Study Overview

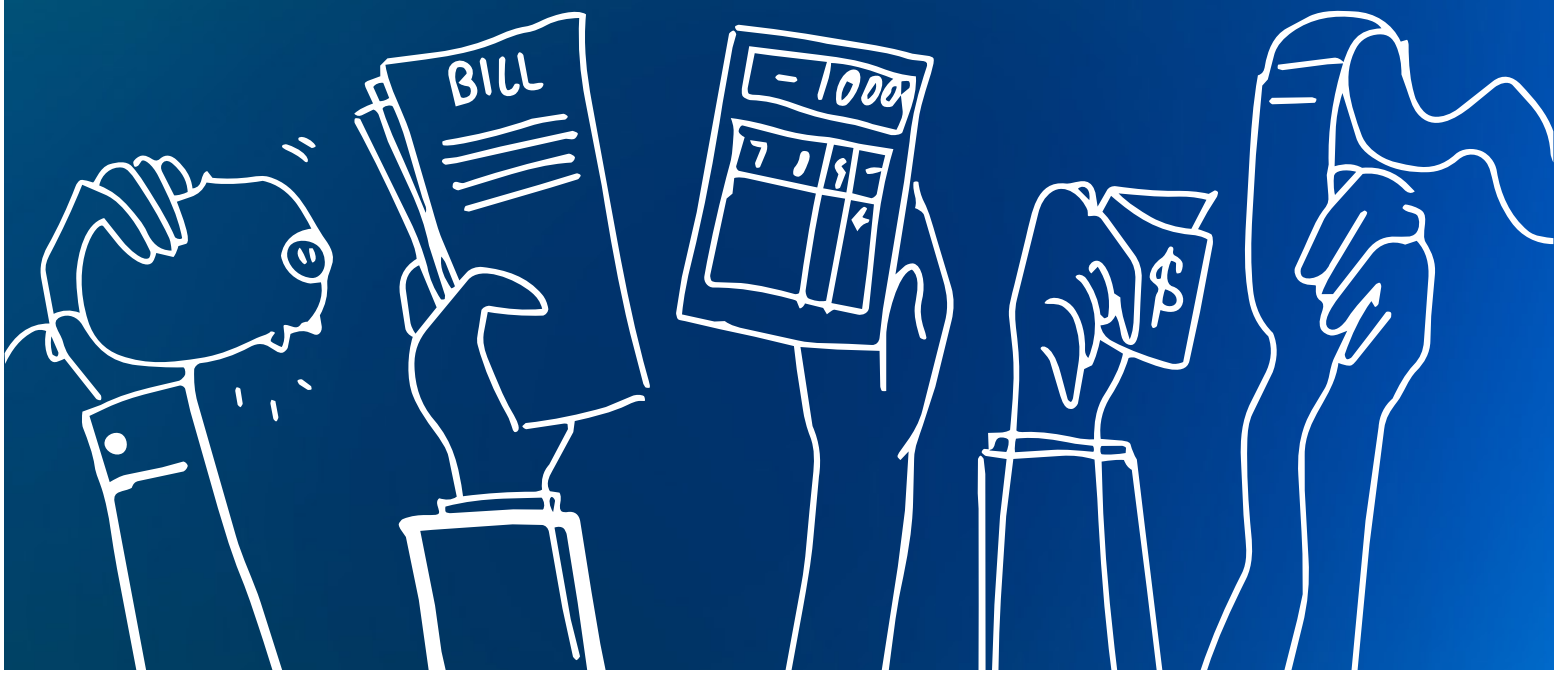
Over-Indebted Consumers in Canada

Mapping and Assessing Contributors, Consequences, and Coping Strategies Among Low-Income Households Before, During, and After COVID-19

July 2026

Social Planning and Research Council
of British Columbia

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About this Study

Sponsor

The Office of Consumer Affairs at Innovation, Science and Economic Development Canada (ISED)

Study Title

Over-indebted Consumers in Canada: Mapping and Assessing Contributors, Consequences, and Coping Strategies Among Low-Income Households Before, During, and After COVID-19

