	Unweighted	Weighted
18-34	86	65
35-54	129	82
55+	186	80

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 than previous wave.
 - ▼ Statistically significantly lower than previous wave.
- In this report, statistically significant differences between subgroups are shown as follows:
 - ↑ Statistically significantly higher than comparison group(s).
 - ↓ Statistically significantly lower comparison group(s).

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Leger is a member of [ESOMAR](#) (European Society for Opinion and Market Research), the global association of opinion polls and marketing research professionals. As such, Leger is committed to applying the [international ICC/ESOMAR](#) code of Market, Opinion and Social Research and Data Analytics.

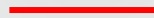


Leger is also a member of the [Insights Association](#), the American Association of Marketing Research Analytics.



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