



Consumer Economic Pulse

WAVE 38: AUGUST 2025

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Four things you should know

Economic Pessimism continues to decline

Despite renewed tariff discussions at the end of July, Canadians' pessimism towards the economic six months from now continues its decline.

Many expect conditions to remain stable in the next six months, which suggests growing resilience in consumer sentiment despite ongoing trade tensions.

Domestic air travel takes flight, while U.S. air travel softens

Domestic flights within Canada have increased compared to earlier this year, largely driven by leisure trips – now at comparable levels to the high last seen in October 2023.

In contrast, many Canadians report postponing or reconsidering travel to the U.S., contributing to a softening of transborder air travel (4% in August 2025; -2pp vs. October 2023).

Canadians are planning for major purchases

Two-in-five (43%) Canadians are planning to make a major purchase in the next six months, with furniture or electronics like computers or laptops being the most common major item to purchase.

There are clear generational difference in intent to make a major purchase, with Boomers being less likely than younger generations to make a major purchase in the near future.

Fewer Canadians are accumulating Debt

The number of Canadians who are accumulating debt continues to trend downwards in August 2025, reaching the lower number seen since tracking began.

This may suggest that despite on-going tariffs discussions, Canadians are able to manage their expenses without taking on additional debt.

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Methodology →

About ARG →

Setting The Stage: Key Developments in the 2025 U.S.-Canada Trade Measures

On February 1, 2025, President Donald Trump signed executive orders imposing significant tariffs on imports from Canada, Mexico, and China. Specifically, a 25% tariff was levied on most Canadian goods, with a reduced 10% rate on Canadian energy products.

The tariffs went into effect on March 4, 2025, following a brief suspension announced on February 3, 2025, to allow for negotiations with Canada and Mexico. In retaliation, Canada has imposed its own tariffs on U.S. goods



Key Developments:

- **Feb 1:** President Trump signs executive order for tariffs levied on Canadian goods
- **Feb 3:** One month pause on tariffs
- **Feb 10:** US imposes 25% tariffs on steel and aluminum
- **Mar 4:** Tariffs went into effect
- **Mar 6:** US delayed tariffs on goods compliant with USMCA
- **Mar 14:** PM Mark Carney sworn in as new Prime Minister
- **Apr 2:** “Liberation Day” -universal import tariff on all goods entering the U.S.
- **Apr 3:** Effective date of 25% US Tariffs on Auto Imports
- **Apr 28:** Canadian Fed Election
- **May 3:** Effective date of 25% US Tariffs on Auto Parts (Exemption for CUSMA-compliant parts)
- **June 4:** U.S. tariffs on Aluminum and Steel increasing from 25% to 50%
- **June 27:** Canada imposes Tariff-Rate quotas on Steel Mill imports
- **June 29:** Canada cancels the Digital Services Tax to continue trade negotiations
- **Aug 1:** U.S. Tariffs on Canadian Goods Increase From 25% to 35%
- **Aug 22:** PM Mark Carney announces that Canada is dropping their retaliatory tariffs on goods covered by CUSMA.

Source: <https://www.reuters.com/business/autos-transportation/how-trumps-chaotic-trade-war-has-evolved-2025-05-12/>

