Catalogue no. 36-28-0001
ISSN 2563-8955

Economic and Social Reports

Indebtedness and financial vulnerability among families of immigrants and Canadian-born people



by Jianwei Zhong, Stéphane Arabackyj, Max Stick, Feng Hou and Christoph Schimmele

Release date: October 28, 2026

Statistics Canada Statistique Canada

Canada

How to obtain more information

For information about this product or the wide range of services and data available from Statistics Canada, visit our website, www.statcan.gc.ca.

You can also contact us by

Email at infostats@statcan.gc.ca

Telephone, from Monday to Friday, 8:30 a.m. to 4:30 p.m., at the following numbers:

- Statistical Information Service 1-800-263-1136
- National telecommunications device for the hearing impaired 1-800-363-7629
- Fax line 1-514-283-9350

Standards of service to the public

Statistics Canada is committed to serving its clients in a prompt, reliable and courteous manner. To this end, the Agency has developed standards of service which its employees observe in serving its clients. To obtain a copy of these service standards, please contact Statistics Canada toll-free at 1-800-263-1136. The service standards are also published on www.statcan.gc.ca under "Contact us" > "Standards of service to the public."

Note of appreciation

Canada owes the success of its statistical system to a long-standing partnership between Statistics Canada, the citizens of Canada, its businesses, governments and other institutions. Accurate and timely statistical information could not be produced without their continued co-operation and goodwill.

Published by authority of the Minister responsible for Statistics Canada

© His Majesty the King in Right of Canada, as represented by the Minister of Industry, 2026

Use of this publication is governed by the Statistics Canada Open Licence Agreement.

An HTML version is also available.

Cette publication est aussi disponible en français.

Research article

Indebtedness and financial vulnerability among families of immigrants and Canadian-born people

by Jianwei Zhong, Stéphane Arabackyj, Max Stick, Feng Hou and Christoph Schimmele

DOI: https://doi.org/10.25318/36280001202601000001-eng

This study was jointly conducted by Immigration, Refugees and Citizenship Canada and Statistics Canada.

Abstract

Background: Family indebtedness in Canada has risen over the past decade, while immigration has become the principal driver of population and labour force growth. Although previous research has examined wealth accumulation among immigrants, less is known about their indebtedness and financial vulnerability in the post-2016 period.

Data and methods: The study uses data from the 2016, 2019 and 2023 Survey of Financial Security. It compares indebtedness among recent immigrant families, established immigrant families and Canadian-born families at comparable stages of the life cycle. Measures include total debt and its components, the debt-to-income and debt-to-asset ratios, indebtedness excluding mortgage debt, short-term credit behaviour, and the prevalence of having no financial wealth.

Results: From 2016 to 2023, immigrant families were more leveraged than Canadian-born families, but this leverage was largely housing-driven and asset-backed. Despite higher debt-to-income ratios among immigrant families, debt-to-asset ratios were moderate across groups. When mortgage debt was excluded, immigrant and Canadian-born families had similar indebtedness levels. Indicators of short-term credit stress, such as payday loan use and credit card refusals, were generally low and differed more by age and education than by immigrant status. However, immigrant families were more likely to lack non-housing financial wealth.

Interpretation: The findings suggest that financial vulnerability among immigrant families is closely tied to housing market dynamics, metropolitan settlement patterns and the pace of financial asset accumulation after arrival. Financial vulnerability among immigrants stems primarily from exposure to high-cost housing markets and elevated mortgage borrowing rather than disproportionate reliance on unsecured credit.

Keywords: Indebtedness, financial vulnerability, debt-to-income ratios, debt-to-asset ratios, immigrants

Authors

Stéphane Arabackyj and Jianwei Zhong are with the Research and Knowledge Mobilization Division at Immigration, Refugees and Citizenship Canada. Max Stick, Feng Hou and Christoph Schimmele are with the Economic and Social Analysis and Modelling Division at Statistics Canada.

Acknowledgments

The authors thank Chantal Goyette and Huju Liu for comments on an earlier version.

What is already known on this subject?

- From 2016 to 2021, Canada admitted record numbers of new immigrants, and over one-half were admitted as skilled workers, as provincial nominees or through other programs under the economic admission category.
- Increases in house prices and rents have led to many immigrants spending large shares of their incomes on shelter costs, and this may have implications for their debt position.

What does this study add?

- The study updates information on how absolute and relative indebtedness levels, as well as indebtedness with respect to income and assets, compare across recent immigrant families, established immigrant families and Canadian-born families.
- The study presents new data on how the indicators of financial vulnerability change over time and vary by sociodemographic factors such as age, education and place of residence.

Introduction

Family indebtedness in Canada has reached historically elevated levels over the past decade. Simultaneously, immigration has become the primary driver of labour force and population growth. The intersection of these structural forces raises important questions regarding financial vulnerability across immigrant cohorts. While previous research has focused on wealth accumulation and homeownership convergence between immigrant and Canadian-born families, comparatively less attention has been devoted to differences in leverage exposure in the post-2016 macro-financial environment.

From 2016 to 2021, Canada admitted record numbers of new immigrants (1.3 million), and over one-half were admitted as skilled workers, as provincial nominees or through other programs under the economic admission category (Statistics Canada, 2022). However, increases in house prices and rents have led to many immigrants spending large shares of their incomes on shelter costs (Randle, Hu & Thurston, 2021). These changes in the flows of immigrants and housing costs may have implications for the debt position of immigrant families.