Les Consommateurs surendettés au Canada : Cartographie et évaluation des facteurs contributifs, des conséquences et des stratégies d'adaptation parmi les ménages à faible revenu avant, et après la COVID19

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About this Research

This study investigates over-indebtedness among low-income consumers in Canada while taking into consideration the impact of rising consumer prices, market fluctuations, and inflation, coupled with high debt-to-income ratios. For the purposes of this research, over-indebtedness is defined as having debt levels that prevent individuals from meeting their basic needs such as food, shelter, clothing, medication, and utilities. This research focuses on the lived experience of Canadians and systematically explore the experiences of over-indebted consumers with a focus on:

- individual contributors (e.g. socio-demographics, financial literacy, behavioral),
- systemic barriers (e.g. inflation, access to services),
- outcomes (e.g. health, poverty), and
- trade-offs and coping strategies.

The Research Approach and Methodology

This research integrates qualitative, quantitative, and spatial analysis to examine geographic differences of over-indebtedness across Canada including considerations related to key social, demographic, and economic factors contributing to over-indebted individuals and households.

The study will rely on different methods of engagement will include the use of:

- an online survey of Canadian consumers (individuals and households)
- the organization of a series of focus groups designed to build a deeper understanding of the different pathways into debt as well as the compromises, trade-offs, and coping strategies that are necessary to escape debt and related financial insecurity that accompanies it.

Adopting an Equity-Based Approach

This research will rely on the use of an equity-based approach to develop a better understanding of the extent to which different social and economic groups might be disproportionately affected. Through this research we are seeking to engage individuals and households falling at the lower end of the income continuum, including households with precarious employment, as well as people with limited credit. Women, including single mothers, as well as racialized populations are also more likely to experience greater economic insecurity and financial disparities. Through this research we are interested in building a deeper understanding of the extent to which higher levels of indebtedness can be linked to historical and on-going patterns of inequality and inequity.

Key Research Questions

The following are the questions that will be considered through this research:

1. What are the characteristics of over-indebtedness among low-income consumers as identified in the literature, including contributing factors, outcomes, and coping strategies?

2. How has the geography of over-indebtedness evolved over time;
   - before, during, and after the COVID-19 pandemic
   - across different Canadian communities
   - across different priority population groups

3. What are the different factors contributing to a sense of financial insecurity and financial stress among Canadian households including an increase in the number of debt-burdened families and individuals?

4. What is the impact of living in over-indebted situations for low-income households and what type of coping strategies do households adopt to navigate these challenges?

5. What prevention and mitigation strategies can be adopted to protect over-indebted consumers and enhance the financial resilience of over-indebted Canadian Consumers?

Expected Outcomes

This study will provide a comprehensive understanding of over-indebtedness among Canadian families and individuals through the use of spatial and temporal analysis supported by an interactive dashboard of key measures and indicators. It is anticipated that final deliverables will include a series of technical reports in both official languages as well as peer-reviewed publications.

This project relies on:
- a review of the literature
- the creation of a project advisory group
- the integration of Environics, TransUnion, and Equifax data
- the launch of a national survey
- key informant interviews and focus groups.

Project Timeline

The following sets out the project timeline and key milestones.

Q1

Oct 1, 2025 – Dec 31, 2025

- Project Initiation
- Literature Review
- Data Aquisition
- Preliminary Analysis

Q2

Jan 1, 2026 – Mar 31, 2026

- Research Ethics Approval
- Preliminary Survey Design
- Data Analysis & Mapping
- Preliminary Outreach & Engagement

Q3

Apr 1, 2026 – Jun 30, 2026

- Create a National Advisory Committee
- Survey Pre-Testing & Implementation
- Finalize Engagement Plan & Strategy
- Organize Structured Interviews & Focus Groups

Q4

Jul 1, 2026 – Sep 30, 2026

- Survey Implementation
- Targeted Focus Groups
- One-on-one Interviews
- National Advisory Committee Input

