

MODALIS OMNIBUS: AUGUST 2023





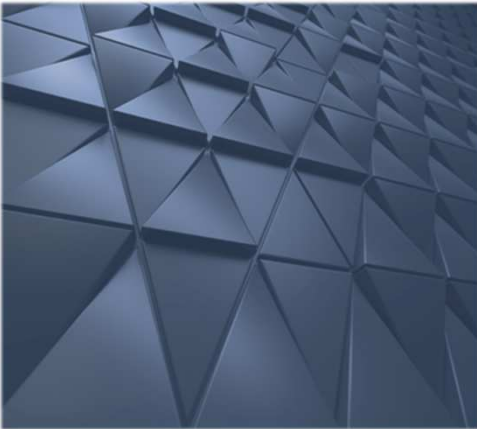
Survey Overview



- › The results presented in this report cover various issues, including the cost of living, the cost of housing, the state of the economy, climate change, and the concerns of Canadians.
- › They are based on a survey that ran from August 1 to August 8, 2023 and gathered a total of 1,618 responses.
- › As Modalis is 100% recruited using RDD probability-based sampling, a margin of error can be calculated – plus or minus 2.4% at a 95% confidence interval.
- › The data have been weighted by age, gender, and region using population data from the 2021 Statistics Canada Census.



Key Findings I



- › Nearly two-thirds of Canadians think the country is going in the wrong direction.
- › Canadians are more concerned about the cost of housing than anything else, with 97% saying that they were at least somewhat concerned.
- › Canadians consider coal and fossil fuels to be the least environmentally-friendly sources of energy, while solar, geothermal, wind, and hydroelectric are considered the most environmentally-friendly.
- › Over two-thirds of Canadians consider climate change to either be an imminent threat to human life or think it will radically change the way we live.
- › Three-fifths of Canadians consider the cost of rent, as well as inflation, to be very urgent priorities for governments in Canada to address. Fewer than half of Canadians consider carbon emissions to be a very urgent priority.
- › Half of all Canadians think that the Canadian economy is doing poorly, while only a quarter agree that its health is good.
- › Only about one-tenth of Canadians found the increase in the cost of living to have a minor impact on their household's financial well-being, while over one-in-three felt a significant negative impact.



Key Findings II



- › Over 80% of Canadians feel that it's getting harder to make ends meet, unchanged from a year ago.
- › The vast majority of Canadians (80%) say that companies are using inflation as an excuse to gouge consumers.
- › The vast majority of Canadians also agree that the cost of housing in Canada is out of control, with fewer than a tenth disagreeing.
- › About 2-in-5 Canadians spend over 40% of their household's gross monthly income on rent.
- › Over half of homeowners are prepared to ride out any downturn in the real estate market.
- › Nearly half of Canadian homeowners spend between 20% and 40% of their household's gross monthly income on housing costs. Over a quarter devote over 40% to housing expenses.
- › Virtually all Canadians with a mortgage are at least somewhat concerned about renewing their mortgage.



Canada and Key Priorities

Direction of the Country

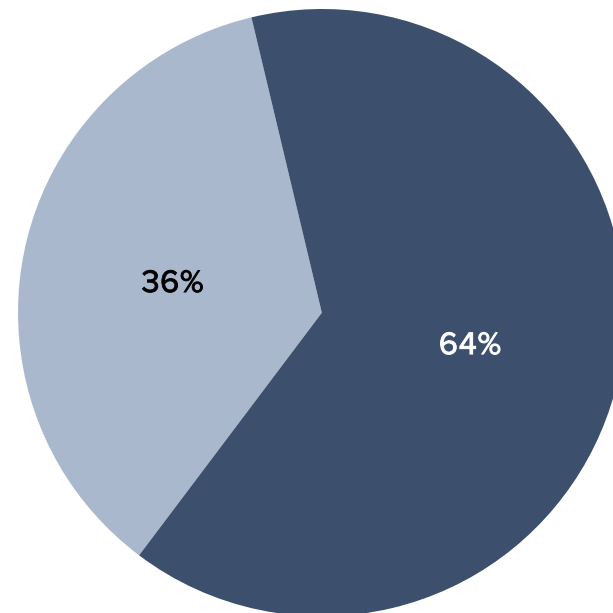
Nearly two-thirds of Canadians feel that things in the country are going in the wrong direction.

- › Variations among income groups was negligible, but provincial variations exist.
 - Nearly 70% of those in BC, Alberta, and the Prairies feel that the country is going in the wrong direction, while that number is just over 50% in Quebec.
- Little variation exists among age groups, besides 65+, with just 54% feeling that Canada is on the wrong track.



All in all, do you think things in Canada are generally headed in the right direction, or do you feel things are going in the wrong direction?

■ Right direction ■ Wrong direction



Tracking: Direction of the Country

Near the end of last summer, almost 3-in-5 Canadians considered things to be heading in the wrong direction. That number has gone up to nearly 2-in-3, at 64%.

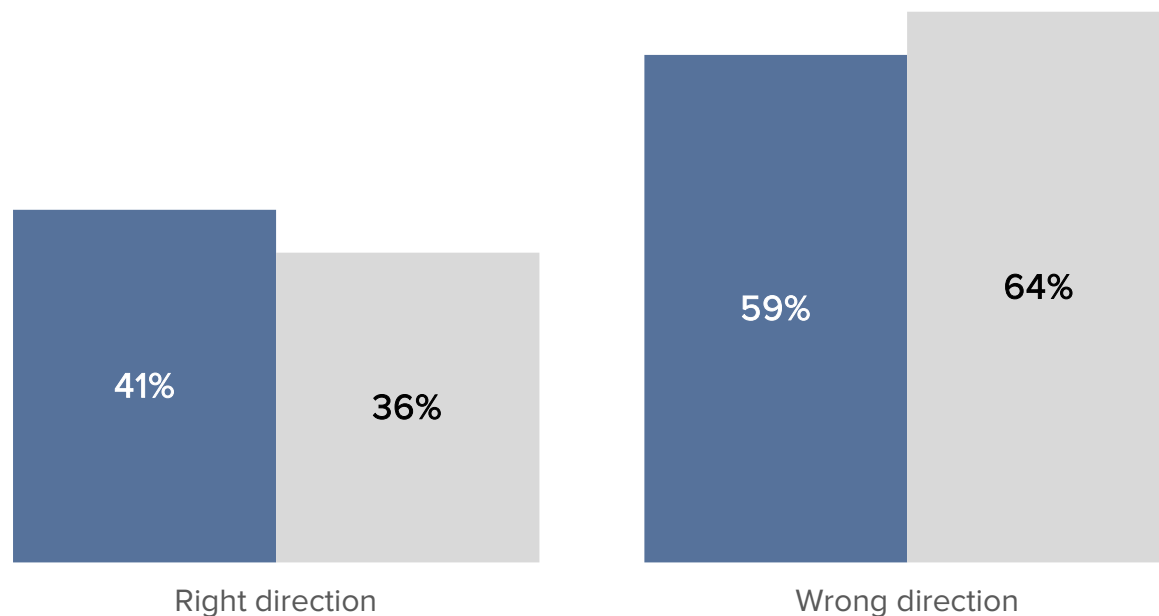
- › This speaks to an economic anxiety being felt throughout the country, an anxiety that is worsening.



All in all, do you think things in Canada are generally headed in the right direction, or do you feel things are going in the wrong direction?

■ September 2022

■ August 2023



Canadian adults (n=1,618)