This study updates Morissette's (2019) study on immigrant wealth, indebtedness and financial vulnerability. This study compares differences in debts and financial vulnerability among (1) recent immigrant families (0 to 9 years since the major income earner [MIE] was admitted as a permanent resident) and Canadian-born families whose MIE was aged 25 to 44 years,[1] (2) established immigrant families (10 years or more since the MIE was admitted as a permanent resident) and Canadian-born families whose MIE was aged 35 to 64 years and (3) established immigrant families and Canadian-born families whose MIE was aged 65 years or over. These age ranges were selected to ensure that immigrant and Canadian-born families were at a comparable stage in the life cycle. Wealth and debt are closely tied to the life cycle, since families typically accumulate debt when younger (education, housing), build wealth during prime working ages and draw down assets while reducing debt in retirement.

The study examines two questions:

1. About 73% of recent immigrant and 33% of Canadian-born MIEs fall into this age range.

1. How do the absolute and relative indebtedness levels, as well as indebtedness with respect to income and assets, compare across recent immigrant families, established immigrant families and Canadian-born families?
2. How do the indicators of financial vulnerability change over time and vary by sociodemographic factors such as age, education and place of residence?

Data and methods

The study uses data from the 2016, 2019 and 2023 Survey of Financial Security (SFS). The target population for the SFS is Canadian families in the 10 provinces. The survey excludes those living in the territories, on reserves or in Indigenous settlements; full-time residents of institutions; members of religious or communal colonies; people living in senior residences; members of the Canadian Forces living on military bases; and official representatives of foreign countries living in Canada.

To determine wealth (net worth), the SFS uses the difference between the total value of assets and the total amount of debts. Assets include financial assets, real estate and other non-financial assets, business equity, and private pension assets. The value of future entitlements to Canada Pension Plan, Quebec Pension Plan or Old Age Security payments is not included in the SFS. Debt includes credit card and instalment debt, mortgage debt, line-of-credit debt, vehicle loans, student loans and other debts. In this study, wealth is measured at the family level and is converted to 2023 constant dollars using the Canada-level all-items Consumer Price Index.

Results

Average family debt and components of debt

Table 1 presents the composition of average family debt by the immigrant status and age group of the MIE for 2016, 2019 and 2023. The results reveal persistent differences across immigrant status categories and life-cycle stages, with mortgage debt dominating liabilities in all periods.

Table 1

Average family debt and components of debt by immigrant status and age group of major income earner, 2016 to 2023

	MIE aged 25 to 44		MIE aged 35 to 64		MIE aged 65 or over	
	Recent immigrant families	Canadian-born families	Established immigrant families	Canadian-born families	Established immigrant families	Canadian-born families
2016			2023 dollars			
Total debt	183,800	187,600	266,000 *	162,500	49,600	40,300
			debt share (percent)			
Mortgage debt (all properties)	89.4 *	84.0	85.8 *	78.6	69.8	66.0
Credit card debt	1.6	1.8	1.8	2.3	3.0	3.3
Vehicle loans	3.9	5.9	2.9 *	6.5	3.5 *	8.6
Home equity line of credit	0.9	2.4	4.6 *	7.7	12.9	14.4
Other debts	4.3	5.9	4.9	5.0	10.8 *	7.6
2019			2023 dollars			
Total debt	177,800	180,400	267,800 *	159,300	44,000	35,900
			debt share (percent)			
Mortgage debt (all properties)	87.5 *	83.3	86.5 *	78.4	73.1 *	63.9
Credit card debt	1.4	1.8	1.4	2.3	3.7	3.7
Vehicle loans	4.8	6.3	3.2 *	7.2	3.4 *	9.2
Home equity line of credit	2.5	2.8	4.5 *	6.4	13.4	15.8
Other debts	3.7	5.7	4.3	5.7	6.4	7.4
2023			2023 dollars			
Total debt	215,700	189,300	287,300 *	173,100	51,300 *	36,800
			debt share (percent)			
Mortgage debt (all properties)	89.0 *	84.1	86.2 *	82.1	73.1 *	67.3
Credit card debt	1.6	2.0	1.7	2.3	2.8	3.9
Vehicle loans	4.2	5.8	2.4 *	5.6	3.2 *	7.2
Home equity line of credit	0.7 *	2.7	4.7	5.4	12.3	13.3
Other debts	4.6	5.4	4.9	4.6	8.6	8.2

* significantly different from Canadian-born families ($p < 0.05$)

Notes: MIE = major income earner. Other debts include the debt value of deferred payment and instalment plans, student loans, lines of credit (other than home equity lines of credit), other loans from financial institutions and other debts. Percentages may not sum to 100 because of rounding.

Sources: Statistics Canada, Survey of Financial Security (2620), 2016, 2019 and 2023.

Across all three survey years, established immigrant families with an MIE aged 35 to 64 consistently exhibited the highest levels of total family debt. In 2016, total debt for these established immigrant families reached $266,000, compared with $162,500 for Canadian-born families of the same age. This gap persisted in 2019 ($267,800 for established immigrant families vs. $159,300 for Canadian-born families) and widened in 2023 ($287,300 for established immigrant families vs. $173,100 for Canadian-born families).

