

Cost of living beats overspending as number one cause of debt in B.C.: report



—File: A digital point of sale device. (CityNews Image)



By [Jan Schuermann](#)

Posted January 19, 2026 7:17 pm.

The pressures of the cost of living have overtaken general financial mismanagement as the number one reason for credit debt in B.C.

According to the 2025 BC Consumer Debt Study (BCCDS), this is the first time in its annual report's 13-year history.

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The authors of the study say that 26.9 per cent of those surveyed reported going into debt because their income does not cover basic cost-of-living expenses.

In comparison, 25.4 per cent say that their overextended credit is due to overspending.

Debt helps service Sands & Associates, the sponsor of the study, says that higher living costs paired with inflation have fueled household debts for British Columbians.

The combination of both amounts to a cost-of-living crisis, which Blair Mantin, president of the insolvency firm, says is a huge pressure point for residents across the province.

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Groceries are at the top of borrowers' minds when asked what commodities have taken the most out of their budgets, with gas and rent following.

Over 38 per cent of borrowers say that their grocery bills have increased by 50 per cent or more.

Twenty-eight per cent and 27 per cent say that increased gas and rent prices, respectively, have had an impact on their household budgets.

Mantin says that there is only so much that people can absorb into their budgets before it starts affecting their finances — and health.

The study suggests that above 83 per cent of borrowers have had “feelings of worry” as a result of the debt.

More people seek help, less blame themselves

Sixty-one per cent say it has caused them some kind of depression, 28 per cent have been alienating themselves from family and friends, and 15 per cent have had thoughts or contemplation of suicide.

The silver lining, however, is that people are starting to no longer blame themselves for being in debt and are more likely to get help from financial experts on how to restructure their debt.

“Lots of people are suffering, but also more people than ever before are taking steps to deal with things, restructuring their debt, getting some free advice, some help on how to move forward,” Mantin told 1130

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serious mental health concerns as a result of their financial situation.

With files from Maria Vinca.

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