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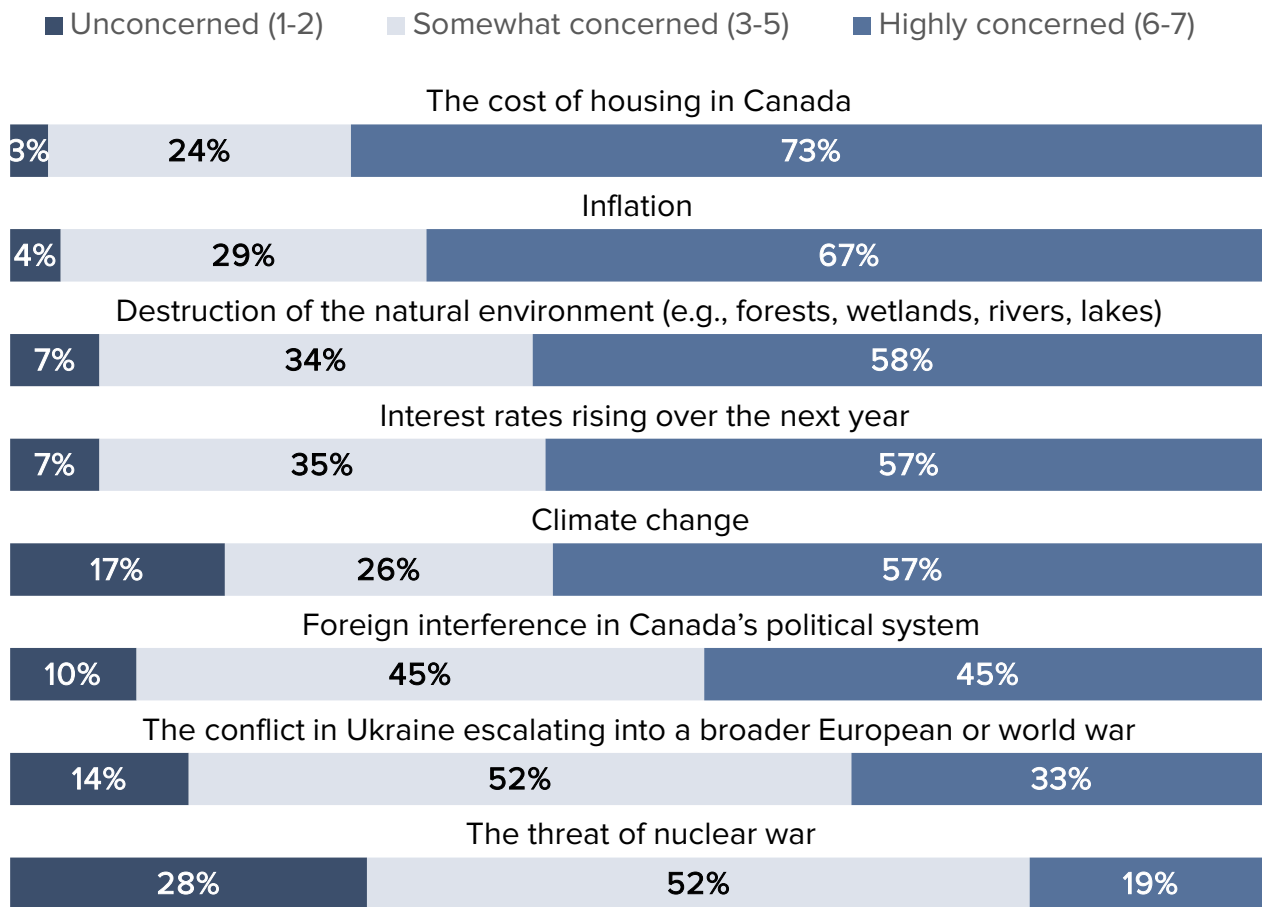
Concerns

Canadians are more concerned about the cost of housing than anything else, with 97% saying that they were at least somewhat concerned, and nearly three-quarters saying they were highly concerned.

- › The survey also indicated that over 90% of Canadians are concerned about inflation, the destruction of the natural environment, and rising interest rates in the near-future.
- › Canadians under 35 are more concerned than any other age group about inflation and the cost of housing.
- › Climate change and the threat of nuclear war are areas of concern, but less so than others, at 83% and 71%, respectively.



How concerned are you about each of the following?



Canadian adults (n=1,618)

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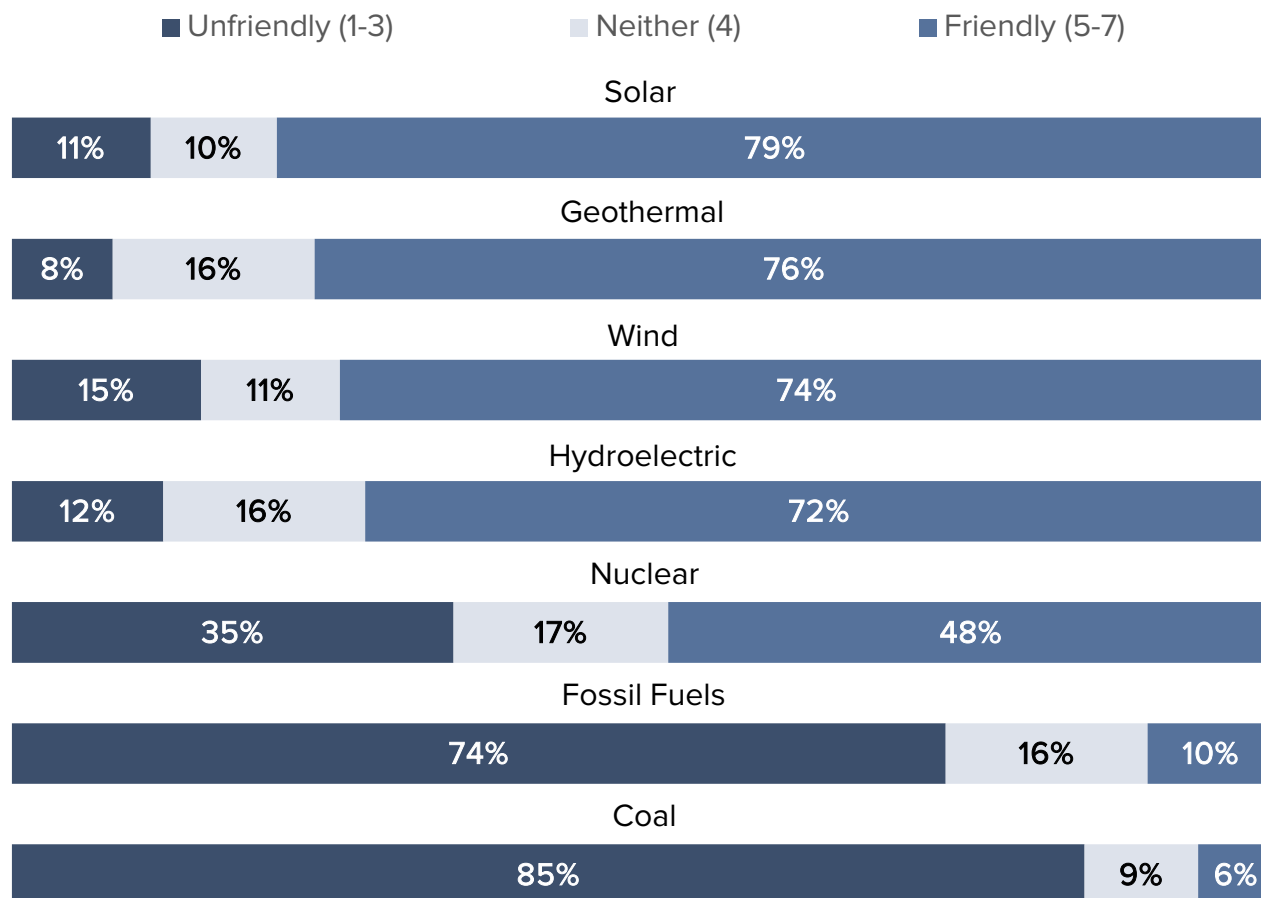
Environmentalism of Energy Sources

Over 4-in-5 Canadians agree that coal is an environmentally unfriendly source of energy, while nearly three-quarters consider fossil fuels to be unfriendly to the environment.

- › Solar energy is the source that Canadians consider most environmentally friendly (78%), but there are regional differences: 87% of Quebec approves, compared to two-thirds (66%) of Albertans.
- › About 1-in-8 are unsure how they feel about geothermal energy. Only 7% consider geothermal energy environmentally unfriendly.
- › More than half of Albertans and Ontarians consider nuclear energy environmentally friendly, but that number is only one-quarter in Quebec.



In your view, how environmentally friendly or unfriendly are each of the following sources of energy?



Canadian adults (n=1,618); non-response eliminated

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Position on Climate Change

Over two-thirds of Canadians consider climate change to be a serious issue. Nearly 1-in-5 believe it is just a normal planetary process, while one-tenth consider it to be a created by humans, but its dangers to be overstated.

- › Only one-fifth in the Prairies and Alberta consider climate change to be an imminent threat to human existence, while that number is nearly double in Quebec.
- › Nearly one-third of Albertans consider climate change to be a normal planetary process.



Thinking about climate change, which of the following statements is closest to your own point of view?