Recent immigrant families with an MIE aged 25 to 44 also experienced growth in total debt over the period. After a slight decline from 2016 ($183,800) to 2019 ($177,800), their average debt increased to $215,700 in 2023. Canadian-born families with an MIE aged 25 to 44 saw a small change, with their debt

rising from $187,600 (2016) to $189,300 (2023). In each year, the difference in total debt between these recent immigrant and Canadian-born families was not statistically significant.

As expected under a life-cycle framework, total family debt peaked among the middle-aged population (aged 35 to 64) and declined among seniors (aged 65 and over). Among seniors, immigrants maintained higher average debt levels ($51,300) than their Canadian-born counterparts ($36,800) in 2023, in contrast to 2016 and 2019, when the difference in debt between these groups was not statistically significant.

Mortgage debt constituted the largest component of family debt across all groups and years. Among recent immigrant families with an MIE aged 25 to 44, mortgages represented 88% to 89% of total debt, depending on the survey year. Moderately lower percentages were observed among Canadian-born families of similar age (83% to 84%). Among families with an MIE aged 35 to 64, mortgage debt accounted for 86% of total debt (amounting to $247,600) for established immigrants and 82% for Canadian-born people (amounting to $142,000) in 2023. Even among families with an MIE aged 65 and over, mortgages represented a substantial portion of liabilities for established immigrant (73%) and Canadian-born (67%) people.

These results underscore the central role of housing-related borrowing in shaping overall indebtedness patterns, suggesting that variation in total debt levels across demographic groups was largely driven by different exposure to the housing market.

By contrast, non-mortgage consumer debt represented relatively small shares of total debt. Credit card debt was modest across all groups, typically ranging from 1% to 4%. While there were minor fluctuations over time, no consistent pattern of divergence by immigrant status was observed. The highest shares of total debt attributable to credit card debt were found among seniors in 2023, particularly Canadian-born families (4%).

Across the years, vehicle loans constituted a larger share of total debt for Canadian-born families with an MIE aged 35 to 64 and 65 and over than for immigrant families in these age groups. The differences between recent immigrant and Canadian-born families with an MIE aged 25 to 44 were small and not statistically significant. This pattern may reflect differences in settlement patterns, transportation needs or asset portfolios across groups.

Among families with an MIE aged 65 or over, home equity line of credit (HELOC) shares of debt were relatively high for established immigrants (12% to 13%) and Canadian-born people (13% to 16%). By comparison, recent immigrant families with an MIE aged 25 to 44 reported small shares of HELOC debt (1% to 3%). This likely reflects lower accumulated housing equity and shorter tenure in the housing market among newer arrivals. The higher HELOC shares of debt among families with an older MIE suggest increased leveraging of housing assets later in life.

The “other debts” category (instalment loans, student loans and other financial institution borrowing) was moderate but non-trivial. Shares were generally higher among established immigrant (9% in 2023) and Canadian-born families with an MIE aged 65 and over (8%). This may reflect student debt carried by family members, business borrowing or other credit instruments.

Overall, the composition of debt was relatively stable across the 2016-to-2023 period, with housing-related borrowing as the dominant structural determinant of familial indebtedness across immigrant status and age groups.

Debt-to-income and debt-to-asset ratios

Table 2 presents debt-to-income (DTI) and debt-to-asset (DTA) ratios for families by the immigrant status and age group of the MIE, with additional disaggregation by educational attainment and region of residence (Montréal, Toronto and Vancouver [MTV] versus other areas), for 2016, 2019 and 2023. Group-level DTI ratios (average total debt divided by average family income after tax) assess short-term vulnerability, while DTA ratios (average total debt divided by average total assets) express debt as a proportion of wealth and assess differences in long-term vulnerability (Meh et al., 2009).

Table 2

Indebtedness ratios for families by immigrant status and age group of major income earner, 2016 to 2023

	Overall			Major income earner has no university degree			Major income earner has a university degree			Montréal, Toronto and Vancouver			Other areas		
	2016	2019	2023	2016	2019	2023	2016	2019	2023	2016	2019	2023	2016	2019	2023
	ratios														
Debt-to-income ratios															
Major income earner aged 25 to 44															
Recent immigrant families	2.57 *	2.38	2.38	2.44	1.78	2.46	2.65	2.63 *	2.36	3.19 *	2.68	2.34	1.86	2.02	2.44
Canadian-born families	2.06	1.95	2.02	1.98	1.95	1.87	2.15	1.96	2.16	2.11	2.16	2.10	2.04	1.88	1.98
Major income earner aged 35 to 64															
Established immigrant families	2.42 *	2.50 *	2.71 *	2.53 *	2.18 *	2.14 *	2.31 *	2.73 *	3.05 *	2.54 *	2.70 *	3.13 *	2.19 *	2.17 *	1.98 *
Canadian-born families	1.57	1.53	1.73	1.58	1.45	1.62	1.57	1.64	1.87	1.81	1.68	2.01	1.49	1.48	1.62
Major income earner aged 65 or over															
Established immigrant families	0.73	0.69	0.85 *	0.66	0.63	0.85 *	0.84	0.75	0.84	0.76	0.64	1.07 *	0.70	0.74	0.57
Canadian-born families	0.63	0.57	0.59	0.60	0.54	0.56	0.71	0.62	0.63	0.70	0.73	0.62	0.61	0.52	0.57
Debt-to-asset ratios															
Major income earner aged 25 to 44															
Recent immigrant families	0.36	0.40	0.30	0.37	0.37	0.33	0.35	0.41	0.29	0.32	0.40	0.26	0.44	0.40	0.37
Canadian-born families	0.31	0.28	0.24	0.32	0.31	0.24	0.29	0.26	0.23	0.28	0.26	0.22	0.32	0.29	0.24
Major income earner aged 35 to 64															
Established immigrant families	0.20	0.22 *	0.19	0.21	0.21	0.17	0.19	0.22	0.20	0.19	0.22	0.20	0.21	0.22	0.17
Canadian-born families	0.14	0.13	0.14	0.15	0.14	0.14	0.12	0.13	0.13	0.14	0.13	0.15	0.14	0.13	0.13
Major income earner aged 65 or over															
Established immigrant families	0.04	0.04	0.04	0.04	0.03	0.04	0.04	0.04	0.03	0.04	0.03	0.04	0.04	0.05	0.03
Canadian-born families	0.04	0.03	0.03	0.04	0.04	0.03	0.04	0.03	0.03	0.03	0.03	0.03	0.04	0.03	0.03