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Perspective on the Economy

Perception of Canadian Economy six months from now→

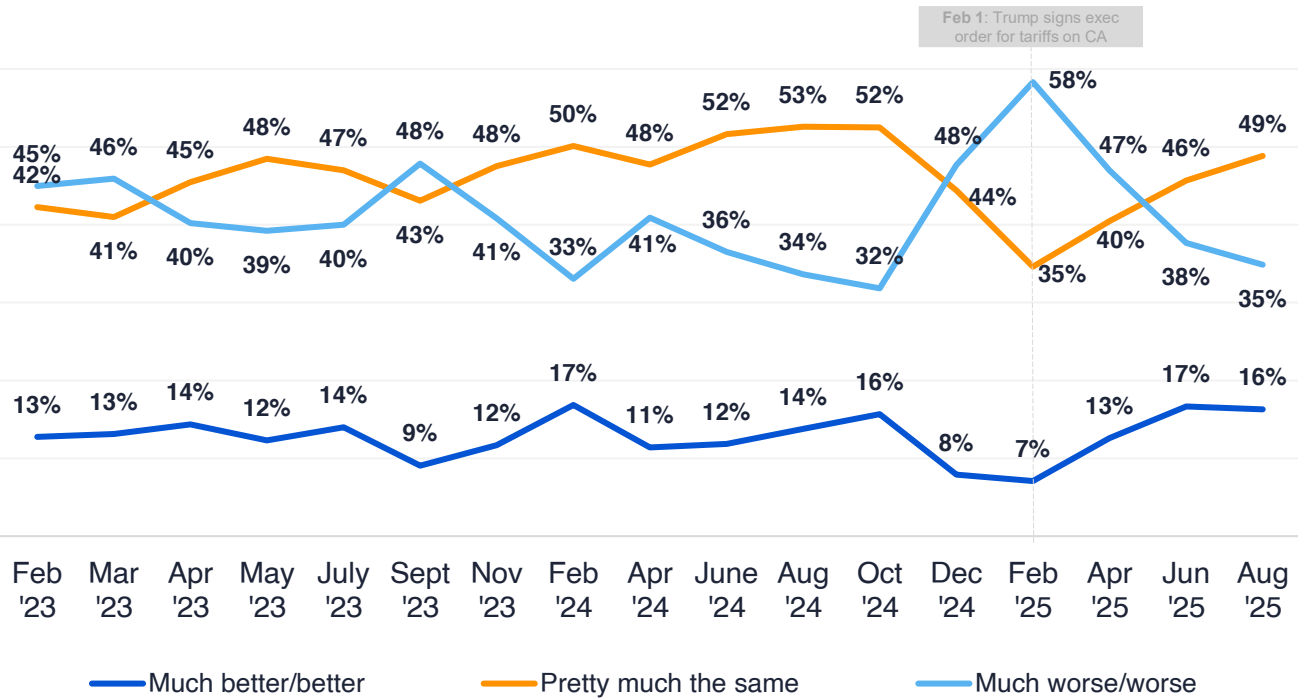
Personal Debt Load →



Perception of Canadian Economy

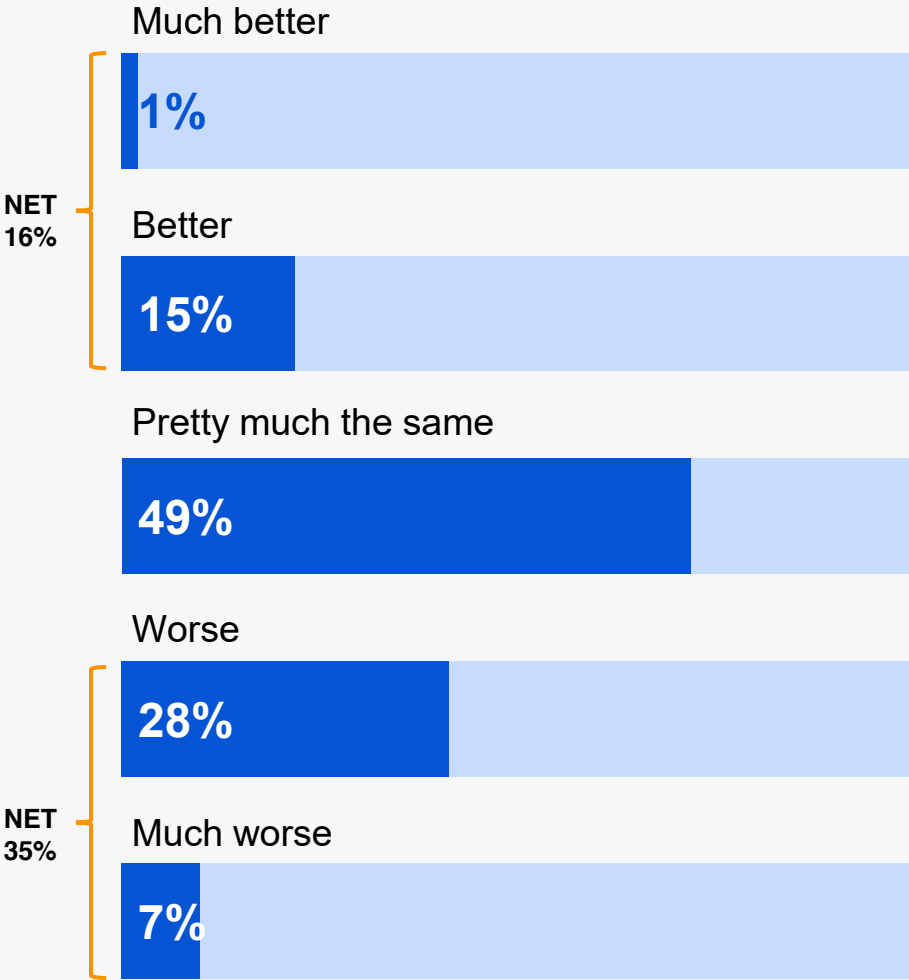
Six months from now

While 35% of Canadians expect the economy to worsen, pessimism is declining overall, and an increasing share believe conditions will remain steady (49%) six months from now.



Base: Total n=1,517 | Q: Would you bet that the economy, six months from now, will be better, pretty much the same, or worse? What is your wager?

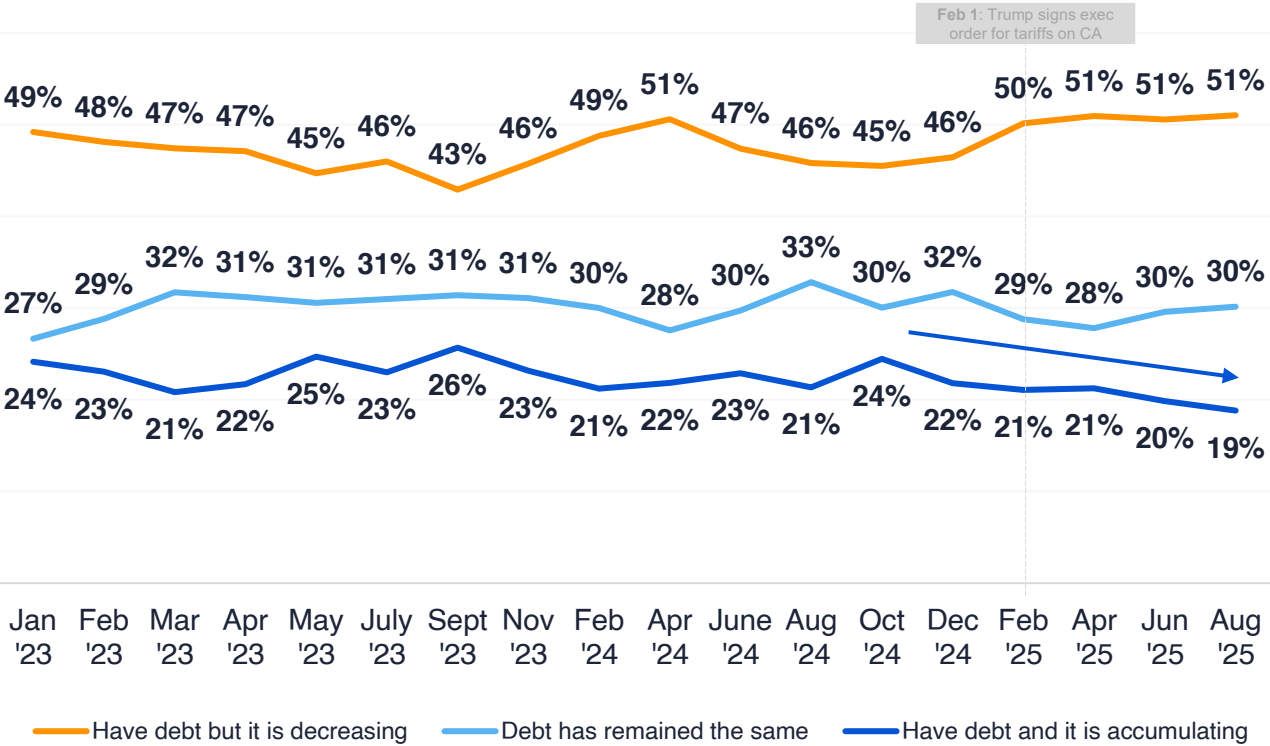
AUGUST 27 TO AUGUST 28, 2025



Personal Debt Load

The number of Canadians with accumulating debt is continuing to trend downwards, reaching the lowest number seen since tracking began in January 2023.

Debt Load Among Those Who Have Debt



Base: Total n=1,517, Have debt n=821 | Q: Thinking about your personal finances, (and not including any mortgage debts) would you say that you...?

AUGUST 27 TO AUGUST 28, 2025

Debt Load Among All Respondents

Have no debt

44%

Have debt – but I am paying it off and it has been decreasing over the last year

28%

Have debt – and it has remained at roughly the same level over the last year

17%

Have debt – and I have accumulated more debt over the last year.