Climate change represents an imminent threat to human existence

32%

Climate change will create radical changes to the way we live

36%

Climate change is largely created by human activity but its dangers are overstated

10%

Climate change is just a normal planetary process

18%

Climate change is entirely made up by global elites

4%

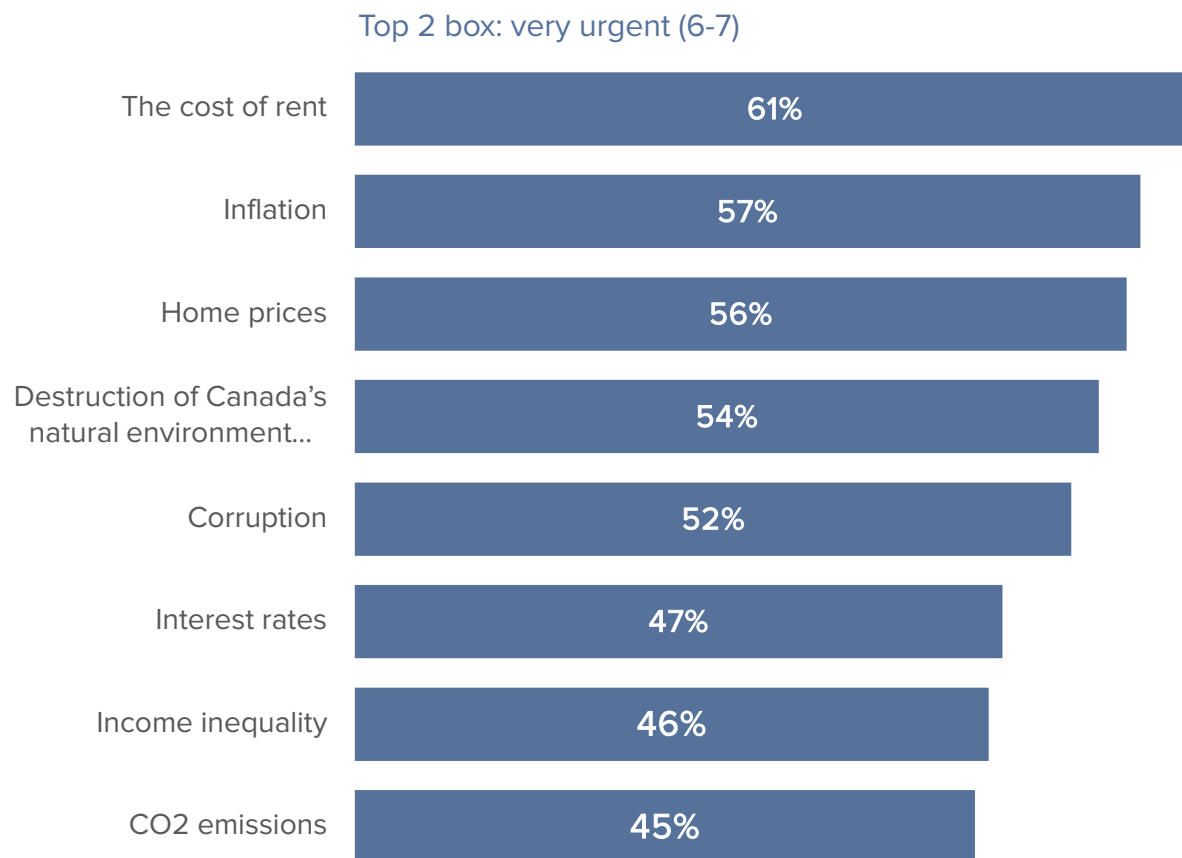
Urgent Priorities

Three-fifths of Canadians consider the cost of rent, as well as inflation, to be very urgent priorities for governments in Canada to address. Fewer than half of Canadians consider carbon emissions to be a very urgent priority.

- › About three-fifths of Canadians in every region and age group consider inflation to be an urgent issue. However, only half of those making over \$80K agree.



In your view, how urgent is it that governments in Canada work to address each of the following?



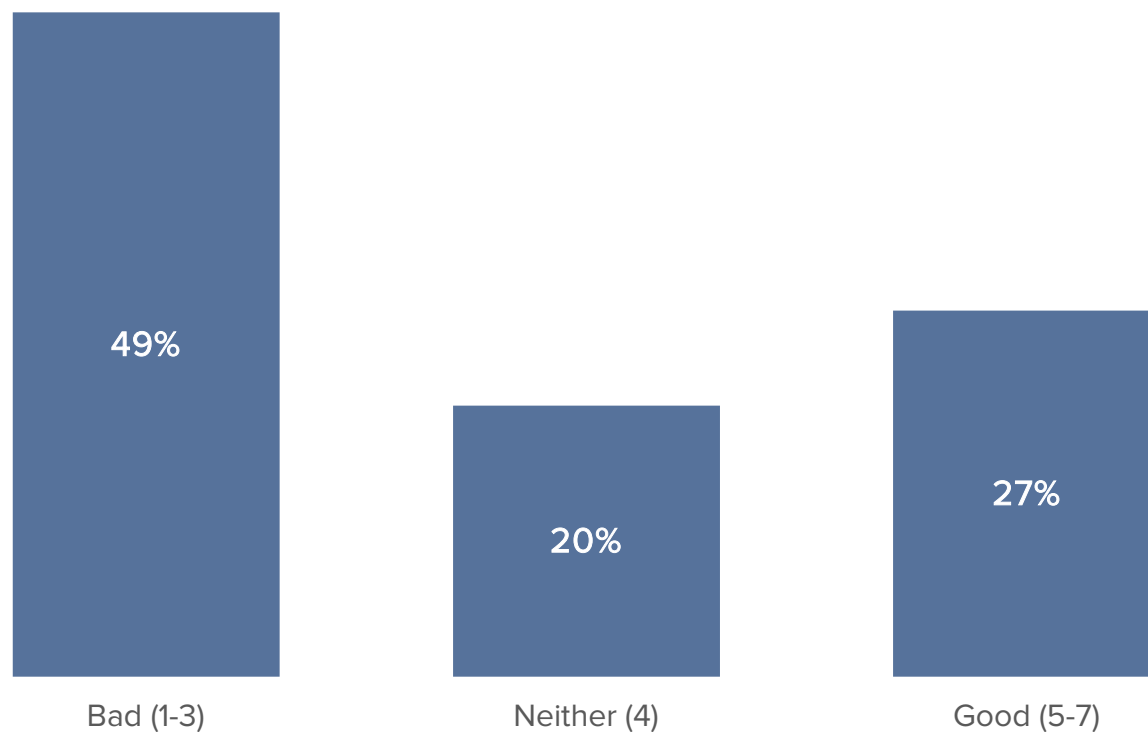
Current Health of Canadian Economy

Half of all Canadians think that the Canadian economy is doing poorly, while only a quarter agree that its health is good.

- › Canadians making over \$100K are twice as likely to think positively of the health of the economy than those who make under \$40K, but even the most economically optimistic income group is only at one-third approval.



How would you rate the current health of the Canadian economy?



Canadian adults (n=1,618)

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Tracking: Current State of Canadian Economy

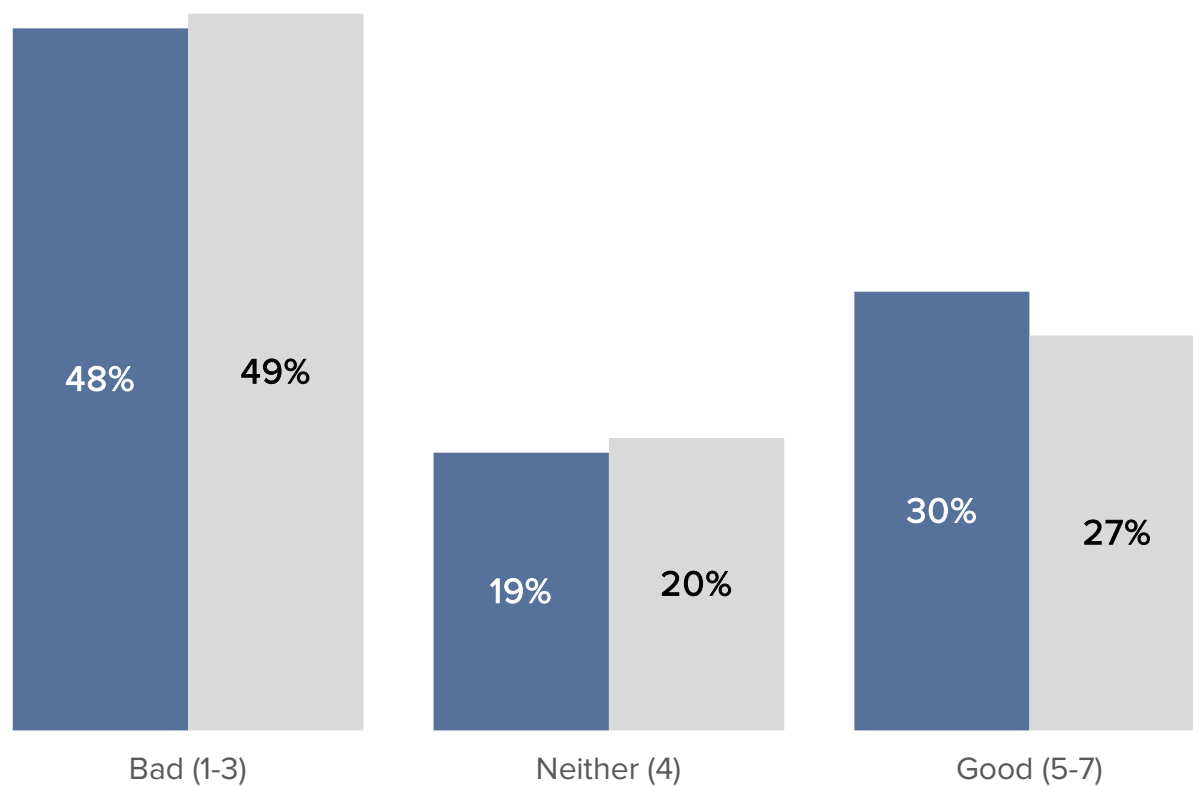
There hasn't been a significant shift in how Canadians rank the state of the economy.



