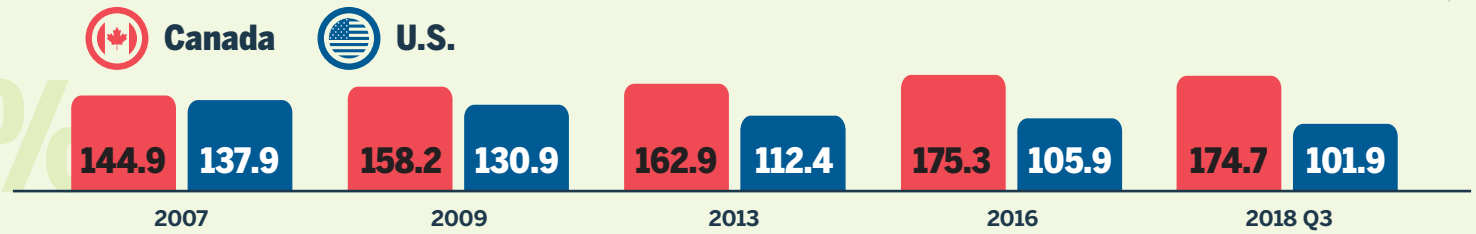


# Spotlight on Canadians and debt Who's vulnerable?

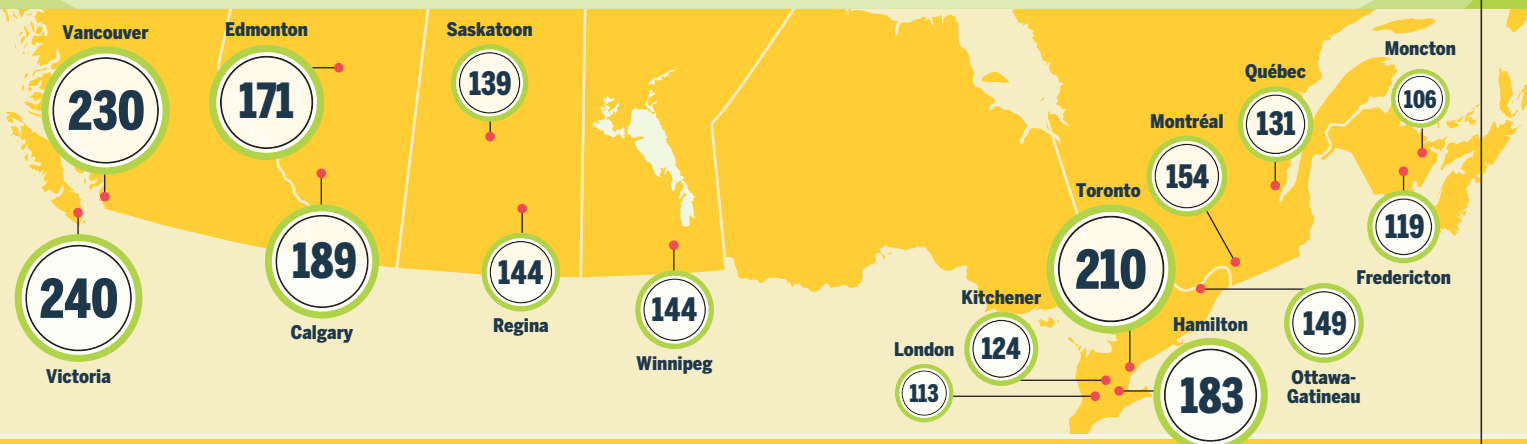
Debt-to-income ratios in Canada continued to rise since the 2008–2009 recession, while they declined in the United States over the same period.

## Household debt-to-income ratios

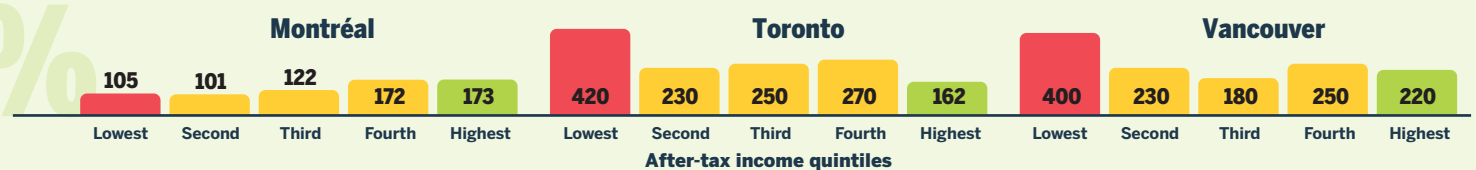
(percent)



In Victoria, Vancouver and Toronto, debt-to-income ratios exceeded 200% in 2016, which means a household with \$50,000 in after-tax income had over \$100,000 in debt.



Debt-to-income ratios were relatively high for those at the bottom of the income distribution in CMAs where housing prices have increased over the last few years.



Over the last 5 years, home prices have **increased** notably in large CMAs

**43%**  
in Canada

**61%**  
in Victoria

**68%**  
in Vancouver

**58%**  
in Toronto

## Did you know?

**8.4%**

of Canadian families had less than \$500 in net worth in 2016.<sup>1</sup>

**18.6%**

of those in the lowest income quintile had less than \$500 in net worth in 2016.

Stay tuned for more insights on Canadians and debt through our analytical publications.

<sup>1</sup> Calculated for economic families and persons not in an economic family that have less than \$500 in net worth, excluding registered pension assets.

Sources: Statistics Canada, Survey of Financial Security, 2016, and Table 38-10-0235-01; Board of Governors of the Federal Reserve System (United States), Table Z.1 Financial Accounts of the United States; U.S. Bureau of Economic Analysis, Table 2.1 Personal Income and Its Disposition, Quarterly and Annual; and MLS Home Price Index data from The Canadian Real Estate Association.

Note: Throughout this infographic, the term 'Canadian families' is used to describe economic families and persons not in economic families. Debt-to-income ratios at the national level were calculated based on concepts from the Macroeconomic Accounts and using disposable income. Note that estimates also include data from non-profit institutions serving households. Debt-to-income ratios by after-tax income quintile and census metropolitan area were calculated using after-tax income, based on concepts from the Survey of Financial Security, which defines after-tax income as total income (market income and government transfer payments) less income taxes (federal and provincial).

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