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Tariff pressure is reaching household budgets as 4 in 10 respondents report rising debt

Spergel survey finds 54% report a negative impact on their employer or business, while 41% have cut spending on groceries and other necessities

TORONTO, ON – September 30, 2026 - Tariffs and trade disruption are no longer only a business concern. For many households, the effects are showing up in reduced income, increased borrowing and growing difficulty keeping up with everyday financial obligations, according to a new **Spergel Insights: Tariffs, Jobs and Household Debt Survey** from Licensed Insolvency Trustee firm msi Spergel.

The 2026 survey of 281 respondents found that **54% say tariffs and U.S. trade disruption have hurt their employer or business**, including 22% who describe the impact as significant.

That pressure is now hitting household finances. Four in ten respondents say their household debt has increased, while another 37% report lower household employment income. Nearly three in ten have seen income fall by more than 10%.

Other findings include:

- **41% reduced spending on groceries or other necessities** because of reduced income or financial pressure.
- **38% increased or used credit cards** to help manage household expenses.
- **31% used savings** to cover regular expenses.
- **29% made only minimum payments on debt.**
- **25% carried a credit card balance they would normally have paid off.**
- **22% missed a bill or debt payment.**
- **63% are struggling to keep up, already behind on payments or seriously concerned they will fall behind within the next three months.**
- When respondents who are keeping up but have little room to spare are included, **84% can be described as financially stretched.**

“Tariffs may begin as a business issue, but when shifts are cut, working hours fall or jobs disappear, the impact moves very quickly to the household budget,” said **Gillian Goldblatt, Licensed Insolvency Trustee at msi Spergel and Past-President of the Ontario Association of Insolvency and Restructuring Professionals**. “Families still have mortgages or rent, groceries, utilities and debt payments to cover. When income drops, savings and credit often become the first line of defence.”

From shrinking paycheques to rising debt

Nearly **37% of respondents report lower household employment income**, including 14% whose income has fallen by more than 25%.

The employment impact is already visible: **12% have had their hours cut**, 9% lost overtime or shifts, 8% saw wages, raises or bonuses reduced or frozen, and 5% lost their job. Another 8% fear their job could be next.

As income drops, households are turning to credit to fill the gap. **38% say they are relying more heavily on credit cards**, with others using lines of credit, personal loans, buy now, pay later, borrowing from family or friends, and high-cost loans.

“What concerns us is the progression,” said Goldblatt. “A household may begin by using savings or carrying a credit card balance for an extra month. Then minimum payments become the norm, spending on necessities is cut and bills begin to fall behind. By the time someone recognizes that they have a serious debt problem, they may have already exhausted many of the resources they had available.”

Households are cutting back to stay afloat

The survey found that financial pressure is changing everyday household behaviour.

More than one-third of respondents, **41%, said they had reduced spending on groceries or other necessities**, while 31% used savings to pay regular expenses. Nearly three in 10 made only minimum debt payments, and more than one in five had missed a bill or debt payment.

The pressure may deepen if current employment and income conditions continue. When asked what their household might need to consider over the next six months, **37% said significantly reducing household spending**, 25% cited major housing or lifestyle changes, 19% said using more savings and 14% said taking on additional debt.

Some respondents also identified financial counselling, refinancing and formal insolvency options such as speaking with a Licensed Insolvency Trustee.

“The important point is that people do not have to wait until they have missed several payments or exhausted their savings before asking for advice. If household expenses are increasingly being funded with credit, or debt continues to rise despite making payments, that is a good time to understand what options are available,” said Gillian Goldblatt.

About the study

The **Spergel Insights: Tariffs, Jobs and Household Debt Survey** was conducted by msi Spergel in September 2026 and received **281 responses**.

The study examined respondents’ experiences with tariffs and trade disruption, employment conditions, changes in household income, borrowing, household debt and their ability to meet financial obligations.

Some survey questions allowed respondents to select more than one answer; as a result, percentages for those questions may total more than 100%.

To read more, visit <https://www.spergel.ca/learning-centre/tariffs-jobs-household-debt-canada/>

About msi Spergel

Founded in 1989, msi Spergel is a Canadian Licensed Insolvency Trustee firm providing consumer and corporate insolvency services. For more than 35 years, Spergel has helped Canadians explore solutions to financial challenges, including consumer proposals and bankruptcy.

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