How would you rate the current health of the Canadian economy?

■ September 2022

■ August 2023



Canadian adults (n=1,618)

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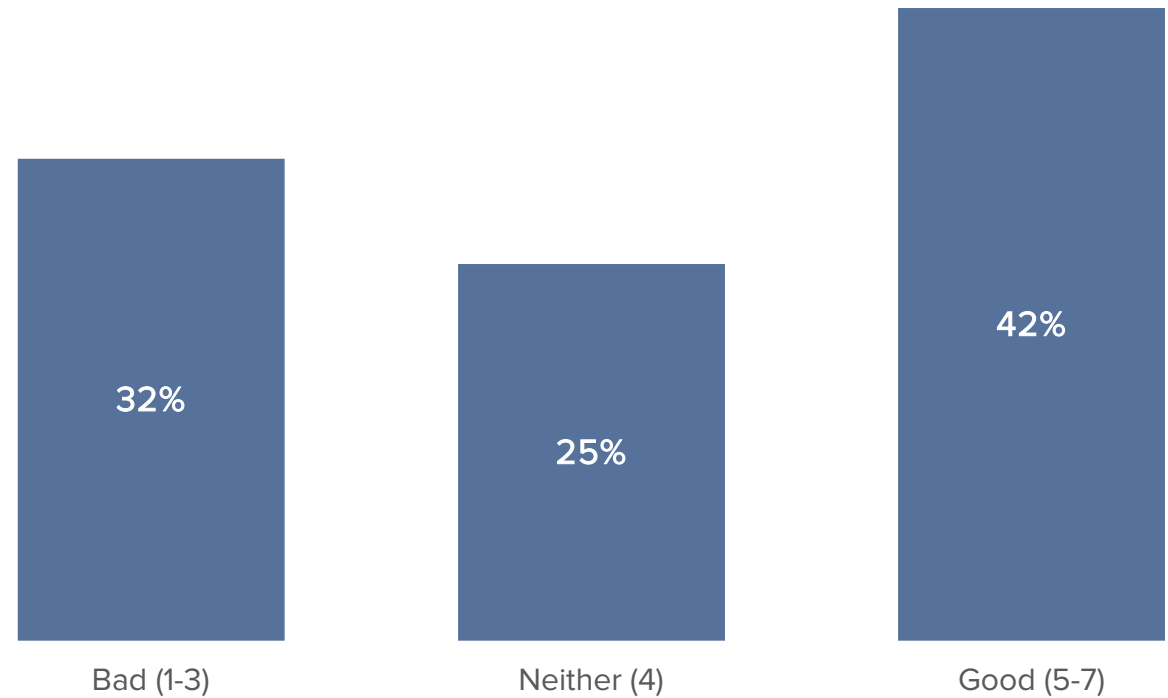
Current Health of Household Finances

About a third of all Canadians consider their household finances negatively, with about 2-in-5 saying their finances were doing well.

- › Some predictable patterns exist among income groups: about 60% of those making under \$40K say their finances are bad, while that number is at only 11% for those making over \$150K.



How would you rate the current state of your household's finances?

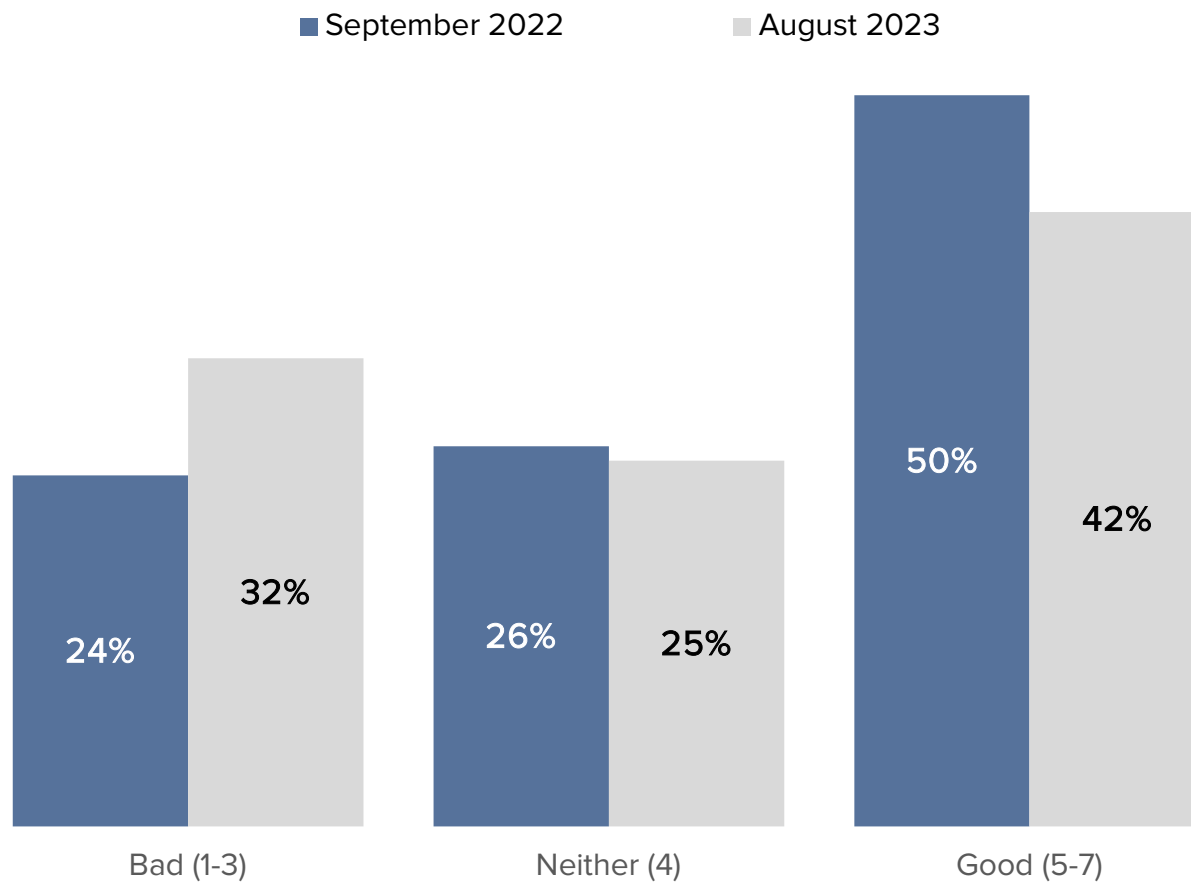


Tracking: Current Health of Household Finances

Canadians feel more negatively now about their household finances than they did around this time last year.



How would you rate the current state of your household's finances?



Canadian adults (n=1,618)

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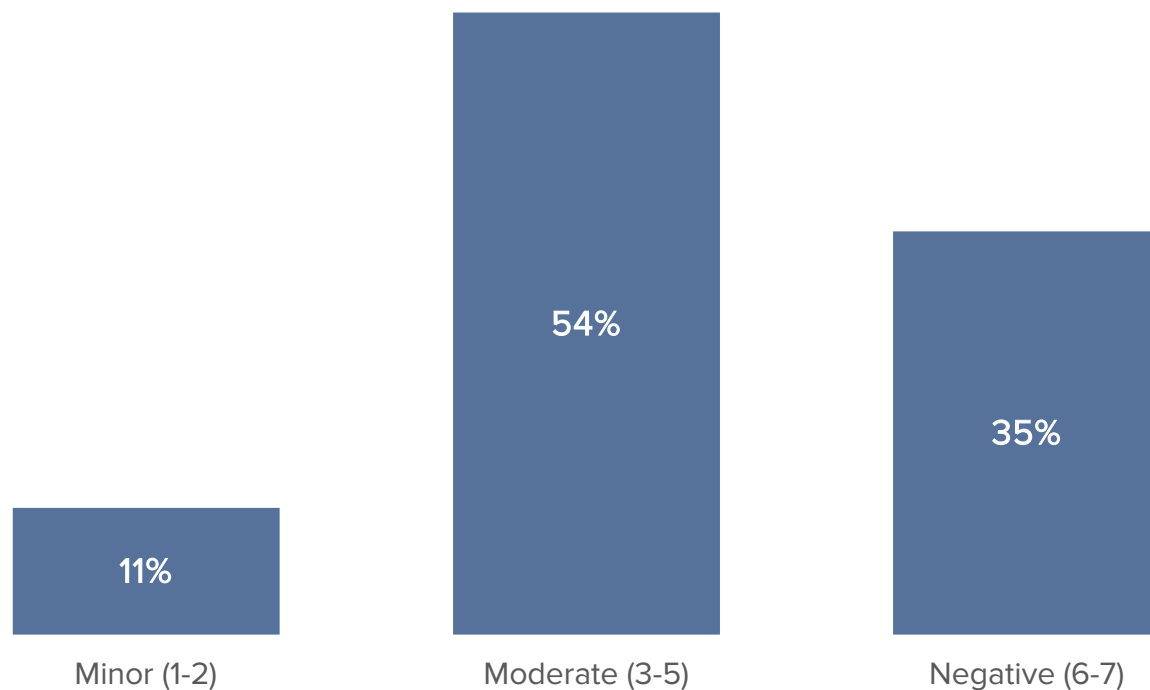
Impact of Cost of Living

Only about one-tenth of Canadians found the increase in the cost of living to have a minor impact on their household's financial well-being, while over one-in-three felt a significant negative impact.

