



# CONSOLIDATED

CREDIT COUNSELING SERVICES OF CANADA, INC.®

When debt is the problem, we are the solution.

## PERSONAL FINANCE and COVID-19

How to financially survive – and recover –  
from coronavirus and its quarantine



Consolidated Credit Counseling Services of Canada, Inc.  
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**1-800-656-4079**

[www.ConsolidatedCredit.ca](http://www.ConsolidatedCredit.ca)

Congratulations on taking this important step to a brighter and more stable financial future. Consolidated Credit Counseling Services of Canada, Inc. has been helping Canadians across the country solve their credit and debt problems for years.

Our Educational Team has created over twenty-five publications to help you improve your personal finances during normal times, but this isn't one of those times. In light of the extraordinary time we are facing right now, battling the impact of COVID-19, the Educational Team created a publication to help address what we might be feeling and how it affects our personal finances.

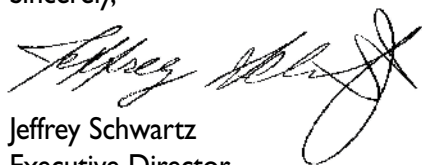
As with all of our educational booklets, this publication will help you identify and deploy useful strategies to deal with the stress you are feeling and adopt beneficial behaviours in managing your finances. These will not only help you now, but prepare you for the near future too.

As always, you can access all of our publications free of charge by logging on to [www.consolidatedcredit.ca](http://www.consolidatedcredit.ca). We have tools to help you become debt free, use your money wisely, plan for the future, and build wealth. The topics Consolidated Credit Counseling Services of Canada addresses range from identity theft to building a better credit rating; from how to buy a home to paying for university. On our website you will also find interactive tools that allow you to calculate your debt and see how much it is costing you. We are dedicated to personal financial literacy and providing a debt-free life for Canadians.

If you are stressed about your financial situation and you are overburdened by high interest rate credit card debt, especially now, then I invite you to speak with one of our trained counsellors free of charge by calling 1-800-656-4079 for free professional advice.

Remember, stay safe and we will all make it through this challenging time.

Sincerely,



Jeffrey Schwartz  
Executive Director

Consolidated Credit Counseling Services of Canada, Inc.

## Personal Finance and COVID-19

This unprecedented pandemic has taken a financial toll not only on the stock market, but also on individual consumers who are struggling to get by as money becomes scarce and hourly jobs are cut back.

This booklet combines our best advice on managing money stress, planning for disaster, and getting through job loss to help your finances heal after COVID-19.



### Coping With Financial Stress

The first thing you should do during this pandemic is calm your panic. Everyone is (understandably) a little on edge about money, but stress weakens the immune system. To maintain your physical, mental and emotional health, use the following tips to cope with financial stress.

#### Communicate

Social distancing, self-isolation, and quarantining can make you stir-crazy and lonely. Keep in touch with friends and family over the phone or through video calls. Being social even as you're social distancing will ease your mind.

#### Talk about money

Find a trusted mental health professional to share the fears and worries you are experiencing. Though most offices

aren't taking in-person appointments during this pandemic, many offer virtual appointments.

## Exercise

According to the Canadian Mental Health Association (CAMH), they found that physical activity releases endorphins that send these depression-fighting, contentment-building chemicals throughout the body. You may not be able to go to your usual gym, but going for a walk or run outside can lift your spirits.

## Change what you can

If there are changes you can make to better your situation, implement them now.

Lynne Hornyak, PhD, PCC, is a coaching consultant on the mental side of money. She recommends you look at things that are causing you financial stress in two ways: their level of importance, and whether they can be changed. Items will fall into one of four categories:

1. **Important, Changeable:** Your budget is extremely important to your financial wellbeing, but it should also be flexible. Because of closures, you can reduce categories like restaurants and entertainment and increase your grocery and cleaning supply funds.
2. **Important, Not Changeable:** You can't control stock market volatility right now, so you may have to change your attitude, your expectations, or both. Don't panic about your investments. Leave them alone and focus on your current cash flow.
3. **Not Important, Changeable:** The fact that your spouse insists on paying the bills by hand when you'd rather do

it online may drive you nuts, but it may not be important as long as they are being paid. If it's not important, change your attitude. The real issue during a pandemic is how you will pay the bills, not the method you use to do it.

4. **Not Important, Not Changeable:** Maybe your parents always squabbled about money and that bothered you. But that is in the past and how they talked to you then is not really important, nor can you change it. Let it go and focus on supporting your friends and family through this health crisis.

## Be thankful

When you're in financial difficulty, you may feel the weight of the world is on your shoulders. But for most people, even when things aren't going well, there is still a lot they can be thankful for. Oprah Winfrey says that keeping a "gratitude journal" has been helpful for her and many who have followed her advice feel the same. Take the time each day to write down three or four things you are thankful for, and really take a few moments to appreciate them.

## Get help

If you're in dire straits, talking to a trained credit counsellor can help you budget and deal with your debt. There's no shame in seeking help, especially during a worldwide pandemic.

# DISASTER PLAN



## Disaster Planning

This disaster hit without much warning and we all had little time to plan. However, there are still measures you can take to ensure your long-term financial wellbeing and your health.

