



Tips to Surviving a Layoff or Reduction in Work

- 1. Organize your finances.** Create a target budget and track spending for several weeks. Seek advice on money management strategies. Begin planning ahead and saving for upcoming expenses.
- 2. Create an emergency savings fund.** Your income may stop but the bills won't, so you'll need enough in liquid savings to weather the storm until employment insurance benefits begin. You could sell some assets or use your income tax refund.
- 3. Reduce your expenses.** Look at all your expenses and determine where they can be eliminated or scaled back at least on a temporary basis. Evaluate expenses as needs or wants.
- 4. Scale back your lifestyle and avoid using credit to "get by".** Access to credit allows many to live beyond their means. Learn to live on less so that you do not fall deeply in debt during a short-term crisis.
- 5. Look for new income.** Maybe you could take a part-time job or find temporary work.
- 6. Restructure your debt.** Find ways to lower your overall debt payments. Sell an asset to pay down your debts. Consider refinancing your mortgage. Investigate the benefits of a consolidation loan to pay off high interest credit cards and have a smaller monthly payment.
- 7. Contact your creditors (if you are having trouble making payments).** Contact your creditors to let them know you have been laid off and see what they can do to help.
- 8. Get help.** If you can't get ahead despite your best efforts, consider credit counselling. A certified financial fitness coach will analyze your situation and provide options to you at no cost. For more information please contact Credit Counselling Service of Sault Ste. Marie a non-profit, charitable organization that provides confidential counselling, guidance, debt repayment programs, and educational services. We are a United Way member agency, and an accredited member of the Ontario Association of Credit Counselling Services, and the Canadian Association of Credit Counselling Services. For more information please access our website at www.creditcounsellingssm.ca or to schedule a free, confidential appointment, call 254-1424.

Planning for a New Baby

So, you're expecting? Get ready for the congratulations from family and friends. And also get ready for the many changes coming your way. One major change will be financial. There's no way to sugar coat it, or wrap it in pink or blue. Having a baby is an expensive undertaking. Luckily, you have roughly nine months to organize your financial life.

What to do? There are several key points to consider. If you're working now, how long will you be off of work for maternity leave? How will the reduced income impact your life? Remember with E.I. maternity benefits you will be only receiving fifty-four percent of your monthly income. Don't forget about the waiting period where you will have no income. How much will you need to adjust your budget? Do you even follow a budget? You will need to start thinking about the new costs you will have for diapers, formula, toys, and clothing. If both parents will be working, you need to start thinking about daycare and what those costs will be. You will soon have to start planning for a long list of baby items such as; a car seat, stroller, change table, swing, high chair, baby monitor, crib, mattress, play pen, diaper bag, hamper and bedding. To save costs maybe you can buy some quality used items, or even borrow some items from friends or family.

So now that you've got a feel for what it costs to raise a child in the first year, you need to take steps to prepare your finances. Start saving right now and start adjusting your budget accordingly. Having a baby is one of the biggest joys in life. Don't take away from the experience by not being prepared.





Attention All Employers!

Would you like to help your staff learn to get the most out of their paycheques? Want to ensure that your staff has reduced stress and is able to perform their duties as effectively as possible? We can help! As part of our preventative education program, we can provide a very informative group presentation to employees. We talk about budgeting, money management systems, wise credit management techniques and debt relief options. If you would like to provide your employees with this valuable information, we would be more than happy to tailor a session to meet your needs. We offer Lunch & Learn and workday presentations. Call us for more information at 254-1424.

Depth on Debt: "A hundred wagon loads of thought will not pay a single ounce of debt" - Italian Proverb

Planning Ahead for Post Secondary

With the increasing cost of College and University, it is even more important to start saving for school at an early age. If your children are working part time or have summer jobs, as a parent you can encourage them to set a fixed amount aside each pay. It must be understood that this savings is not to be touched; it is for school expenses. Although your child may be reluctant to set the money aside, he or she will thank you down the road. The earlier they can start to save, the less they will have to borrow from Student Loans. Also, for younger children, parents may be able to set a regular amount of money aside each month in a RESP (Registered Education Savings Plan). FYI: the government will add an additional 20% each year (a max of \$400/year) to the total yearly contributed. This incentive is like getting a bonus 20% return on your investment. You would be surprised how fast it adds up!



Before Making A Purchase Using Credit: (a loan, buy now - pay later, or credit card purchase)

Always ask the following questions;

- Do I really need to make this purchase right now, or can I wait until I have enough money saved to pay in cash rather than using credit?
- Is the purchase really worth it once I add on the entire cost of credit (interest and service charges)?
- Will the item purchased last as long as my payments?
- Do I have an emergency savings fund to take care of any unforeseen expenses that may hinder me from making my debt payments?
- Am I currently living paycheque to paycheque? If so, how can I afford an additional payment? What will I have to give up in order to afford the payment?
- Are there any other places my new debt would be better spent?
- Does this purchase help achieve a personal/family goal?
- Do I really want to go deeper into debt?



Credit Counselling Service of Sault Ste. Marie & District

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Website: www.creditcounsellingssm.ca

Since 1969, Credit Counselling Service of Sault Ste. Marie and District has been providing assistance to the people of Sault Ste. Marie who are experiencing the stress of financial difficulties. This non-profit, registered charity, and United Way Member Agency helps people from all walks of life. There are no fees for debt and money management counselling sessions. Professional counsellors work with clients in a relaxed and fully confidential manner. The Agency is an accredited member of the Ontario Association of Credit Counselling Services and the Canadian Association of Credit Counselling Services.

While the information herein is believed to be accurate, Credit Counselling Service of Sault Ste. Marie & District assumes no responsibility for errors, omissions or actions based on this information.

