



## INFLATION HITS HOUSEHOLDS IN ATLANTIC CANADA: RBC CANADIAN CONSUMER OUTLOOK

### Outlook improves for national economy, jobs

**TORONTO, July 20, 2011** — Rising food and gas prices continue to hammer Atlantic Canada, with 48 per cent of east coast residents saying these increased costs are having a significant impact on their budgets, according to the July 2011 RBC Canadian Consumer Outlook Index ([RBC CCO](#)).

In response, residents of Atlantic Canada are among the most likely in the country (33 per cent) to hold off on vacation plans until next year, and the same number will delay the purchase of a new vehicle.

Atlantic Canadians are also struggling with debt; personal debt (not including mortgages) is an estimated \$16,546 on average, second only to residents of Alberta. While reducing all their debts is a focus for east coast residents (39 per cent), they are also planning on spending less (28 per cent), saving or investing more (19 per cent) or taking all of these actions (21 per cent).

“Atlantic Canadians continue to be very focused on making their budgets work, by trying to balance paying bills, spending less and saving more,” said Kim Mason, regional president, Atlantic Provinces, RBC. “Good financial advice can help them in achieving that balance.”

The RBC CCO also indicates that economic optimism for the upcoming year has risen on the east coast – 41 per cent expect to see improvements in the Canadian economy and 37 per cent also believe their personal financial situation will improve. In addition, job anxiety has eased in the region, with only 18 per cent saying they are concerned about job loss in 2011.

Nevertheless, economies in the Atlantic Canada region are expected to show mixed results, according to the latest [RBC Economic Outlook](#).

“Newfoundland and Labrador is expected to lead, with real GDP growth of four per cent, due to a strong natural resource industry,” said Craig Wright, senior vice-president and chief economist, RBC. “PEI should see growth of 2.4 per cent, supported by increased demand for agricultural and seafood products. New Brunswick’s growth is forecast to be 1.9 per cent, driven by a strong export sector, while Nova Scotia should see growth of 1.7 per cent, based largely on manufacturing.”

The RBC CCO is Canada’s most comprehensive consumer assessment of the economy, personal financial situation and economic and purchasing expectations. [Other provincial highlights](#) from the July 2011 RBC CCO include:

- **Job Anxiety:** Ontarians have the highest job anxiety in Canada (27 per cent); residents in Manitoba and Saskatchewan have the lowest (16 per cent).
- **Vacation:** Albertans and Quebecers are the least likely in Canada (26 per cent) to delay their vacation plans due to changing economic factors; Ontarians (34 per cent) are most likely to delay these plans.
- **Major Purchases:** Over the next year, residents in Atlantic Canada and British Columbia (22 per cent) are the least likely to increase expenditures on major purchases; Albertans are the most likely (29 per cent) to spend more on these purchases.

The national RBC CCO release, full set of regional releases and related comparative data charts can be accessed via [www.rbc.com/newsroom/2011/0720-cdn-consumer.html](http://www.rbc.com/newsroom/2011/0720-cdn-consumer.html).

#### **About RBC's debt management and other financial advice and interactive tools**

RBC's [myFinanceTracker](#), a new online financial management tool, offers all personal RBC [online banking](#) clients the ability, at no cost, to create a set budget and track their spending habits. Whether Canadians want to get more from their [day to day banking](#), protect what's important, save and invest, borrow with confidence or take care of their businesses, the [RBC Advice Centre](#) can help answer their questions ([www.rbcadvicecentre.com](http://www.rbcadvicecentre.com)). With the guidance of RBC advisors who are available to chat live, Canadians have access to free, no-obligation professional advice about RBC products and services and personalized one-on-one [banking](#) service.

#### **About the RBC Canadian Consumer Outlook Index**

Benchmarked as of November 2009, the RBC CCO is conducted online via Ipsos Reid's national I-Say Consumer Panel. Data was collected between June 9 and June 14, 2011 via 4,008 Canadians (671 British Columbia, 591 Alberta, 464 Saskatchewan/Manitoba, 1,099 Ontario, 564 Quebec, 619 Atlantic Canada). Weighting was then employed to balance demographics and ensure that the sample's composition reflects that of the adult population according to Census data and to provide results intended to approximate the sample universe. A survey with an unweighted probability sample of this size and a 100 per cent response rate would have an estimated margin of error of  $\pm 1.65$  percentage points, 19 times out of 20, of what the results would have been had the entire population of adults in Canada been polled.

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