* significantly different from Canadian-born families ($p < 0.05$)

Sources: Statistics Canada, Survey of Financial Security (2620), 2016, 2019 and 2023.

Among families with an MIE aged 35 to 64, established immigrant families consistently exhibited higher DTI ratios than Canadian-born families and showed a marked upward trajectory over time: 2.42 in 2016, 2.50 in 2019 and 2.71 in 2023. By contrast, Canadian-born families with an MIE of the same age displayed lower DTI ratios (1.57 in 2016, 1.53 in 2019 and 1.73 in 2023). The widening gap by 2023 indicates increasing income leverage among established immigrants relative to the Canadian-born population.

Among younger families (with an MIE aged 25 to 44), recent immigrants had persistently high leverage, with DTI ratios of 2.57 in 2016 and 2.38 in both 2019 and 2023.[2] Canadian-born families with an MIE in this age group were comparatively less leveraged in 2016 (2.06), but the difference in DTI ratios between recent immigrant and Canadian-born families decreased to levels that were no longer statistically significant in 2019 and 2023.

For families with an MIE aged 65 or over, DTI ratios were substantially lower across all groups, reflecting reduced borrowing relative to income. Nonetheless, established immigrant seniors displayed a notable increase from 0.69 in 2019 to 0.85 in 2023, compared with Canadian-born seniors (from 0.57 to 0.59), suggesting some continued reliance on debt at older ages.

DTA ratios were uniformly lower than DTI ratios, reflecting the presence of significant asset holdings (primarily housing) among indebted families. However, important differences persisted across demographic groups.

Among younger families (with an MIE aged 25 to 44), recent immigrants showed elevated but declining DTA ratios, from 0.36 in 2016 to 0.30 in 2023. Canadian-born people in the same age group exhibited a similar but slightly lower pattern (0.31 to 0.24). These trends suggest improving asset buffers relative to debt, possibly linked to housing price appreciation.

For prime working-age families (with an MIE aged 35 to 64), DTA ratios were relatively stable. Established immigrants had ratios of 0.20 in 2016 and 0.19 in 2023, while Canadian-born people had a lower DTA ratio, at 0.13, in 2019, but similar ratios in 2016 and 2023. Seniors across all groups displayed very low DTA ratios (0.03 to 0.04), consistent with substantial asset accumulation relative to remaining liabilities at later stages in the life cycle.

Overall, while DTI ratios varied substantially across groups and over time, DTA ratios were comparatively stable and moderate, indicating that debt was largely asset-backed. This distinction implies that debt-related financial vulnerability is mainly linked to income constraint rather than insufficient assets. In other words, even as assets provide a buffer against insolvency, high DTI ratios still suggest risks related to employment disruptions or rising borrowing costs.

Educational attainment was associated with indebtedness levels but did not eliminate immigrant and Canadian-born differentials among those with an MIE aged 35 to 64. Among families whose MIE had a university degree, DTI ratios were higher for established immigrants with an MIE aged 35 to 64, compared with Canadian-born people of the same age. Among those with less than a university degree, leverage patterns were similar. Overall, established immigrants with an MIE aged 35 to 64 with a university degree had the highest DTI ratio (3.05) in 2023 among all groups. DTA ratios were generally similar among immigrant and Canadian-born families with an MIE aged 25 to 44 or 35 to 64, regardless of education level.

2. Among recent immigrant families with a younger MIE, debts and incomes both rose from 2016 to 2023, with income advancing at a slightly faster pace. Therefore, the DTI ratio remained relatively flat and slightly lower from 2016 to 2023.

Regional stratification reveals that DTI ratios were consistently higher in MTV than in other areas. Established immigrants with an MIE aged 35 to 64 in MTV showed a substantial rise from 2.54 in 2016 to 3.13 in 2023, representing the highest regional leverage observed. Recent immigrants with an MIE aged 25 to 44 in MTV also displayed elevated ratios, though declining from 3.19 in 2016 to 2.34 in 2023. Even seniors in MTV had much higher DTI ratios than those in other areas. Outside MTV, leverage levels were generally lower but remained elevated among certain groups. For example, recent immigrants with an MIE aged 25 to 44 outside MTV showed an increase from 1.86 in 2016 to 2.44 in 2023, narrowing the regional gap.[3]

DTA ratios in MTV remained moderate (typically between 0.15 and 0.26 in 2023 for prime working-age groups), suggesting that high leverage in metropolitan areas is closely tied to appreciating asset values—particularly housing. Nevertheless, the elevated DTI ratios indicate greater income sensitivity to interest rate shocks in these areas. In MTV, the gap of DTA ratios between recent immigrant families with an MIE aged 25 to 44 and Canadian-born families with an MIE in the same age group shrank over time, compared with those outside MTV. As well, the gap between established immigrant and Canadian-born families with MIEs of the same age was very similar and moderate within MTV and other areas.