10%

Have Debt 56%

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Affordability / Personal Spending Habits

Decrease in Discretionary Activities →

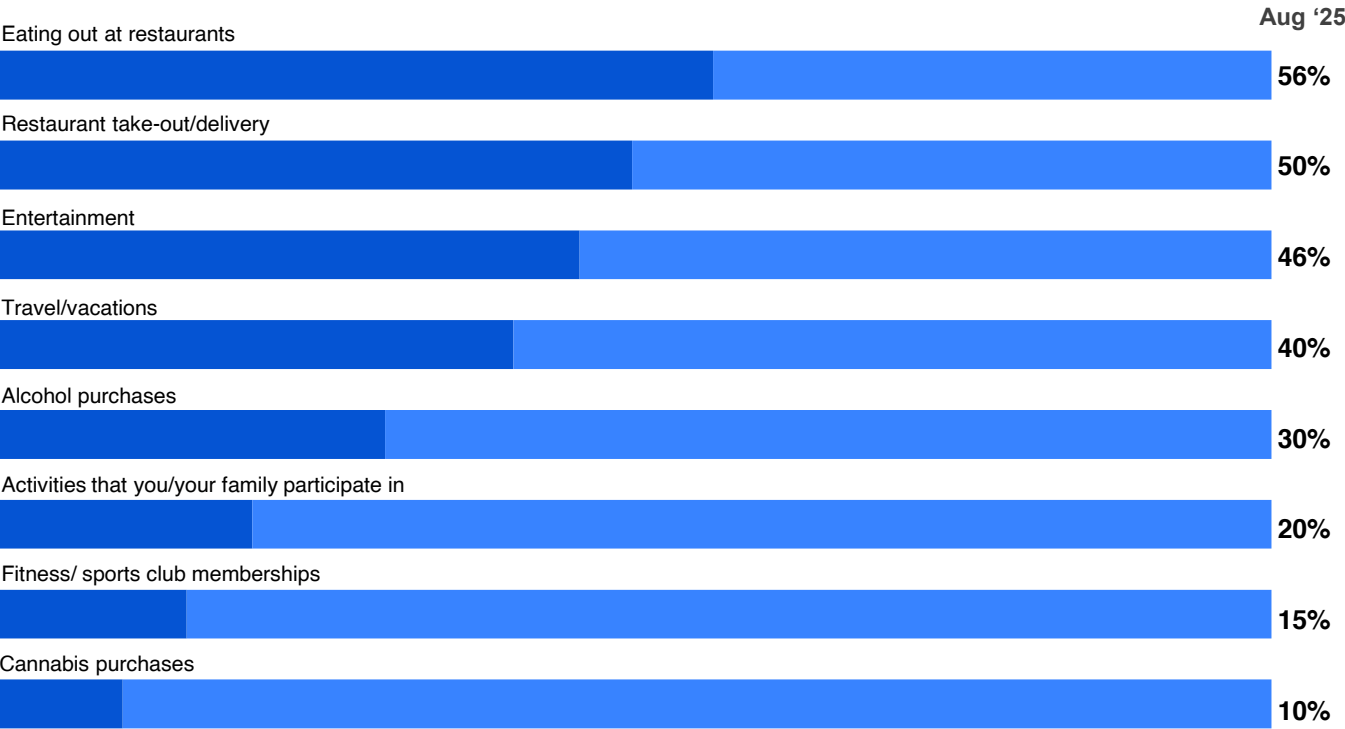
Changing Brands to Save →

Planned Major Purchases in the Next 6 Months →



Decrease in discretionary activities

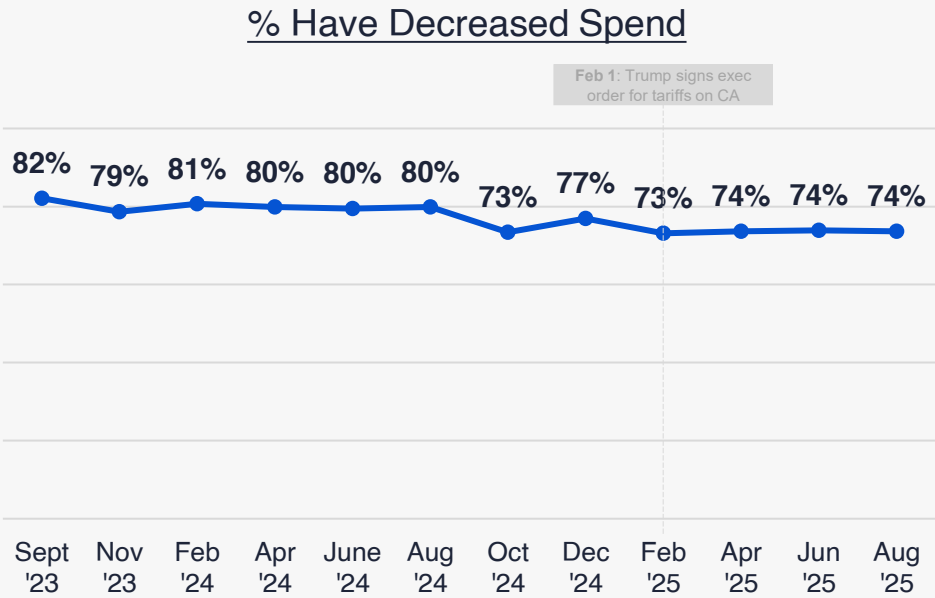
The number of Canadians decreasing their discretionary activities to save money has been stable since February 2025. As in prior months, eating out and ordering takeout/delivery are the most common areas where Canadians are cutting back on their spending to save.



Base: Total n=1,517 | Q: Since the start of the year, have you decreased your purchases/spending or changed your behavior to save money in any of the following categories?

AUGUST 27 TO AUGUST 28, 2025

74% of Canadians have reduced their non-essential activities and spending in order to save money; on par with June 2025



Changing brands to save

Brand switching remained stable in August 2025 (52%), comparable to July, and continues to be driven largely by grocery purchases.

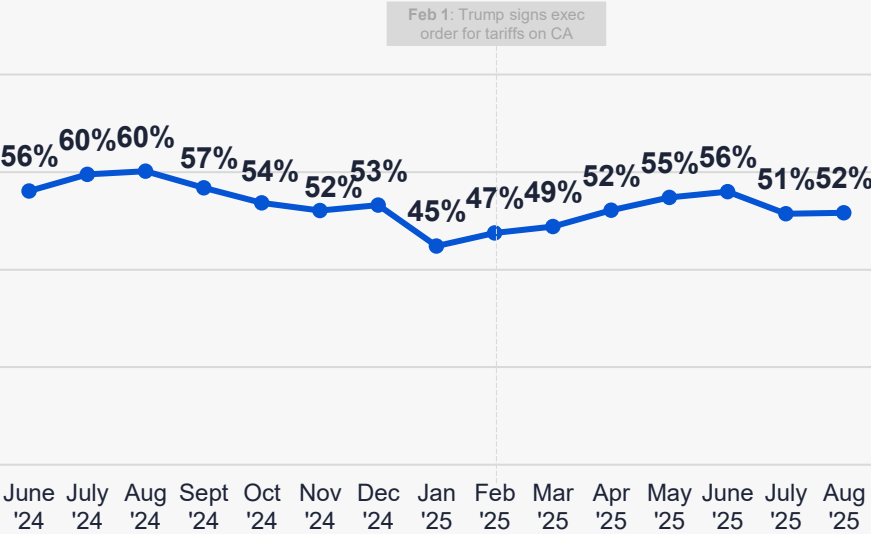


Base: Total n=1,517 | Q: Since the start of the year, have you switched to a different brand/company than you usually purchase from to save money in any of the following areas?