- › Those over the age of 65 felt the lowest significant negative impact, at only a quarter.



To what extent, if at all, has an increase in the cost of living over the past year had a negative impact your household's financial well being?



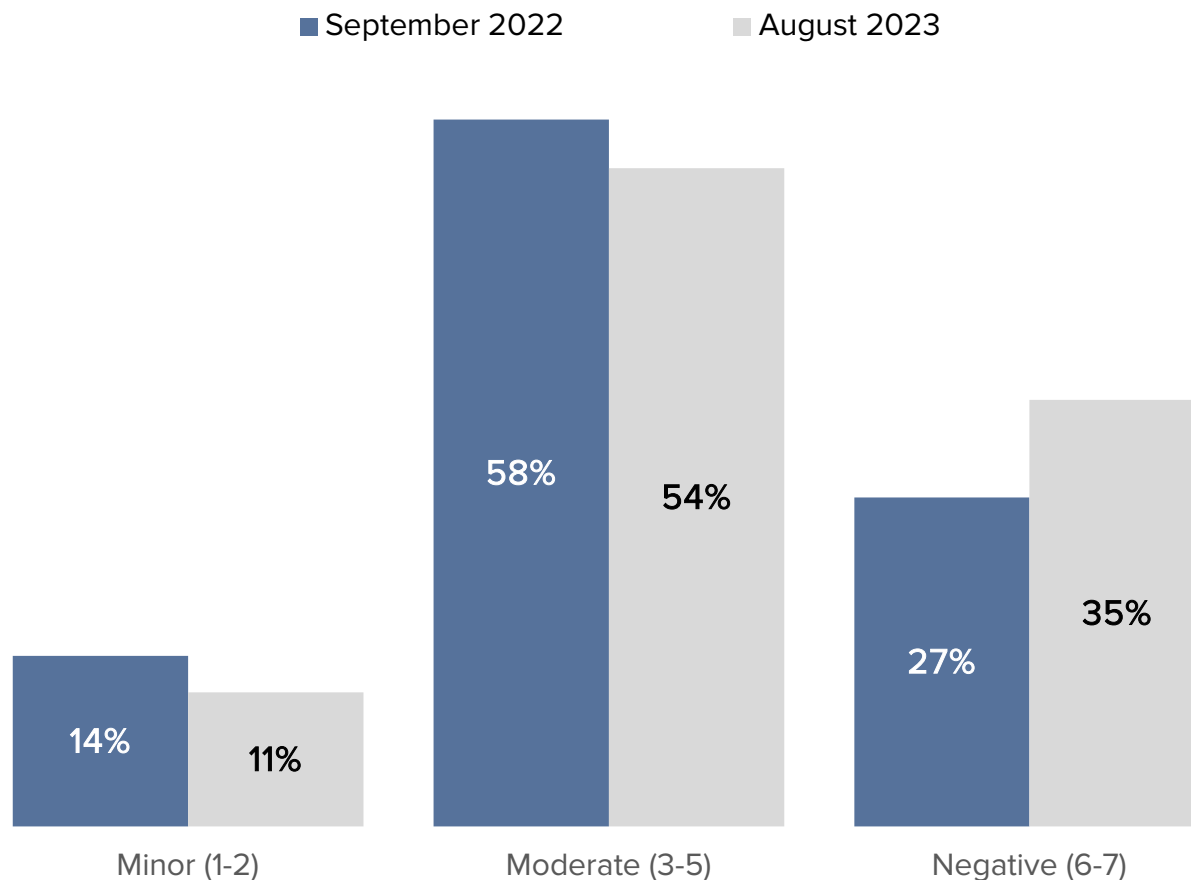
Tracking: Impact of Cost of Living

Compared to late summer 2022, Canadians are feeling more strongly impacted by cost of living increases.

- › Last year, just over a quarter of Canadians felt strongly negative about the impact the higher cost of living had on their household's financial well-being; this year, that number is up to over a third.



To what extent, if at all, has an increase in the cost of living over the past year had a negative impact your household's financial well being?



Tracking: I can't keep up with the cost of living

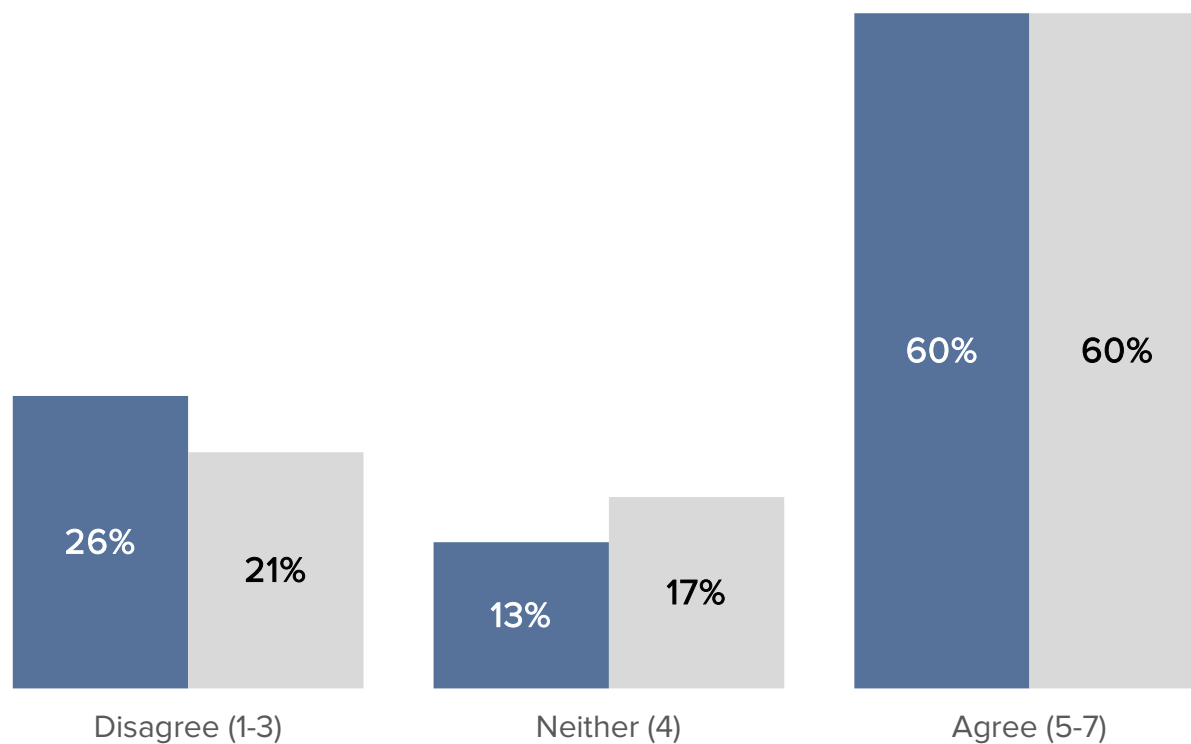
When compared to last year, there was no significant change in the number of Canadians indicating that they couldn't keep up with the cost living.