Altogether, the evidence indicates that financial risk was most concentrated among prime working-age immigrant families, especially those whose MIE had a higher education and those residing in Canada's largest metropolitan housing markets.

Indebtedness levels excluding mortgage debt and housing assets

Table 3 presents group-level indebtedness ratios excluding mortgage debt and housing assets, thereby highlighting non-housing leverage (e.g., consumer credit, vehicle loans, student debt and other unsecured liabilities).

3. The size of debts of recent immigrants in MTV was relatively stable from 2016 to 2023, but family income increased by more than 30%, resulting in a declining DTI trend. By comparison, debts of recent immigrants in other areas rose almost 50% from 2016 to 2023, while family income increased by about 12%. Therefore, their DTI trended up, narrowing the gap with the DTI for their counterparts in MTV, and even slightly surpassing it in 2023.

Table 3
Indebtedness ratios for families, excluding mortgage debt and housing assets, by immigrant status and age group of major income earner, 2016 to 2023

	Overall			Major income earner has no university degree			Major income earner has a university degree			Montréal, Toronto and Vancouver			Other areas		
	2016	2019	2023	2016	2019	2023	2016	2019	2023	2016	2019	2023	2016	2019	2023
	ratios														
Debt-to-income ratios															
Major income earner aged 25 to 44															
Recent immigrant families	0.27	0.30	0.26	0.31	0.29	0.22	0.25	0.30	0.27	0.26	0.30	0.23	0.29	0.29	0.31
Canadian-born families	0.33	0.33	0.32	0.35	0.34	0.33	0.30	0.31	0.31	0.27	0.28	0.26	0.35	0.34	0.35
Major income earner aged 35 to 64															
Established immigrant families	0.34	0.34	0.38	0.40	0.34	0.40	0.29	0.33	0.36	0.31	0.34	0.40	0.40	0.33	0.34
Canadian-born families	0.34	0.33	0.31	0.38	0.35	0.34	0.28	0.31	0.28	0.33	0.26	0.26	0.34	0.36	0.33
Major income earner aged 65 or over															
Established immigrant families	0.22	0.18	0.23	0.20	0.17	0.22	0.25	0.20	0.24	0.21	0.16	0.28	0.24	0.21	0.16
Canadian-born families	0.22	0.20	0.19	0.21	0.21	0.20	0.23	0.18	0.18	0.21	0.26	0.20	0.22	0.19	0.19
Debt-to-asset ratios															
Major income earner aged 25 to 44															
Recent immigrant families	0.16	0.17	0.08	0.30	0.14	0.09	0.12	0.18	0.07	0.13	0.18	0.06	0.22	0.15	0.10
Canadian-born families	0.10	0.10	0.08	0.12	0.11	0.09	0.09	0.08	0.07	0.09	0.08	0.07	0.11	0.10	0.08
Major income earner aged 35 to 64															
Established immigrant families	0.07	0.07	0.07	0.09	0.09	0.08	0.05	0.07	0.06	0.06	0.08	0.07	0.08	0.07	0.06
Canadian-born families	0.05	0.05	0.04	0.06	0.06	0.05	0.04	0.04	0.03	0.05	0.04	0.04	0.05	0.05	0.05
Major income earner aged 65 or over															
Established immigrant families	0.02	0.02	0.02	0.03	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.01
Canadian-born families	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.01	0.01	0.02	0.02	0.02	0.02	0.02	0.02

Note: There were no significant differences from Canadian-born families at $p < 0.05$.

Sources: Statistics Canada, Survey of Financial Security (2620), 2016, 2019 and 2023.

The results provide an important contrast to the housing-inclusive patterns observed in Table 2. Overall, non-housing indebtedness levels were substantially lower and displayed no significant differences across immigrant groups and the Canadian-born population.

For all age groups, non-housing DTI ratios were generally below 0.40, and DTA ratios typically remained below 0.20. Among seniors, DTI ratios were frequently below 0.25 and DTA ratios clustered around 0.02. These markedly lower levels relative to Table 2 indicate that the elevated indebtedness previously observed among immigrant families was largely attributable to housing market participation rather than disproportionate reliance on unsecured credit.

The non-housing DTA ratios of immigrant families were equal to those of Canadian-born families with an MIE of similar age.

Educational attainment showed limited association with non-housing indebtedness among immigrant and Canadian-born families. Recent immigrants with an MIE aged 25 to 44 and established immigrants with an MIE aged 34 to 64 with or without a university education showed similar non-housing DTI ratios as their Canadian-born counterparts. The comparisons of non-housing DTA ratios between these immigrant groups and the Canadian-born population were also similar for those with or without a university education.

Regional contrasts are far less pronounced in non-housing ratios than in the housing-inclusive measures. While established immigrant families in MTV exhibited slightly higher non-housing DTI ratios than those in other areas in 2023, the differences were modest. As well, recent immigrant families with an MIE aged

25 to 44 in MTV even had a modestly lower non-housing DTI ratio than those in other areas. The non-housing DTA ratios were very similar regardless of the region.