AUGUST 27 TO AUGUST 28, 2025

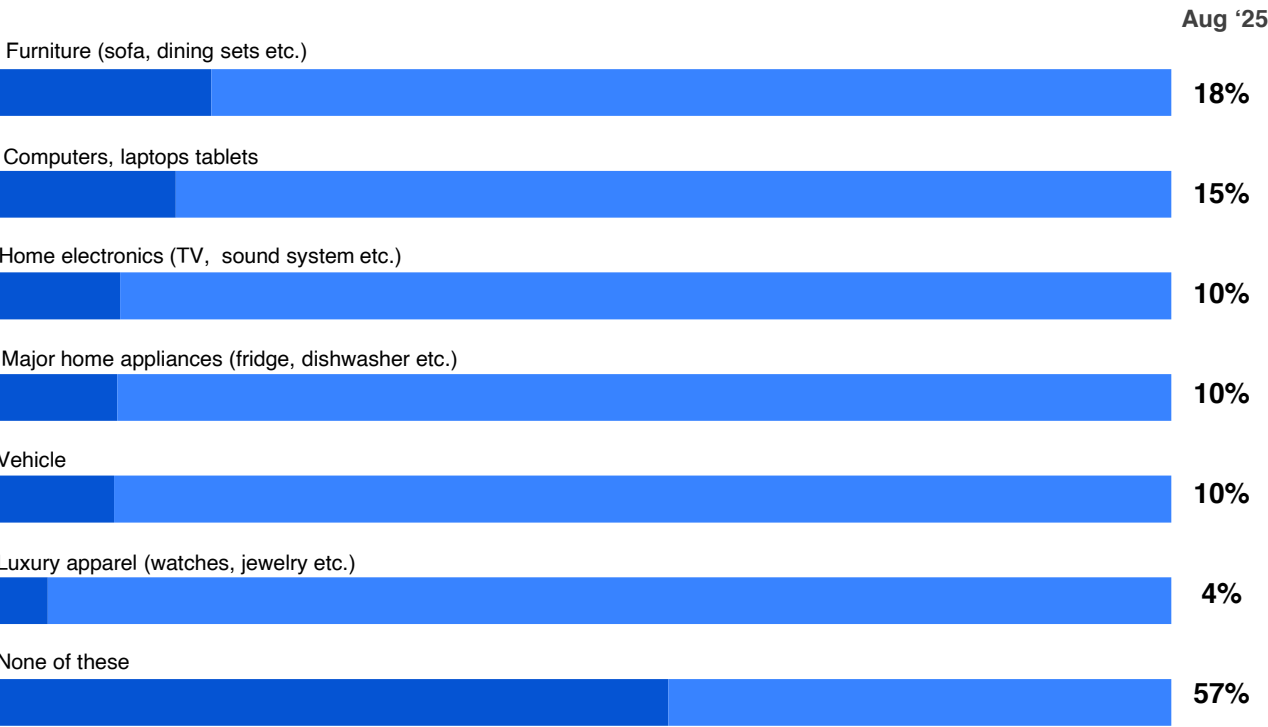
52% of Canadians have switched brands in at least one area in order to save money

% Have Switched Brands



Planned Major Purchases in the Next 6 Months

Two-in-five (43%) Canadians are planning a major purchase in the next six months, with furniture and electronics such as computers, laptops, and tablets topping the list of big-ticket items.



Base: Total n=1,517 | Q: Over the next six months are you likely to purchase any of the following?

AUGUST 27 TO AUGUST 28, 2025

43%

of Canadians intend to make a major purchase in the next 6 months.

Baby Boomers are the *least* likely to be planning to make a major purchase in the next 6 months (31% vs. 49% on average for younger generations:

- Gen X (44%)
- Millenials (52%)
- GenZ (49%)

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Canada/U.S Relations

Changes to Shopping Habits →

Digital Purchase Behaviour →



Changes to shopping habits

In August 2025, 84% of Canadians reported making changes to their shopping habits in response to the current political and economic climate. About half are purchasing more Canadian products and fewer American ones, with 57% prioritizing local and 66% buying less from the U.S.

This highlights that most Canadians are continuing to shift their shopping habits to support local products and reduce reliance on American goods in light of the current political and economic climate.



Base: Total n=1517 | Q. In light of the current political and economic climate (i.e. American tariffs) have you made any of the following changes to your shopping habits over the last month?

AUGUST 27 TO AUGUST 28, 2025

84%

of Canadian have made a change to their shopping habits in light of the current political/economic climate.

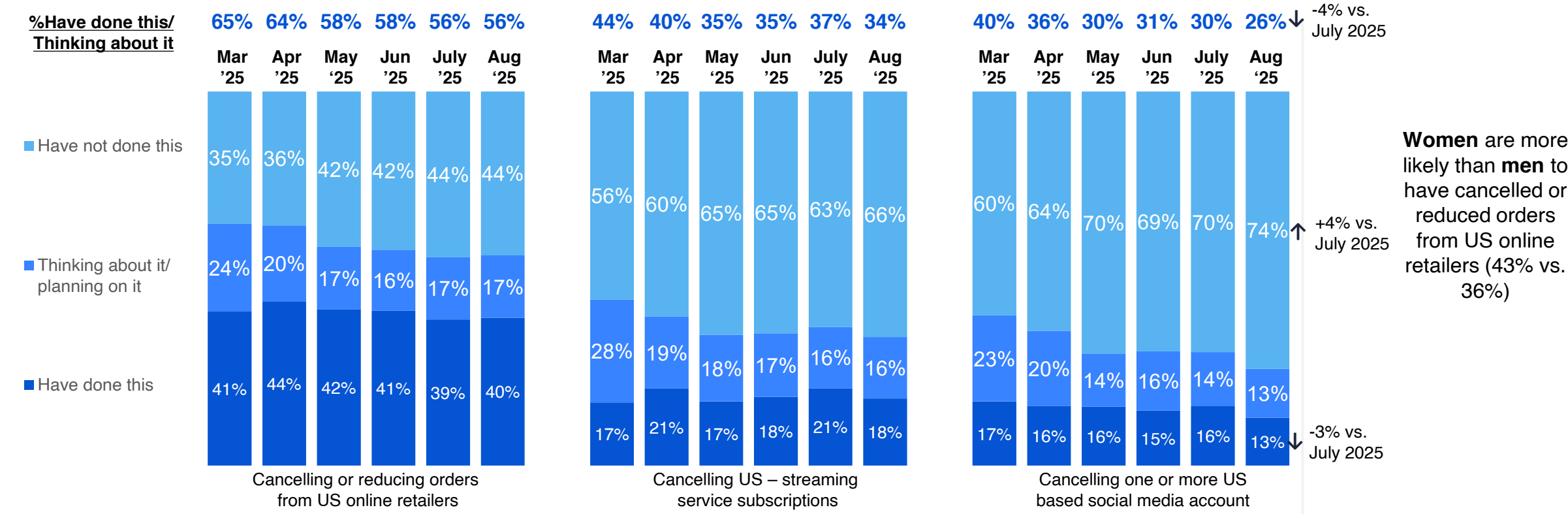
	Mar '25	Apr '25	May '25	Jun '25	Jul '25	Aug '25
NET Prioritizing Local Buying more from Canadian companies, products or local shops	55%	59%	58%	55%	56%	57%
NET Buying Less American Buying less from US companies or products	63%	67%	65%	64%	66%	66%
NET Reduce/Delay Shopping Reduce shopping or delaying/cancelling purchases	29%	32%	30%	29%	29%	29%

