

## Canadians debt burden edges higher in third quarter, Statscan says

December 14, 2018 – *The Globe and Mail / The Canadian Press*

The amount Canadians owe relative to their income ticked higher in third quarter.

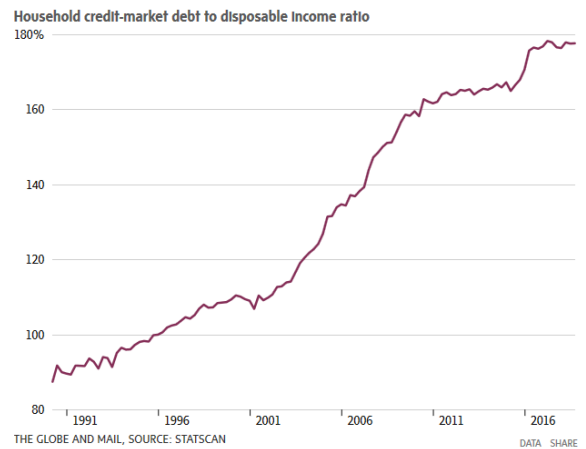
Statistics Canada says household credit market debt as a proportion of disposable income was 177.5 per cent in the third quarter on a seasonally-adjusted basis. That compared with 177.4 per cent in the second quarter.

In other words, Canadians owed nearly \$1.78 in credit market debt, which includes consumer credit and mortgage and non-mortgage loans, for every dollar of household disposable income in the third quarter.

Total credit market borrowing slowed for the third consecutive quarter as households borrowed \$18.3 billion, down from \$20.0 billion in the previous quarter.

Mortgages posted a third consecutive quarterly decline as they decreased by \$1.2 billion. Demand for consumer credit also fell by \$500

million, while non-mortgage loans decreased by \$100 million.



The household debt service ratio, measured as total obligated payments of principal and interest as a proportion of disposable income, was 14.5 per cent in the third quarter, relatively unchanged from the previous quarter.