How strongly do you agree or disagree with the following statement:
I can't keep up with the cost of living

■ September 2022

■ August 2023



Canadian adults (n=1,618)

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Tracking: It's getting harder to make ends meet

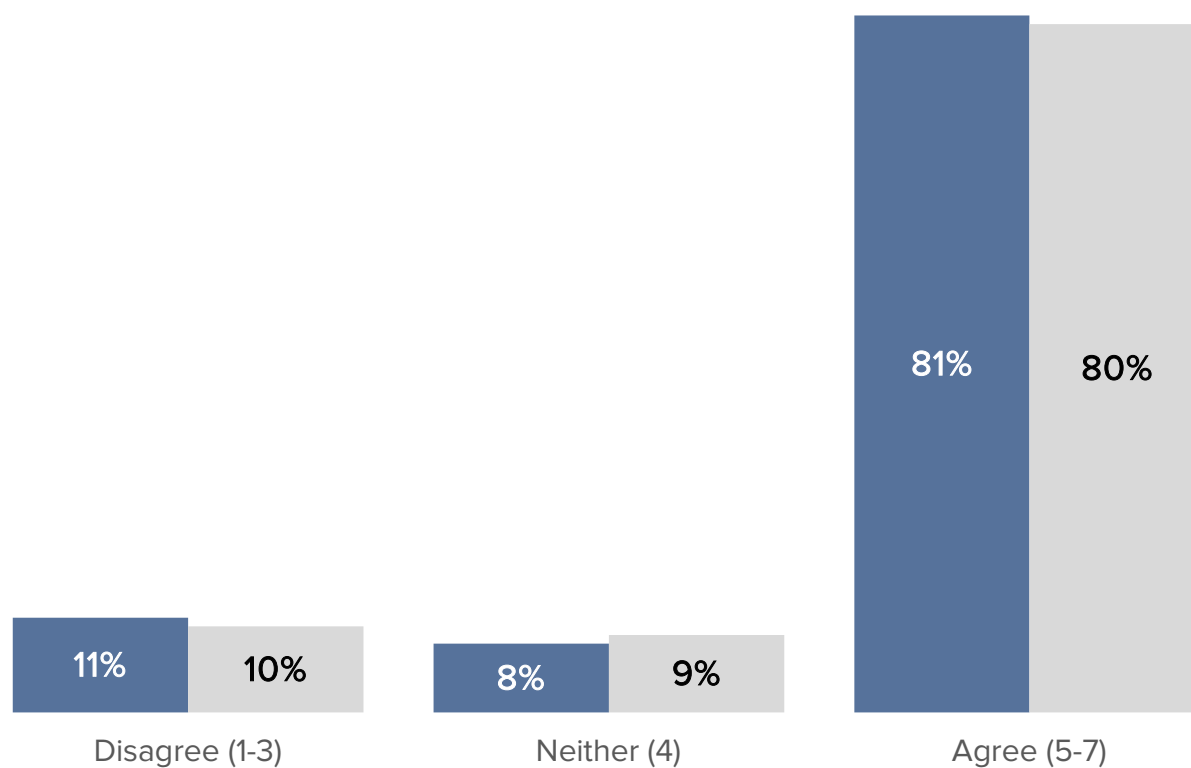
When compared to last year, there was no significant change in the number of Canadians indicating that it's getting harder to make ends meet.



How strongly do you agree or disagree with the following statement:
It's getting harder to make ends meet

■ September 2022

■ August 2023



Canadian adults (n=1,618)

Modus Research 18

General Statements

The vast majority of Canadians – 80% – say that companies are using inflation as an excuse to gouge consumers, an answer that is fairly uniform across income groups. Nearly three-quarters of even those earning over \$150k/year believe they are being overcharged.

- › A similar percentage say it is getting harder to make ends meet, including nearly two-thirds of those high income Canadians (\$150k+).
- › Only about a third of Canadians agree that the current episode of inflation is global in nature and outside the control of Canadian policy makers, with nearly half holding policy makers in this country accountable.



How strongly do you agree or disagree with each of the following statements?

■ Disagree (1-3)

■ Neither (4)

■ Agree (5-7)

Companies are using inflation as an excuse to gouge consumers



It's getting harder to make ends meet



I can't keep up with the cost of living



Recent inflation is largely caused by government overspending



The current episode of inflation is global in nature and outside the control of Canadian policy makers



Housing Statements

The vast majority of Canadians agree that the cost of housing in Canada is out of control, with fewer than a tenth disagreeing. More than two-thirds believe that strengthening rent control would help curtail the rise in rents.

- While 7-in-10 believe that short-term rentals like Airbnb are inflating the rental market in urban centres, only about half that number believe governments need to ban short-term rentals from cities.

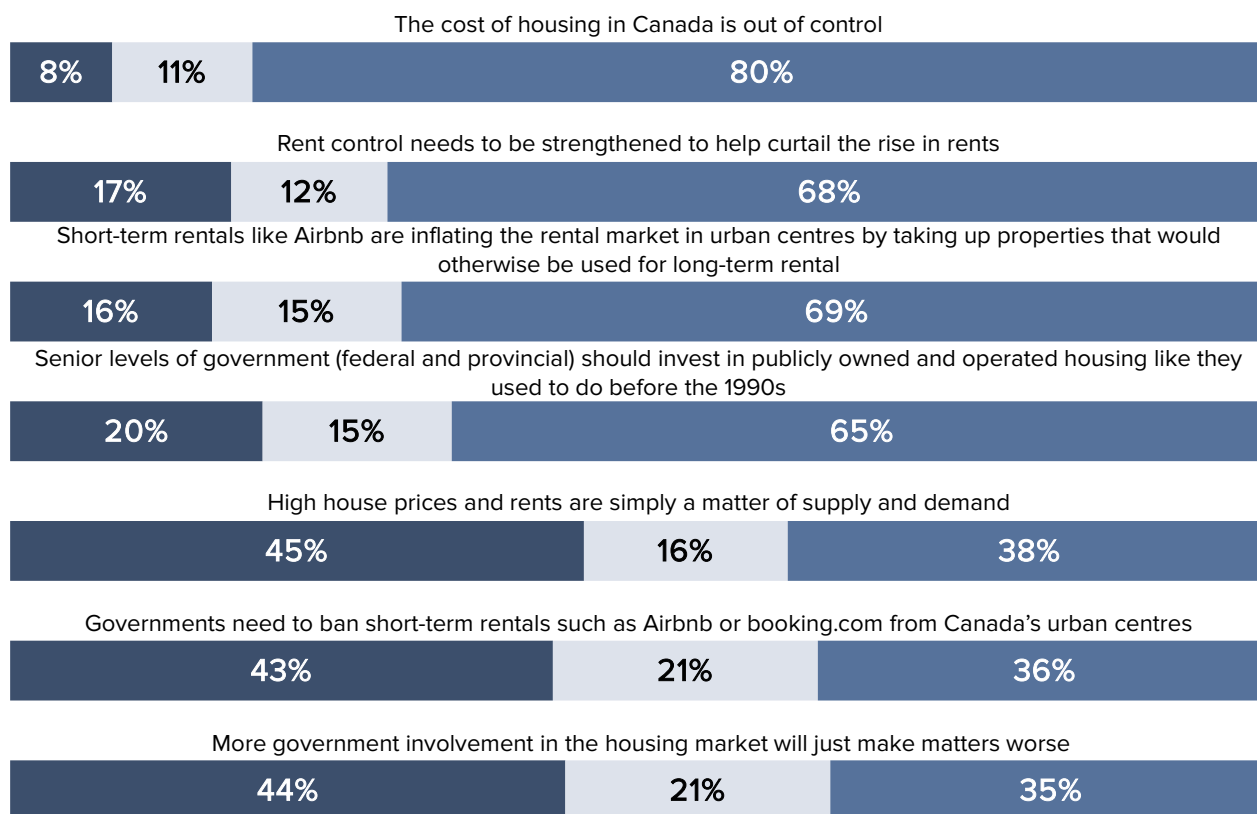


How strongly do you agree or disagree with each of the following statements?

■ Disagree (1-3)

■ Neither (4)

■ Agree (5-7)



