

Half of Canadians struggle with the 'terrible money twos' ^[1]

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Source: MoneySense

Format: Report

Publication Date: 16 Nov 2015

AVAILABILITY

Survey results online ^[2]

Summary

The pitter patter of little feet around the family home is becoming a financial luxury, as more than half of Canadians feel they cannot afford both family life and home ownership.

The Terrible Money Twos survey by RateSupermarket.ca finds 55.6% of respondents believe their ability to start or expand their family is directly impacted by real estate prices in their region. The challenge is even greater for millennials, at 72.11%.

The survey, which polled 1,700 Canadians on their family affordability sentiments, highlights how tough it is for today's young adults to achieve financial milestones in the face of historically high housing costs, childcare costs and household debt levels.

While it's no surprise that kids are hard on the wallet – at a quarter of a million dollars to raise a baby to college-age – it is disheartening Canadians increasingly feel they must choose between home ownership and their desire to be parents,” says Penelope Graham, Editor at RateSupermarket.ca. “Rising home prices, especially in Canada’s urban centres, are making it tougher for millennials to follow their family dreams.”

“It’s more important than ever that would-be homeowners compare their mortgage options and boost their affordability with truly competitive financing.”

Debt and Daycare Pose Affordability Challenges

Existing debt also plays a role in respondents’ family decision making, with 46.4% of millennials saying it prevents them from growing their family. Another 60.24% said they would rely more on credit to afford the day-to-day expenses of family life.

Lack of affordable childcare was cited by respondents as a top financial challenge; only 15.21% of all respondents say childcare is affordable in their region, with 41.9% indicating they do, or will, rely on one parent staying home full-time in order to provide childcare. 48% stated that childcare costs impacted their affordability for other things.

Survey highlights:

- 54.5% said family costs were more than they anticipated
- The price of food topped the list of unexpected costs for parents at 26.5%
- 52.8% of respondents say they cannot start or expand their family in their current home
- 49.4% of respondents say they have changed their minds about their desired family size due to associated costs
- 71.4% of millennial respondents say they would need to make significant financial changes before starting a family, lead by increasing savings at 41%

Region: Canada ^[3]

Tags: affordability ^[4]

inequality ^[5]

income ^[6]

Source URL (modified on 27 Jan 2022): <https://childcarecanada.org/documents/research-policy-practice/15/11/half-canadians-struggle-terrible-money-twos>
Links

[1] <https://childcarecanada.org/documents/research-policy-practice/15/11/half-canadians-struggle-terrible-money-twos> ^[2]

<https://www.ratesupermarket.ca/blog/half-canadians-struggle-terrible-money-twos/> [3] <https://childcarecanada.org/taxonomy/term/7864> [4]

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