Buying Less American

- 58% Females vs. 51% Males

Digital purchase behaviour

Many Canadians are cutting back on U.S. online shopping (56%), while fewer are willing to cancel U.S.-based streaming services (34%) or social media accounts (26%; -4pp vs. July 2025) This reflects a stronger readiness to adjust retail habits than digital ones in response to the current climate, likely due to limited local alternatives for the latter.



Base: Excl N/A (base varies) | Q. In light of the current political and economic climate (i.e. American tariffs), have you, or are you planning to do any of the following

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Travel

Changes to US Travel Plans →

Changes in Driving to Save on Gas →

Business and Leisure Flights →

Flights to US and within Canada →

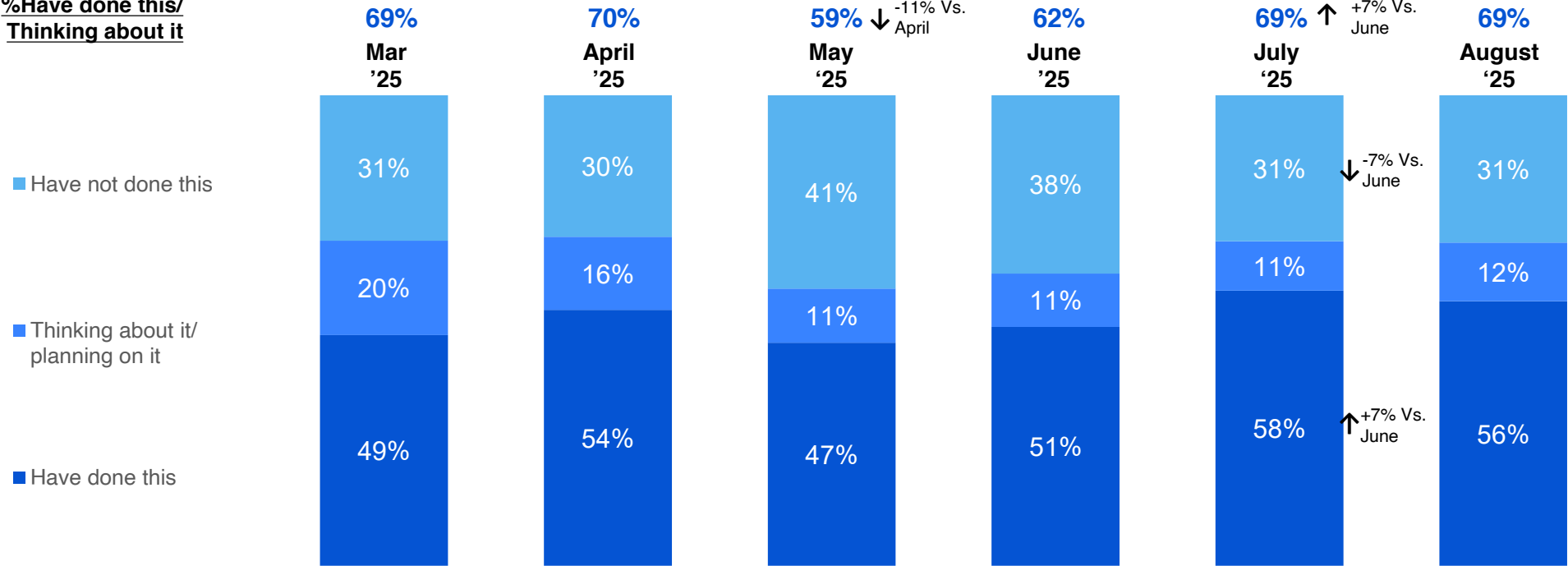


Changes to US travel plans

69% of Canadians say they have cancelled or are considering cancelling a planned trip to the U.S., consistent with levels seen in July and March.