Canadian adults (n=1,618); non-response eliminated

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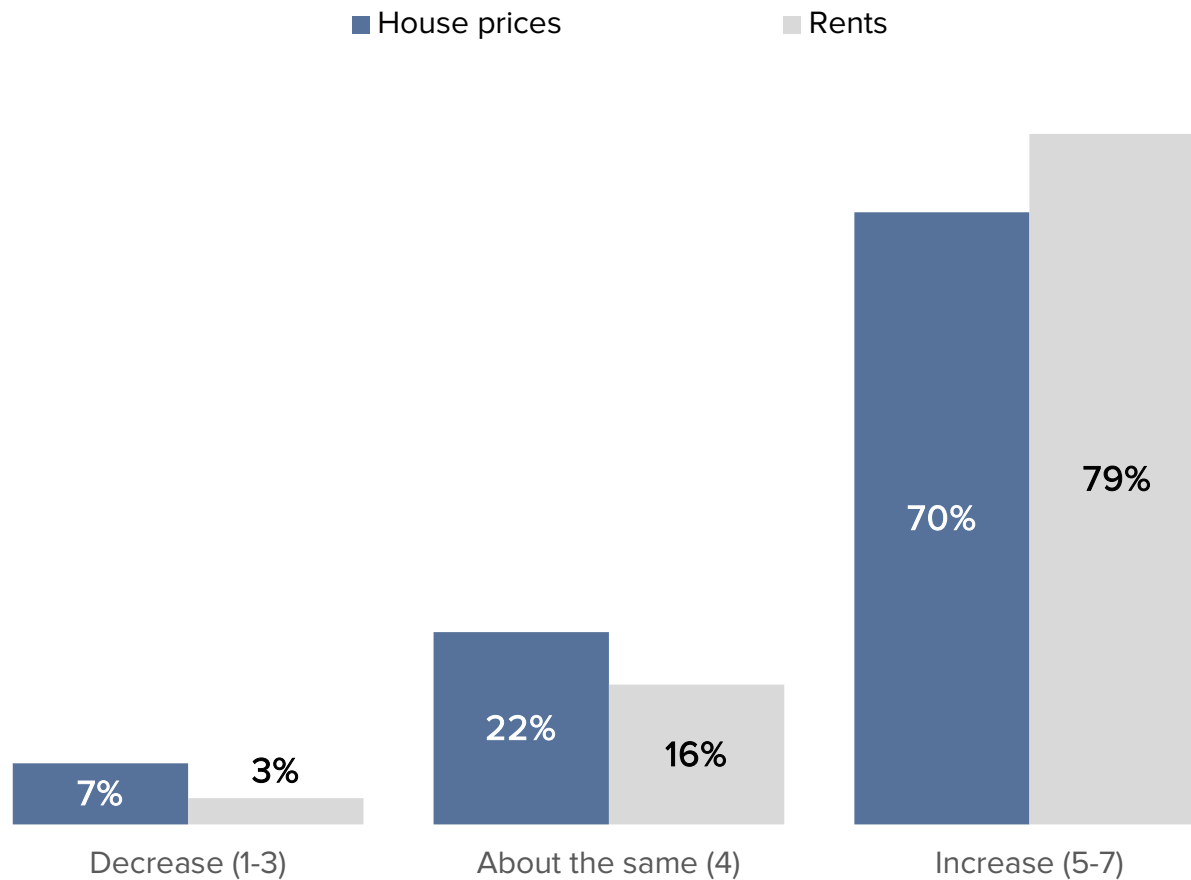
Increase/Decrease in House Prices and Rents

Virtually no Canadians expect house prices and rents to decrease over the next 12 months, with over 70% predicting both will increase.

- › Nearly 4-in-5 Canadians believe rents are going to increase in the next 12 months.



In your view, do you think home prices and rents in your area will increase or decrease over the next 12 months?



Canadian adults (n=1,618)

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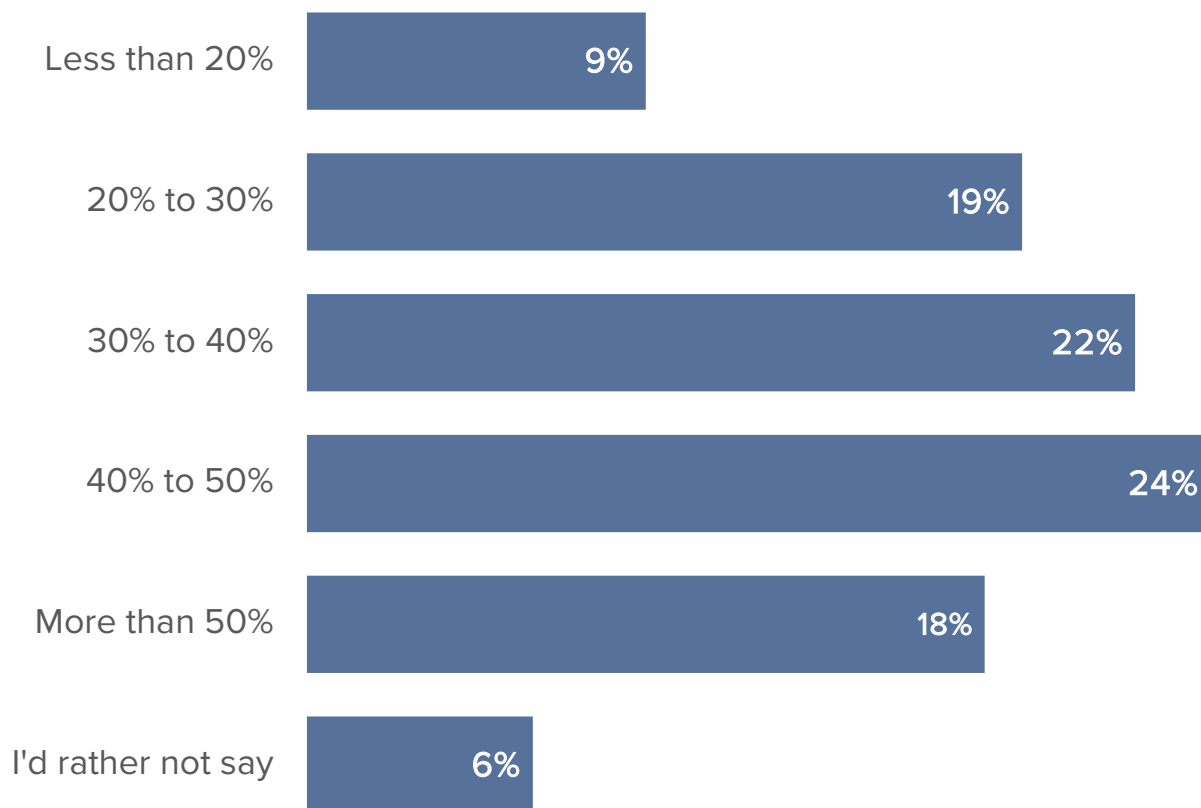
Percent of Income Spent on Rent

About 2-in-5 Canadians spend over 40% of their household's gross monthly income on rent.

- › Some predictable patterns emerge among income groups: Canadians making over \$150k are much less likely to spend more than 30% of their income on rent, while low-income Canadians spend a greater portion of their income on rent.



Approximately what percentage of your household's gross monthly income is spent on rent?



Homeowner Statements

Over 7-in-10 Canadian homeowners expect the price of homes to increase over the next decade. Over half of homeowners are prepared to ride out any downturn in the real estate market.

- › Only a quarter of homeowners are unbothered by rising mortgage rates, while 3-in-5 are concerned.
- › Canadian homeowners are polarized on the subject of extending mortgage amortization periods beyond 25 years: about 2-in-5 feel that it is a great way to make home ownership more affordable, while a similar amount disagree.



How strongly do you agree or disagree with each of the following statements?

■ Disagree (1-3)

■ Neither (4)

■ Agree (5-7)

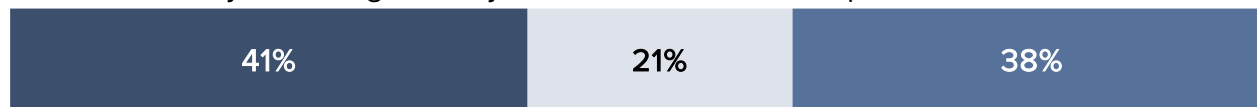
The price of homes in Canada will continue to increase over the next 10 years, much like they have over the past 10 years.



I am prepared to ride out any downturn in the real estate market, even if it takes 10 years



Extending mortgage amortization periods beyond 25 years is a great way to make home ownership more affordable



Rising mortgage rates don't really concern me very much



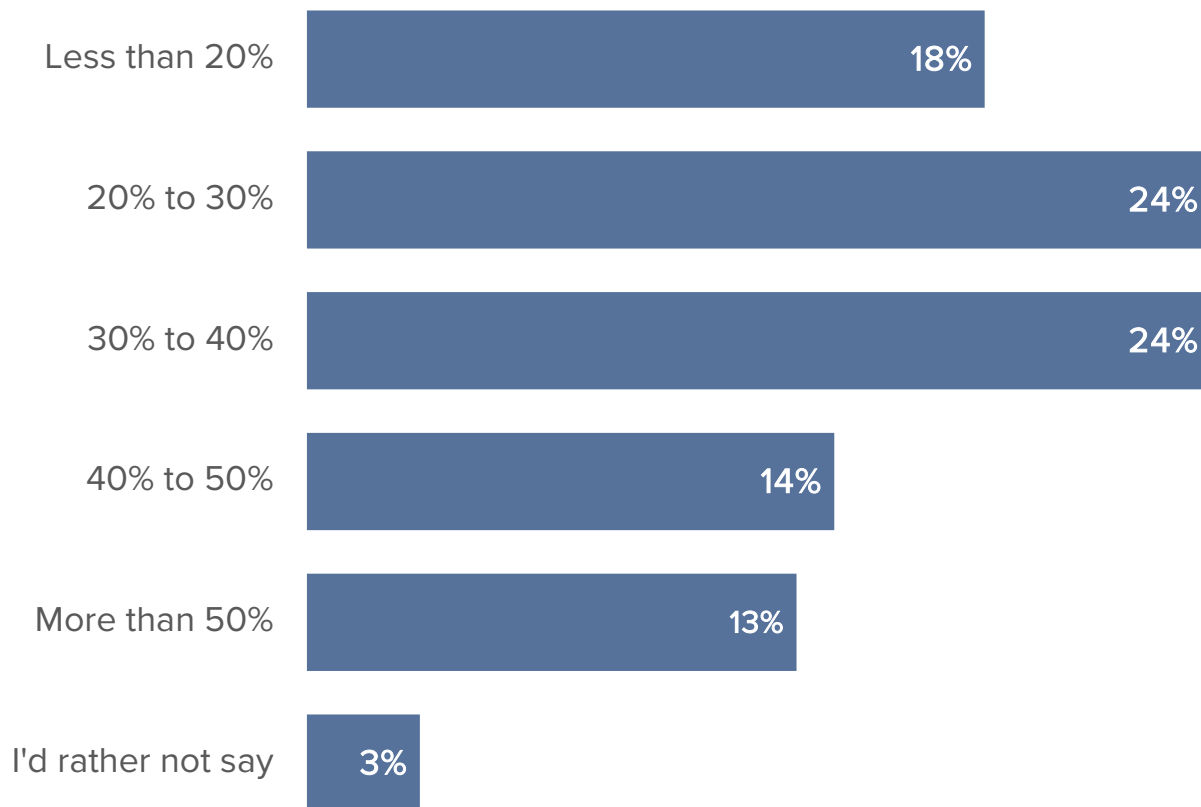
Percent of Income Spent on Housing Costs