Overall, the non-housing DTI and DTA measures remained low relative to housing-inclusive indebtedness. Non-housing DTA ratios were especially stable across ages, immigrant status categories, education levels and regions, reinforcing the conclusion that non-housing liabilities represent a relatively small share of total assets for most families. Financial vulnerability in this context appears limited.

Short-term credit behaviour: Payday loans and credit cards

Table 4 examines three indicators of short-term credit behaviour: (1) having used payday loans in the past three years, (2) having no credit card because of refusals and (3) paying credit card balances in full each month among credit card holders. These measures provide insight into short-term liquidity pressures and credit access constraints, complementing earlier results on broader indebtedness and financial vulnerability.

Table 4
Payday loan and credit card use by immigrant status and age group of major income earner, 2016 to 2023

	Overall			Major income earner has no university degree			Major income earner has a university degree			Montréal, Toronto and Vancouver			Other areas		
	2016	2019	2023	2016	2019	2023	2016	2019	2023	2016	2019	2023	2016	2019	2023
	percent														
Used payday loans in the last three years															
Major income earner aged 25 to 44															
Recent immigrant families	2.1 *	4.1	2.4	3.5 *	5.1	2.2 *	1.2	3.6	2.4	2.0	4.9	2.1	2.3 *	3.1	2.7
Canadian-born families	5.6	4.5	3.9	7.9	6.0	6.0	1.6	2.0	1.1	4.6	2.0	2.8	6.0	5.5	4.3
Major income earner aged 35 to 64															
Established immigrant families	2.5 *	4.4	4.2	3.6	6.7	4.1	1.2	2.1	4.3 *	2.7	4.0	4.5	2.0 *	5.1	3.6
Canadian-born families	4.2	3.1	3.7	5.4	3.7	5.3	1.5	1.7	0.9	3.4	2.1	3.5	4.5	3.5	3.8
Major income earner aged 65 or over															
Established immigrant families	1.0	0.5	0.6	1.3	0.6	0.8	0.1 *	0.3	0.3	0.5	0.8	0.8	1.6	0.1 *	0.5 *
Canadian-born families	1.5	1.0	1.4	1.4	1.1	1.7	1.8	0.5	0.7	1.7	0.4	0.6	1.5	1.1	1.6
Had no credit cards because of refusals															
Major income earner aged 25 to 44															
Recent immigrant families	1.2 *	0.0 *	0.0 *	2.9	0.0 *	0.0 *	0.0	0.0	0.0 *	2.1	0.0 *	0.0 *	0.0 *	0.0 *	0.0 *
Canadian-born families	4.3	3.4	1.7	6.3	5.3	2.6	0.6	0.2	0.7	2.7	2.7	1.2	4.9	3.6	2.0
Major income earner aged 35 to 64															
Established immigrant families	1.1 *	1.8	1.0	1.5 *	2.9	1.5	0.6	0.7	0.5	1.1	1.3	1.0	1.1 *	2.7	1.0
Canadian-born families	3.9	2.0	1.7	5.1	2.6	2.2	0.9	0.7	0.8	3.5	1.3	1.6	4.0	2.3	1.7
Major income earner aged 65 or over															
Established immigrant families	1.2	1.7	1.2	1.4	2.3	1.3	0.6	0.6	0.9	1.2	2.2	1.3	1.1	1.1	1.0
Canadian-born families	1.4	1.2	1.6	1.6	1.5	1.7	0.6	0.5	1.3	2.0	0.8	1.7	1.3	1.3	1.6
Usually paid off credit card balances each month															
Major income earner aged 25 to 44															
Recent immigrant families	58.1	59.6 *	58.6	52.3 *	44.2	42.7	61.9	67.1	62.4	58.5	61.8	62.5	57.6	56.9	53.4
Canadian-born families	52.2	51.6	55.0	41.1	41.2	44.2	68.7	66.3	67.7	55.9	54.5	64.6	50.7	50.5	51.0
Major income earner aged 35 to 64															
Established immigrant families	63.8	64.1 *	62.2	53.9	53.4	52.7	75.2	73.4	69.5	64.9	68.4 *	62.8	61.7	57.0	61.0
Canadian-born families	59.5	56.5	59.4	53.1	49.5	52.0	72.7	69.7	71.3	63.0	60.7	65.7	58.4	55.0	57.1
Major income earner aged 65 or over															
Established immigrant families	79.4	79.0	81.0	76.7	78.1	80.0	85.5	80.4	82.6	75.8 *	79.2	79.7	83.8	78.7	82.8
Canadian-born families	82.7	79.8	79.4	80.3	77.5	76.3	90.2	85.9	86.8	86.5	86.0	79.9	81.7	78.2	79.3

* significantly different from Canadian-born families ($p < 0.05$)

Sources: Statistics Canada, Survey of Financial Security (2620), 2016, 2019 and 2023.

Payday loan use remained relatively uncommon across all demographic groups, generally below 6%, but displayed clear age and education gradients. Across the life cycle, usage was higher among families with an MIE aged 25 to 44 or 35 to 64 and lowest among seniors. Among seniors, usage rates remained below 2% throughout the period, indicating limited reliance on high-cost short-term borrowing in retirement. Among younger families with an MIE aged 25 to 44, Canadian-born people reported higher payday loan use than recent immigrants in 2016, but not in other periods. Among prime working-age

families (with an MIE aged 35 to 64), established immigrants showed a rising trend in payday loan use, increasing from 3% in 2016 to 4% in 2023.