Cancelling or postponing a planned trip to the United States

**%Have done this/
Thinking about it**

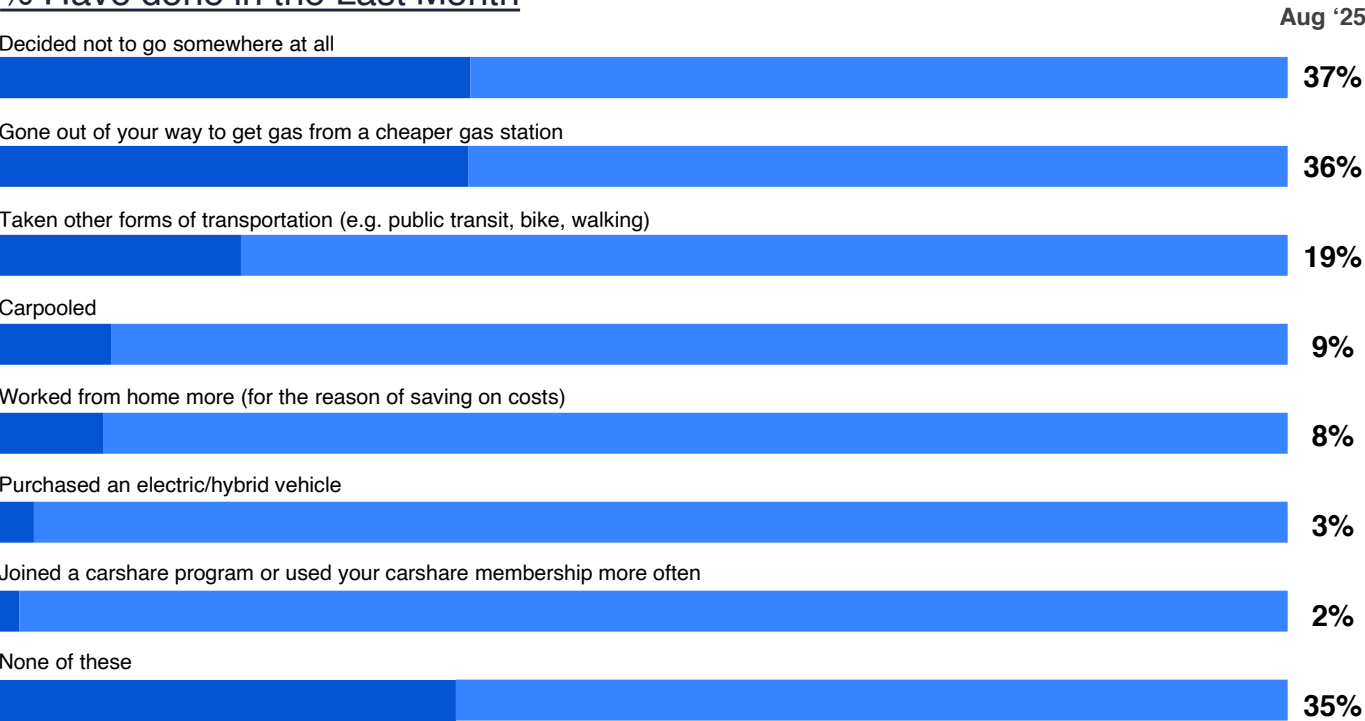


Base: Excl N/A (base varies) | Q. In light of the current political and economic climate (i.e. American tariffs), have you, or are you planning to do any of the following

Changes in driving to save on gas

64% of Canadians have made changes to their driving habits to save on gas in the past month, consistent with May levels. The most common ways to save on gas are to skip trips entirely (37%) or seeking out cheaper gas options (36%).

% Have done in the Last Month



Base: Exclude N/A n=1,326 | Q: Over the last month, have you done any of the following to save on gas costs?

AUGUST 27 TO AUGUST 28, 2025

64% of Canadians have made at least one change in their driving habits over the past month to save on gas; on par with May 2025.

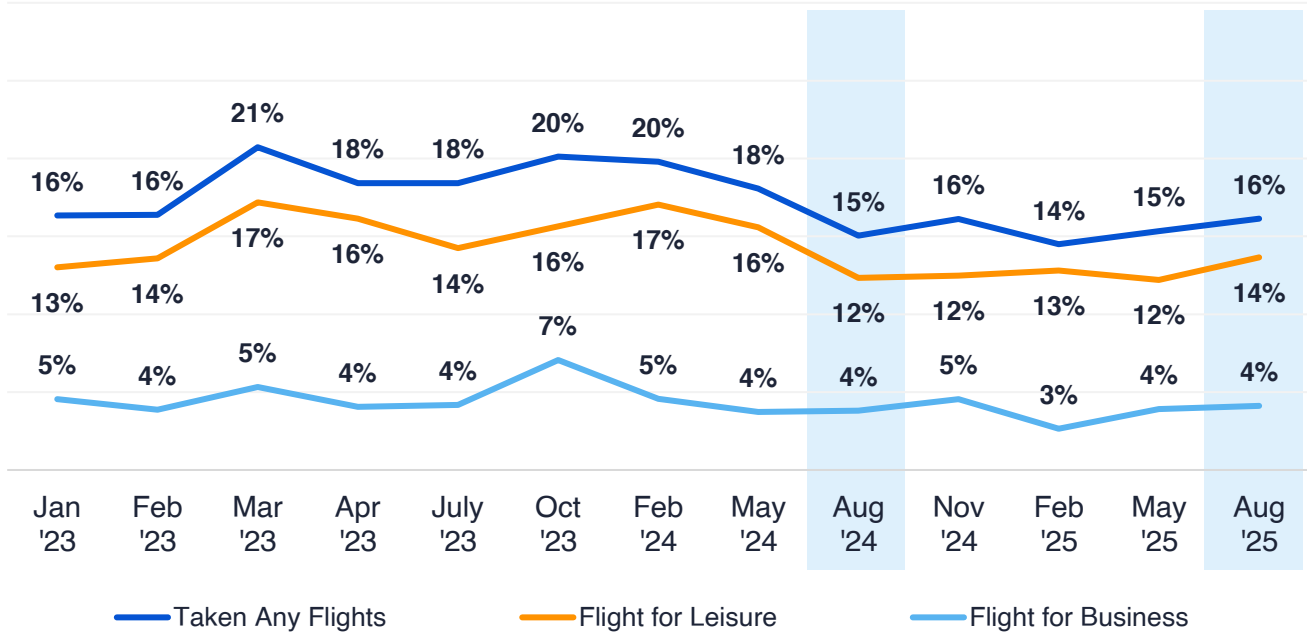
	Aug '25	May '25	Feb '25	Nov '24	Aug '24	May '24	Feb '24	Oct '23	July '23	Apr '23	Mar '23	Feb '23
Decided not to go somewhere at all	37%	38%	39%	33%	42%	43%	43%	39%	41%	47%	48%	47%
Gone out of your way to get gas from a cheaper gas station	36%	37%	35%	35%	40%	38%	40%	36%	39%	39%	40%	36%
Taken other forms of transportation (e.g. public transit, bike, walking)	19%	21%	20%	22%	23%	26%	20%	20%	22%	22%	22%	20%
Carpooled	9%	9%	11%	9%	11%	13%	10%	10%	11%	11%	11%	10%
Worked from home more (for the reason of saving on costs)	8%	9%	9%	10%	12%	13%	11%	11%	12%	15%	17%	13%
Purchased an electric/hybrid vehicle	3%	2%	1%	2%	3%	2%	1%	3%	3%	2%	2%	1%
Joined a carshare program or used your carshare membership more often	2%	1%	1%	1%	1%	2%	3%	3%	1%	2%	2%	2%
None of these	35%	34%	35%	36%	28%	25%	30%	29%	28%	28%	23%	27%

Business/Leisure Flights

In August 2025, 16% of Canadians travelled on a flight in the past-month, largely comparable to the same time last year (15%).

Domestic travel accounted for much of this activity, with 10% of Canadians taking a flight within Canada (+5pp vs. February 2025). This rise is fuelled by leisure travel, indicating that more Canadians are choosing to spend their vacations closer to home.

% Have taken a flight in the Last Month



Base: Total n=1,517 | Q: Over the last month, have you taken any flights?