Nearly half of Canadian homeowners spend between 20% and 40% of their household's gross monthly income on housing costs. Over a quarter devote over 40% to housing expenses.

- › As expected, low-income Canadians are far less likely to be homeowners.



Approximately what percentage of your household's gross monthly income is spent on housing costs?

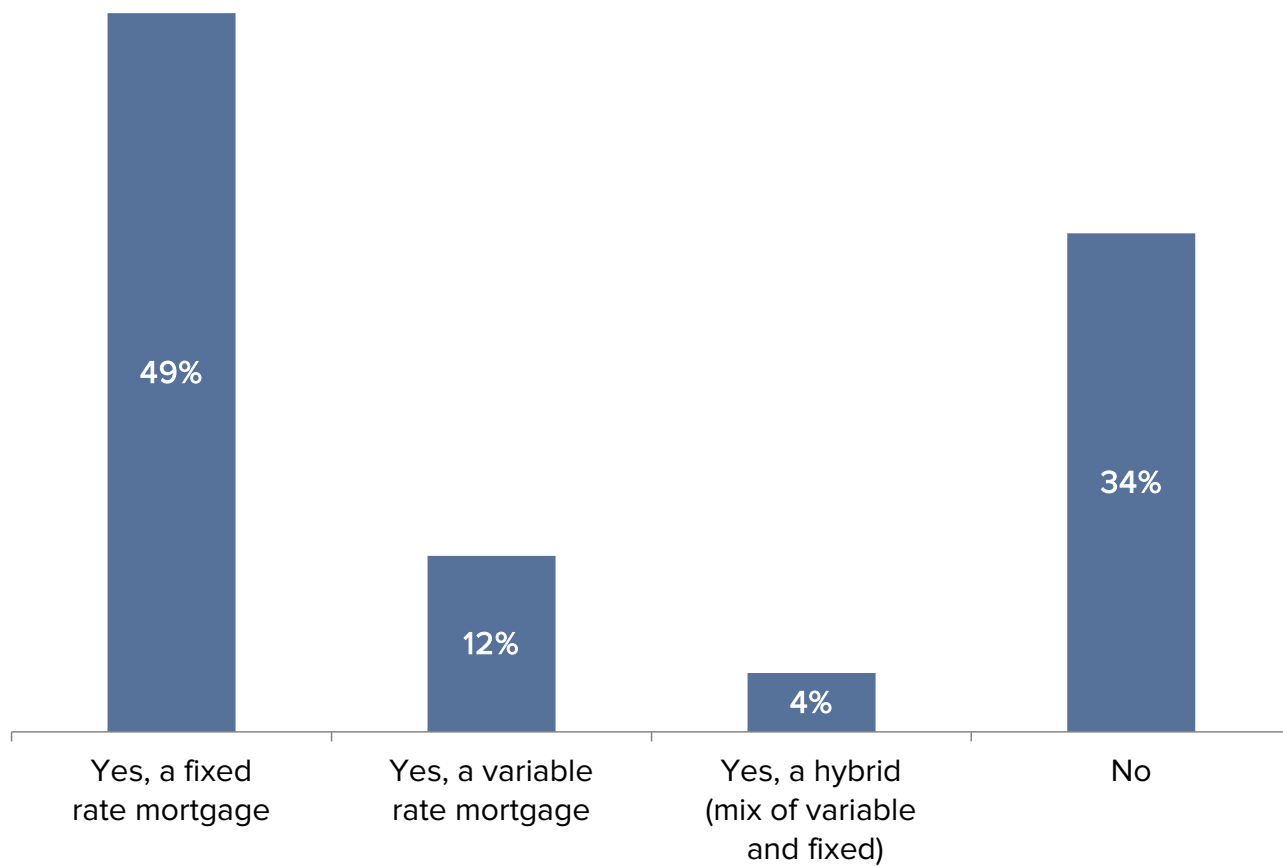


Type of Mortgage

About half all Canadian homeowners have a fixed rate mortgage. About a third indicated that they have no mortgage at all.



Do you have a mortgage on your current residence?



Canadian homeowners (n=1,181)

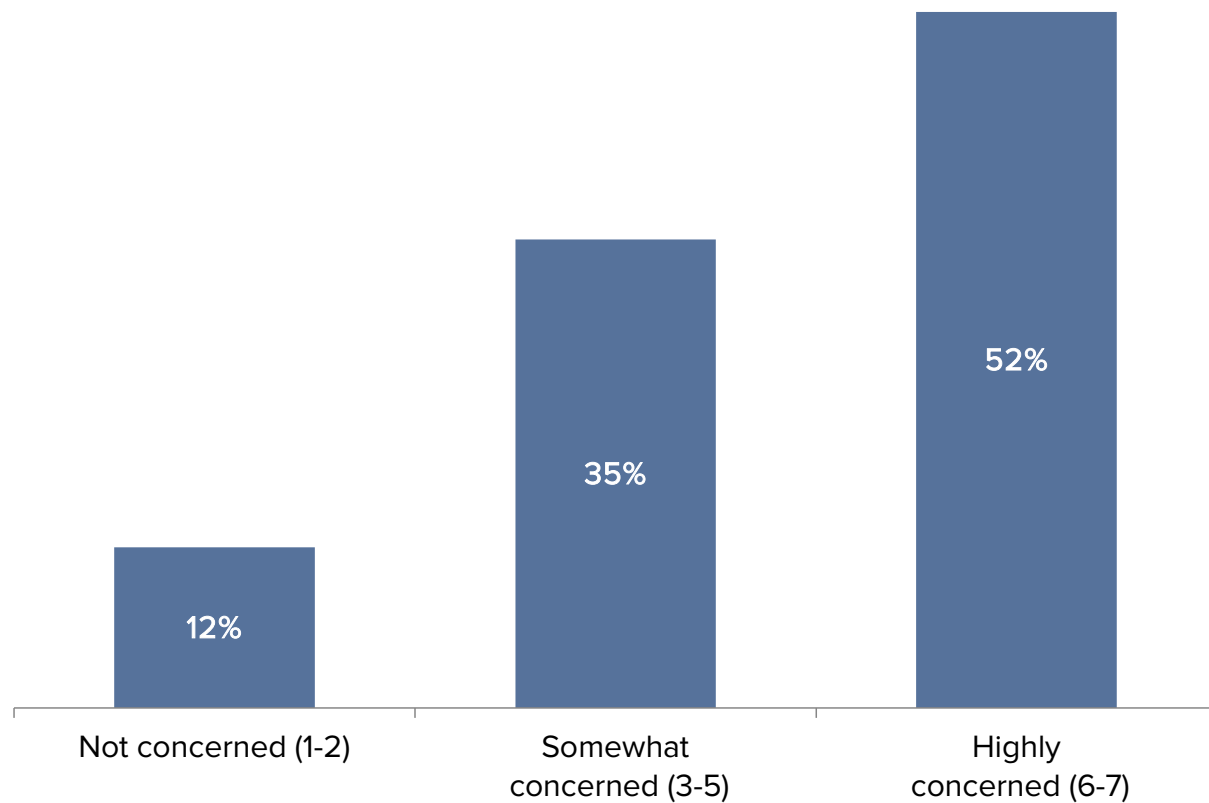
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Concern about Mortgage Renewal

Virtually all Canadians with a mortgage are at least somewhat concerned about renewing their mortgage at a time when rates are increasing, with over half indicating that they are highly concerned. Only about 1-in-8 are not concerned about their mortgage renewal.



How concerned are you about renewing your mortgage at a time when mortgage rates are increasing?



Canadian with a mortgage (n=743)

Modus Research 26



Real answers from real people