Payday loan use strongly differed by educational attainment. Families whose MIE did not have a university degree generally exhibited substantially higher usage rates. For example, among Canadian-born families with an MIE aged 25 to 44 in 2023, payday loan use was 6% for those without a degree, compared with 1% for their university-educated counterparts. This education gradient persisted across age groups and years (with an exception in 2023, when immigrant families whose MIE did not have a university education showed slightly lower usage rates than those whose MIE had a university education). It indicates that educational attainment plays a larger role than immigrant status in shaping reliance on high-cost credit. Payday loan use did not appear systematically higher in MTV. In some cases, rates were comparable or slightly higher in regions outside MTV.

The share of families reporting not having a credit card because of refusals serves as a proxy for credit access constraints. Overall levels were low, typically below 5%, and declined over time. This share was almost uniformly lower for recent immigrant families than Canadian-born families with an MIE aged 25 to 44, with the differentials shrinking at older ages. Similar to its role for payday loan use, education was a strong determinant in the rates of not having a credit card because of refusal among families. Families whose MIE did not have a university degree showed considerably higher rates. This pattern also held across age groups. Regional variation was limited, though refusal rates tended to be slightly higher in other areas than in MTV for certain groups, particularly among Canadian-born families.

Among credit card holders, the majority reported paying their balances in full each month, and repayment behaviour improved markedly with age. Among families with an MIE aged 25 to 44 in 2023, approximately 59% of recent immigrant and 55% of Canadian-born families reported paying balances in full. Among families with an MIE aged 35 to 64, the shares rose to 62% (established immigrants) and 59% (Canadian-born people). Among seniors, repayment rates exceeded 79% and reached as high as 81% for established immigrants in 2023.

Education was strongly associated with repayment behaviour. Families with a university-educated MIE consistently reported higher rates of full repayment. Similar education gradients appeared across age groups and immigrant status categories. Families with an MIE aged 25 to 44 or 35 to 64 in MTV showed considerably higher repayment rates than those in other areas. However, the overall regional gaps were small relative to age and education effects.

In general, short-term credit stress among families, as measured by payday loan use and credit card refusals, was relatively limited. The majority of credit card holders, particularly older and university-educated MIEs, paid balances in full, indicating broadly prudent short-term credit management across the population. The differences between immigrant and Canadian-born families were generally small once education and age were considered.

Percentage of families without financial wealth

Table 5 reports the percentage of individuals living in families with no financial wealth, defined as net worth excluding housing equity, business equity and private pension plan assets. This measure captures liquid and semi-liquid financial asset ownership and provides an important complement to the indebtedness and financial vulnerability examined in Tables 1 to 4.

Table 5
Percentage of people in families with no financial wealth by immigrant status and age group of major income earner, 2016 to 2023

	Overall			Major income earner has no university degree			Major income earner has a university degree			Montréal, Toronto and Vancouver			Other areas		
	2016	2019	2023	2016	2019	2023	2016	2019	2023	2016	2019	2023	2016	2019	2023
	percent														
Major income earner aged 25 to 44															
Recent immigrant families	21.2	18.7	16.1	23.0	19.9	19.5	19.6	18.0	15.0	23.8	18.3	12.7	17.8	19.2	20.4
Canadian-born families	20.5	19.7	12.7	22.2	20.5	12.1	17.5	18.4	13.4	19.4	16.0	11.4	21.0	21.1	13.2
Major income earner aged 35 to 64															
Established immigrant families	21.0 *	23.1 *	16.2 *	24.9 *	23.8 *	16.2	15.7	22.5 *	16.3 *	19.8	24.9 *	17.1 *	23.4 *	20.1	14.6
Canadian-born families	16.4	14.3	11.0	18.0	13.9	12.6	12.8	15.1	8.4	16.9	13.2	10.6	16.3	14.7	11.1
Major income earner aged 65 or over															
Established immigrant families	11.8 *	6.7	6.1	9.9	7.0	6.5	15.9	6.4	5.5	12.6	6.6	7.0	10.8	7.0	4.9
Canadian-born families	6.6	6.4	5.0	6.6	6.6	4.7	6.8	5.9	5.7	8.1	8.7	5.6	6.3	5.9	4.8

* significantly different from Canadian-born families ($p < 0.05$)

Notes: Financial wealth equals net worth minus housing equity, business equity and private pension plan assets. Private pension plan assets include assets from registered pension plans, registered retirement savings plans, locked-in retirement accounts, registered retirement income funds and other retirement funds.

Sources: Statistics Canada, Survey of Financial Security (2620), 2016, 2019 and 2023.

Across most demographic groups, the share of individuals in families with no financial wealth declined from 2016 to 2023. The reduction was particularly evident among working-age families (with an MIE aged 25 to 44 or 35 to 64), suggesting improved financial asset accumulation during the period. By 2023, the proportion without financial wealth generally ranged from approximately 11% to 20% among the working-age groups and fell below 7% among seniors. These trends are consistent with rising asset prices, income growth in certain segments and potential accumulation of savings over the period.