AUGUST 27 TO AUGUST 28, 2025

Type of Flights in Past Month

16%

of Canadians have taken a flight in the last month

4%

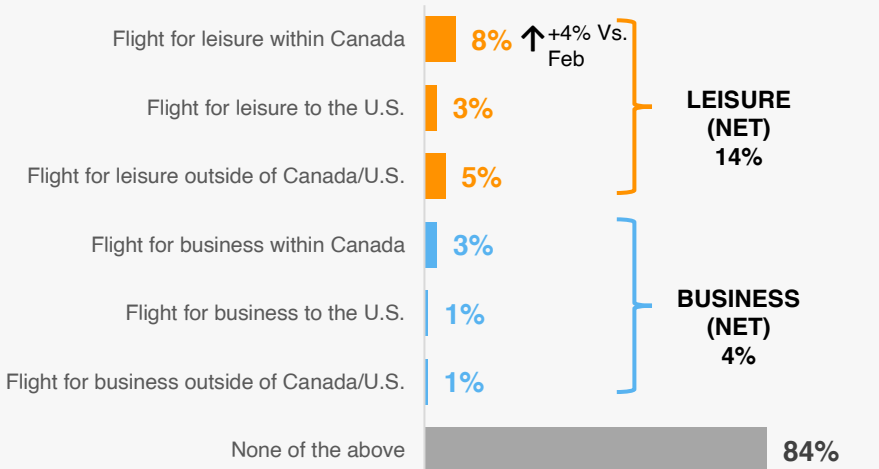
Flights to the U.S.

10% ↑

Flights within Canada
+5% Vs. Feb

6%

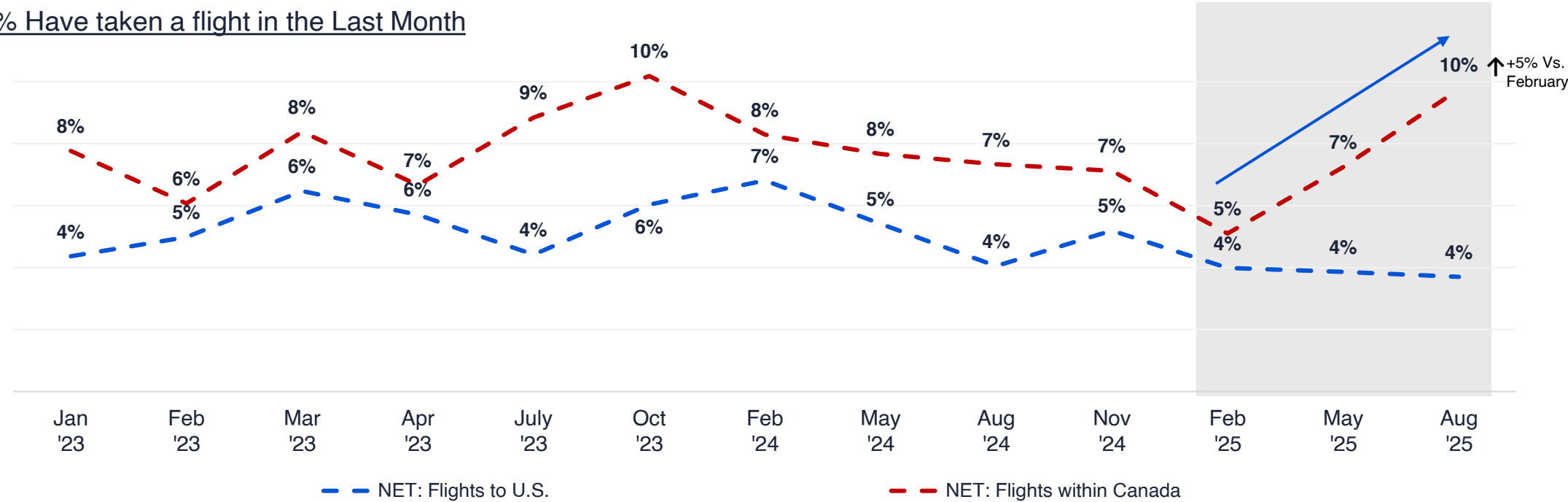
Flights Internationally
(Not USA)



Flights to US and within Canada

Since tariff disputes started in February, domestic flights have surged by a factor of two (from 5% in Feb to 10% in August). In contrast, flights to the US have hovered around 4% (in contrast to generally higher levels seen in previous years).

% Have taken a flight in the Last Month



Base: Total n=1,517 | Q: Over the last month, have you taken any flights?

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Engaging in Out-of-Home Activities

Frequency of Participating in Activities →

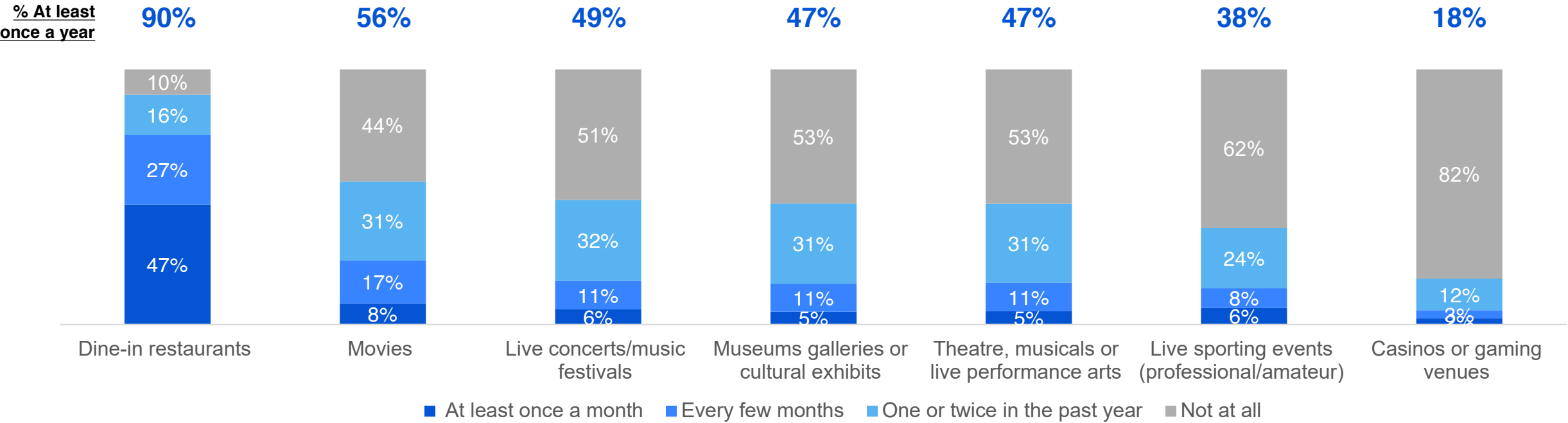
Changes in Participating Frequency →



Frequency of Participating in Activities

Dining-in at restaurants is the most common leisure activity, with 90% of Canadians dining out at least once a year and nearly half (47%) doing so monthly. Other popular activities include movies (56%) and live concerts (49%). Casino visits was the least common activity in the past year (18%).