Q5

Oct 1, 2026 – Dec 31, 2026

- Preliminary Reporting
- Targeted Engagement
- Development of Data Dashboard

Q6

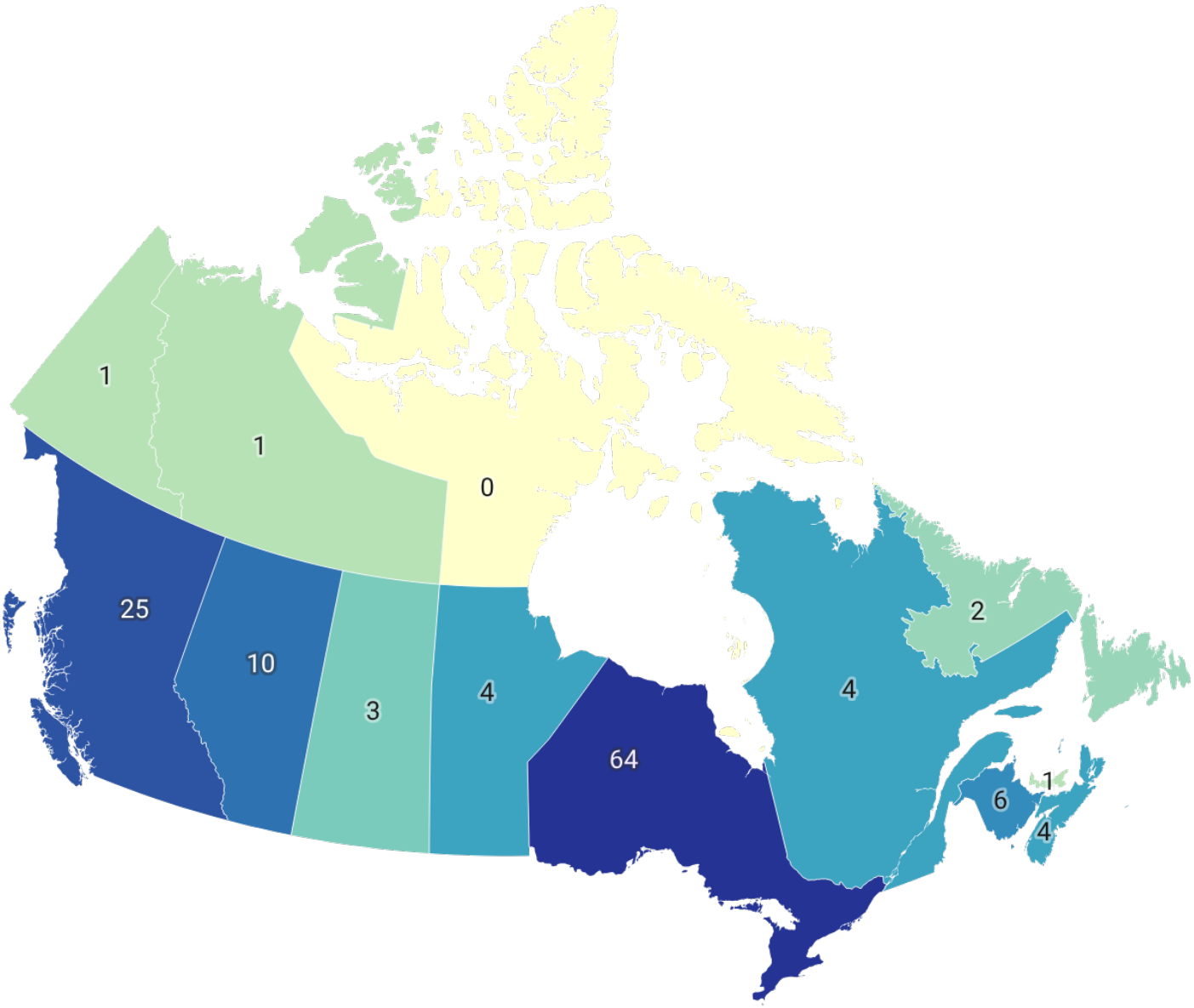
Jan 1, 2027 – Mar 31, 2027

- Final Report Development
- Data Dashboard Publication
- Communication Mobilization & Knowledge Transfer

Engagement Outreach

The following organizations and individuals have been engaged to support this research or to serve on the National Advisory Committee.

Outreach by Province



Outreach by Service Area

