



DEBT MANAGEMENT

It is now a regular feature on the news that Canadians are carrying record high debt loads. Earlier this month CBC reported that, Consumer debt loads grow at fastest pace in 2 years. It is the non-mortgage debt that is most worrisome. This is because most mortgages by their very nature are decreasing with every payment one makes. As creditors have increased the limits on revolving credit, people in turn have used this credit, resulting in record high debt loads. We often hear there is easy credit combined with cheap interest rates, but wait a minute, what about that 19% rate on your VISA/MasterCard or 28% on your store card? That's not cheap!

There are several reasons why people find themselves in debt. Sometimes I meet with folks who have been carrying debt for so long they can't even identify how they got into debt in the first place.

So what can we do?

If you are dipping into your overdraft before paydays, not paying your credit card in full, purchasing that new living room set interest free for one year; it is critical that you make a plan to pay it off. Relying on your overdraft is a slippery slope and an indication you are living beyond your means.

We have included the following articles to help you get started; How much Debt can I Manage? Creditors are calling me, How do I avoid credit Card Problem? and What are the Benefits and Pitfalls of taking out a line of credit? From the responses of our Budgeting Survey, a large percentage of people stated they need help in setting up a budget, so I encourage you to go back to review the articles for any assistance.

What if you need help now?

I encourage you to check out our web site. As you can see we are non-profit, United Way Member agency. Our list of services are identified on our home page. Check out the links to Client Stories, and our Debt Management Program. There is also a link to our FREE Online Assessment. By completing the assessment a credit counsellor will review your situation with you. Remember it is FREE to look at your options!