AUGUST 27 TO AUGUST 28, 2025

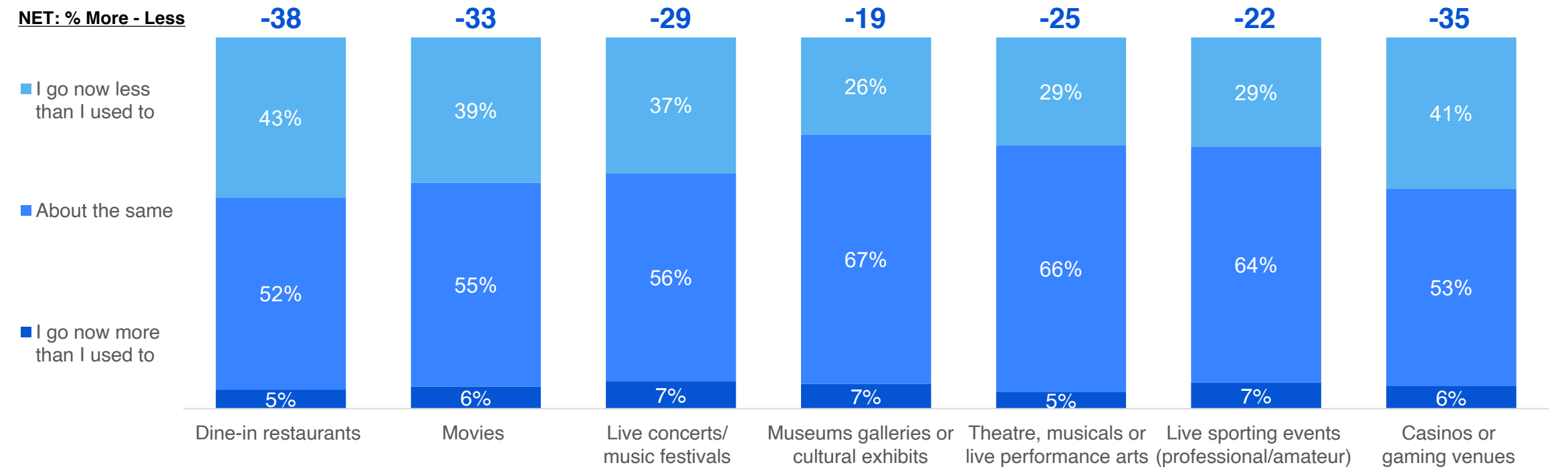


Base: Total n=1,517 | Q: Thinking about the last year, how often do you go out to ...

Change in Participation Frequency

The majority of Canadians are maintaining their leisure routines, but reported declines in dining out, movies, live sports, and concerts point to a more cautious approach toward discretionary spending.

AUGUST 27 TO AUGUST 28, 2025



Base: Participated in activity in the past year (base varies by activity) | Q: And do you think that you're going to the following now more or less than you used to?

Methodology

Field Window

Wave 38: August 27 to 28, 2025

Next Field Date: September 2025

Study

With inflation continuing to ease, many households are still adjusting to elevated prices and the overall cost of living.

The introduction of U.S. tariffs under President Trump in 2025 has added fresh uncertainty to the economic outlook, potentially influencing the cost of imported goods and further shaping consumer sentiment. The Angus Reid Group conducts a monthly tracker to monitor Canadians' purchasing behaviors and perceptions of the economy amid these evolving conditions.

This study has been running since May of 2022.

Sample

Wave 38: n=1,517

For this wave, a nationally representative sample of n=1,517 Canadian Adults (age 18+ yrs.) who are members of the Angus Reid Forum.

The sample frame was balanced and weighted on age, gender, region and education according to the latest census data. For comparison purposes only, a probability sample of this size would yield a margin of error of +/- 2.5 percentage points at a 95% confidence level.



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By leveraging deep sector knowledge and cutting-edge tools, we deliver accurate, actionable insights that inform strategic decision-making, helping clients stay ahead in a rapidly evolving landscape. Whether it's customer experience research, brand development, or public opinion polling, our solutions are designed to deliver reliable data and provide clear, meaningful guidance.

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Appendix

Field Window

Wave 1:	May 19-24, 2022
Wave 2:	Jun 20-22, 2022
Wave 3:	Jul 19-21, 2022
Wave 4:	Aug 18-22, 2022
Wave 5:	Sep 23-27, 2022
Wave 6:	Oct 26-28, 2022
Wave 7:	Nov 23-25, 2022
Wave 8:	Jan 10-12, 2023
Wave 9:	Feb 17-21, 2023
Wave 10:	Mar 14-16, 2023
Wave 11:	Apr 19-21, 2023
Wave 12:	May 30-Jun 2, 2023
Wave 13:	Jun 23-26, 2023
Wave 14:	July 20-24, 2023
Wave 15:	Aug 25-28, 2023
Wave 16:	Sep 21-26, 2023
Wave 17:	Oct 27-31, 2023
Wave 18:	Nov 27-29, 2023
Wave 19:	Jan 15-18, 2024
Wave 20:	Feb 16-22, 2024
Wave 21:	Mar 20-22, 2024
Wave 22:	Apr 22-24, 2024
Wave 23:	May 28-31, 2024
Wave 24:	Jul 4-9, 2024
Wave 25:	Jul 26-31, 2024
Wave 26:	Aug 22-27, 2024
Wave 27:	Oct 3-8, 2024
Wave 28:	Oct 15-21, 2024
Wave 29:	Nov 13-18, 2024
Wave 30:	Dec 3-6, 2024
Wave 31:	January 16-22, 2025
Wave 32:	February 18-20, 2025
Wave 33:	March 17-20, 2025
Wave 34:	April 21-25, 2025
Wave 35:	May 26-28, 2025
Wave 36:	June 18-23, 2025
Wave 37:	July 11-15, 2025
Wave 38:	August 27-28, 2025

Sample

Wave 1:	n=1,530
Wave 2:	n=1,503
Wave 3:	n=1,503
Wave 4:	n=1,508
Wave 5:	n=1,507
Wave 6:	n=1,502
Wave 7:	n=1,509
Wave 8:	n=1,505
Wave 9:	n=1,507
Wave 10:	n=1,505
Wave 11:	n=1,503
Wave 12:	n=1,503
Wave 13:	n=1,502
Wave 14:	n=1,502
Wave 15:	n=1,502
Wave 16:	n=1,503
Wave 17:	n=1,510
Wave 18:	n=1,507
Wave 19:	n=1,505
Wave 20:	n=1,509
Wave 21:	n=1,505
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Wave 25:	n=1,506
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Wave 28:	n=1,501
Wave 29:	n=1,512
Wave 30:	n=1,506
Wave 31:	n=1,505
Wave 32:	n=1,508
Wave 33:	n=1,513
Wave 34:	n=1,518
Wave 35:	n=1,514
Wave 36:	n=1,506
Wave 37:	n=1,533
Wave 38:	n=1,517

A nationally representative sample of roughly n=1,500 Canadian Adults (age 18+ yrs.) who are members of the Angus Reid Forum.

The sample frame was balanced and weighted on age, gender, region and education according to the latest census data. For comparison purposes only, a probability sample of this size would yield a margin or error of +/- 2.5 percentage points at a 95% confidence level.