The life-cycle pattern indicates that financial wealth deprivation is concentrated among younger and middle-aged working-age people rather than retirees. Seniors benefit from decades of savings and retirement asset accumulation, even when housing equity and pension assets are excluded from the measure. Although the size of financial wealth deprivation shrank over the years examined, the differences between established immigrant and Canadian-born families still existed. From 2016 to 2023, larger shares of established immigrant families with an MIE aged 34 to 64 than their Canadian-born counterparts fell into the no-financial-wealth group.

Educational attainment emerged as a central determinant of financial wealth accumulation. Families in which the MIE did not have a university degree generally showed higher rates of having no financial wealth than those in which the MIE had a university education. The results suggest that human capital plays a stronger role in financial wealth accumulation, likely because of its association with higher and more stable earnings. Within the same education level, working-age immigrant families consistently showed considerably higher rates of having no financial wealth than Canadian-born families, implying immigrants are disadvantaged in financial wealth accumulation, likely because of long settlement and integration processes.

Regional differences between MTV and other areas were present but not consistently large. The more recent surveys of 2019 and 2023 showed that younger families had higher rates of lacking financial wealth outside MTV, while established immigrant families in MTV had higher rates, likely because of higher housing-related indebtedness exhausting financial wealth such as savings. Unlike the total indebtedness ratios in Table 2, which were strongly influenced by housing market conditions in MTV, the absence of financial wealth did not show a consistently pronounced metropolitan disadvantage.

Conclusion

This study updates and extends earlier evidence on wealth and financial vulnerability by examining indebtedness patterns among recent immigrant, established immigrant and Canadian-born families using the 2016, 2019 and 2023 SFS. Focusing on debt levels, leverage ratios, non-housing indebtedness, short-term credit behaviour and financial asset buffers, the analysis yields several central conclusions.

First, established immigrants of prime-working ages (35 to 64) consistently carry higher absolute debt levels and markedly higher DTI ratios than comparable Canadian-born families. The gap widened from 2016 to 2023, especially in major metropolitan areas (MTV). By 2023, established immigrant families with an MIE aged 35 to 64 recorded the highest DTI ratios observed across all groups, reflecting both elevated housing prices and sustained mortgage borrowing.

Second, despite elevated DTI ratios, DTA ratios remain moderate and comparatively stable across groups. The rise in income-based leverage does not translate proportionally into asset-based vulnerability, because debt is predominantly mortgage-backed and supported by substantial housing equity. When mortgage debt and housing assets are excluded, the differences in indebtedness between immigrant and Canadian-born families narrow considerably. Non-housing DTI and DTA ratios are low across all groups, and immigrant families, particularly recent immigrants, do not display disproportionate reliance on unsecured consumer credit.

Third, financial vulnerability appears highly concentrated in specific demographic and regional segments. Immigrant families with a working-age MIE with a university degree residing in MTV show the highest leverage ratios, reflecting strong participation in high-cost housing markets. However, education generally mitigates short-term credit stress. Payday loan use, credit card refusals and credit card repayment behaviour differ far more by education and age than by immigrant status. Across nearly all groups, immigrant families do not show systematically worse short-term credit management outcomes than Canadian-born families.

Fourth, while indicators of short-term credit stress remain limited, immigrant families continue to show a higher incidence of lacking non-housing financial wealth. Although the proportion of families without financial wealth declined from 2016 to 2023, established immigrant families remain more likely than their Canadian-born counterparts to lack liquid financial buffers. This suggests that vulnerability among established immigrant families is less about excessive unsecured borrowing and more about limited diversification beyond housing wealth during earlier settlement years.

Fifth, life-cycle patterns remain central to understanding vulnerability. Leverage peaks in prime working ages and declines sharply after age 65. Seniors across all groups show very low DTI and DTA ratios and relatively higher rates of full credit card repayment. The primary period of exposure to income-sensitive risk is therefore the mid-career stage, especially among immigrants with substantial mortgage commitments.

Overall, the updated evidence reinforces and refines earlier findings. Immigrant families do not appear disproportionately exposed to short-term credit stress or non-housing indebtedness. Rather, their higher vulnerability arises primarily through housing market participation and elevated mortgage-related leverage during working ages. The distinction between income-based leverage and asset-backed indebtedness is central: while balance sheets remain asset-supported, higher DTI ratios imply greater sensitivity to interest rate increases and income shocks.

From a policy perspective, these findings suggest that financial vulnerability among immigrant families is closely tied to housing market dynamics, metropolitan settlement patterns and the pace of financial asset accumulation after arrival. Policies aimed at improving financial asset diversification, strengthening

income stability during early and mid-settlement stages, and supporting resilience to interest rate shocks may be more effective than those targeting unsecured debt.

References

Meh, C. A., Terajima, Y., Chen, D. X., & Carter, T. J. (2009). *Household Debt, Assets, and Income in Canada: A Microdata Study*. Discussion Paper 2009-7. Ottawa: Bank of Canada.

Morissette, R. (2019). The wealth of immigrant families in Canada. *Analytical Studies Branch Research Paper Series*. No. 422. Statistics Canada, Catalogue no. 11F0019M.

Randle, J., Hu, Z., & Thurston, Z. (2021). Housing experiences in Canada: Recent immigrants in 2018. Statistics Canada, Catalogue no. 46280001.

Statistics Canada. (2022). Immigrants make up the largest share of the population in 150 years and continue to shape who we are as Canadians. *The Daily*. October 26.