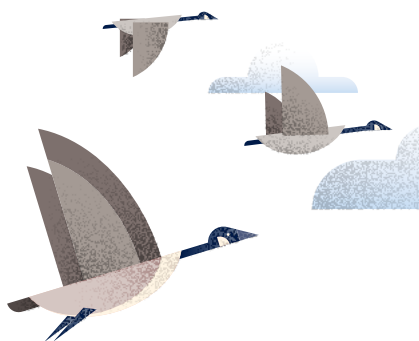



# Dealing with debt

---

**Tips and tools to help  
you manage your debt**





This resource adapts content from Prosper Canada's financial literacy curriculum and the resources *Debt getting in your way?* and *Behind on bills* from the Consumer Financial Protection Bureau. We are grateful to the Government of Ontario for generously funding this resource, and to Credit Counselling Sudbury for their content consultation.

### **Prosper Canada**

Prosper Canada is a national charity dedicated to expanding economic opportunity for Canadians living in poverty through program and policy innovation. Prosper Canada works with partners in all sectors to develop and promote financial policies, programs, and resources that transform lives and help Canadians to prosper.

## Acknowledgement

This resource is one of a series of money management resources developed by Prosper Canada for people with low incomes in Canada. Inspired by the U.S. Consumer Financial Protection Bureau's "Booklets to help talk about money" series, Prosper Canada saw the value of creating simple, colourful and non-intimidating resources that incorporated animal imagery to make the daunting topic of money more accessible and engaging.

Our first resource, *Managing Your Money*, was developed specifically for Indigenous users in partnership with **Simon Brascoupé**, an Indigenous financial wellness expert and artist. This resource combined the use of imagery created by Simon with animal-related teachings about money that Simon had received from his community or drawn from his own observations of the natural world. Our subsequent booklets were developed for use by people with low incomes more generally in Canada and the animal teachings we used were drawn from non-Indigenous sources. However, we would like to gratefully acknowledge Simon's original work as the animating inspiration for the overall design and approach for the entire booklet series.

We would also like to acknowledge that, while many cultures use animal-related teachings, we have come to understand that animals play a uniquely central role in North American Indigenous cultures, spirituality, ways of knowing and understanding the world, how this knowledge is shared, and the clan structures that shape personal identities and affiliations. Consequently, animal teachings carry deep significance in Indigenous communities and formal protocols often govern who can share animal teachings, the process for obtaining these teachings, and the ways in which they can be communicated. Going forward, we will need to ensure we take these and other cultural factors into consideration as we develop our resources.

In this moment, when all people and organizations are called to actively advance healing and reconciliation in Canada, we are committed to deepening our organizational understanding of Indigenous cultures and to broader engagement and consultation with interested Indigenous stakeholders on the future design and use of our resources. We also look forward to continuing to build the partnerships and processes we need to ensure that future resources we develop are culturally appropriate and accessible for Indigenous learners.

# In this booklet

---

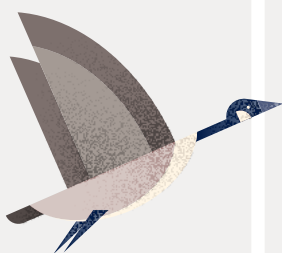
## 1. Your money priorities



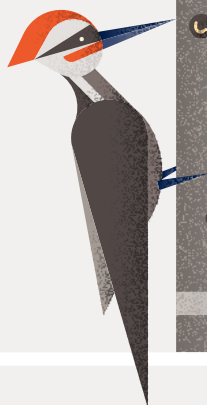
## 5. Making a spending plan



## 2. What do I owe?



## 6. Credit reports and credit score



## 3. Make a debt action plan



## 4. Tracking fluctuating expenses



## 7. Know your rights and options



# It always seems impossible until it's done.

- Nelson Mandela

## About this booklet

Many of us struggle to talk about money, especially when it comes to talking about debt. In Canada today, debt is one of the leading causes of stress in our lives. In fact, a 2018 survey reported that debt-related stress has increased in the last few years.<sup>1</sup>

Many Canadian households carry debt of different kinds, such as credit card debt or mortgage debt. It is when debt becomes too much for us to manage, or when we do not have a plan to pay it off, that it can become stressful and even overwhelming. This is when it is time to have those tough conversations and make a plan to deal with debt.

Being able to reduce debt and not relying on credit to pay for everyday expenses are part of achieving financial well-being.<sup>2</sup>

This booklet provides a set of activities to help you manage your debt and provides tips on how you can reduce it. The worksheets can help you identify your money priorities, calculate what you owe and strategize how you can pay it back, even if you have a fluctuating income. These worksheets can be completed on your own, in the sequence that works best for you.

However, we also recommend working with a trusted financial coach or credit counsellor if possible.

You can do the worksheets in the order they appear, or simply use the ones that you need right now. Photocopy pages that you think you may need to use more than once, such as the budgeting sheet or debt action plan. It can be helpful to talk about finances with friends and family. Keep in mind, nobody else needs to see the information on your worksheets unless you would like them to.

Using credit is a common practice. Many people have debt. What is important is that it is managed well so that it remains a useful money management tool, not a source of stress. Let's begin!

<sup>1</sup> Canadian Payroll Association, 2018

<sup>2</sup> FCAC, Background: Preliminary Findings from Canada's Financial Well-Being Survey. 2018.  
<https://www.canada.ca/en/financial-consumer-agency/programs/research/background-preliminary-findings-canada-financial-wellbeing-survey.html>