### Emergency fund

If you have an emergency savings account, now is the time to use it. Be careful not to spend it all at once. If you don't have anything saved up, try to charge as little on credit as possible. Eliminate as many discretionary expenses as possible (things you don't need to survive). When this is over, you don't want to be stuck with too much credit card debt to pay off. Only borrow for the essentials.

### Rent/Mortgage

If you are having trouble paying for housing, discuss options with your landlord/lender. Many people don't have the money to pay for housing right now, and you may be able to negotiate a deal. Some places are even suspending rent payments for a couple months. Mortgage lenders may also offer forbearance, to temporarily reduce or suspend your mortgage payments.

## Bills

Many utility providers are also suspending shutoffs during this crisis. If you are having trouble paying your bills, contact service providers and your creditors to ask if you can make arrangements to suspend or lower your payments while you're facing reduced income.

## Shopping

Stay home as much as possible, but if you need to go grocery shopping, be aware of changing hours. Many stores are limiting their hours to protect their employees and discourage crowds. Try to shop during off-peak hours, such as early in the morning or late at night.

## Stocking up

You've likely seen news reports about empty shelves of toilet paper and cleaning wipes as consumers started to panic-shop. This is unnecessary. Get only what you need. If you think it will benefit you, focus on non-perishable goods that will last longer between trips to the store. But remember, don't go overboard. You should not take on credit card debt to stockpile.

## Follow Public Health Agency of Canada guidelines

Though this has little to do with personal finance, it's crucial to follow these guidelines to protect yourself and others. Here is a summary of what officials at the Public Health Agency of Canada have recommended so far:

- Wash your hands often. Use soap and water and wash for at least 20 seconds.

- If you can't wash your hands, use an alcohol based hand sanitizer
- Avoid touching your eyes, nose, or mouth with unwashed hands.
- Cough or sneeze into a tissue or the bend of your arm, not your hand. Clean surfaces of frequently-used items often.
- Do not come into close contact with people who are sick
- Wear a facemask if you are sick. If you are not sick, *there is no need to wear a facemask.*
- Practice social distancing, maintaining a distance of at least two metres.
- Stay home if you are sick.



## Surviving a layoff

Businesses are suffering because of closures to stop the spread of COVID-19. This has unfortunately caused a spike in layoffs. If this happened to you or you are worried about it happening, follow these steps to ensure you can remain on steady financial ground.

1. **Find out right away whether you are entitled to unemployment benefits, and if so, how much.** Under the direction of Prime Minister Trudeau and the aid package that is being proposed, the government is making access to employment insurance much more flexible. Contact Service Canada to find out what benefits you may qualify to receive.

**NOTE:** Because of the virus, the Canada Revenue Agency announced that the April 30th tax deadline is being pushed back to June 1st for individuals and the deadline to pay off any outstanding balances interest-free will also be extended to July 31. You should still file, but outstanding balance payments will be deferred.

2. **Check your benefits.** Find out what kinds of severance you may get, whether you can keep the money you've accrued in a company retirement plan and where it is, whether your company will offer job placement or resume writing assistance, and whether you have unpaid overtime or vacation pay that you've earned. If you aren't leaving on negative terms, you should ask your supervisor for a reference letter and some suggestions for your job search.
3. **Stay insured.** If you were covered by health insurance, explore what options you have with your company or even with a 3rd party, it's better than being uninsured when you need it.
4. **Make contingency plans.** Do you have assets you could sell? A boat, or an extra car, for example? Do you have a cash value life insurance policy you could tap? Just be careful that you don't wipe out everything you own without getting a professional review of your options. Raiding your retirement funds or tapping your home equity to pay the bills may seem like a good idea right now, but if your job loss extends longer than you expect, you could end up with nothing to fall back upon.
5. **Look for side gigs or online work.** Food delivery companies are still running, and you can always search freelance sites for online gigs. It won't be easy, but it may get you the extra cash you need.
6. **Reach out to your network.** Someone you know could have a job opening or be willing to help you financially.

**Thank you and stay safe.**



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## **About Consolidated Credit Counseling Services of Canada, Inc.**

Consolidated Credit Counseling Services of Canada is a consumer oriented, non-profit, registered charity. We are an industry leader in providing credit counselling and debt management services. Our mission is to assist individuals and families in ending financial crises and to help them solve money management problems through education, motivation, and professional counselling. Our organization is funded primarily through voluntary contributions from participating creditors. Our programs are designed to save our clients money and liquidate debts at an excellent rate.

We are dedicated to empowering consumers through educational programs that will influence them to refrain from overspending and abusing credit cards, as well as to encourage them to save and invest. Regardless of whether your financial problems are due to the purchase of a new home, birth of a child, major illness, or any other circumstance, we can help.

\* If you are headed for a debt disaster visit [www.ConsolidatedCredit.ca](http://www.ConsolidatedCredit.ca) or call 1-800-656-4079 for free professional advice by a trained credit counsellor.



Now you can find  
**FREEDOM  
FROM DEBT!**

Consolidated Credit Counseling Services of Canada, a registered charitable non-profit organization, will provide you with professional financial education, counselling and resources.

In addition, you can benefit from customized Debt Management Programs, which incorporate a bill consolidation plan to help you regain your financial freedom.

**Our professionally trained  
Counsellors will negotiate  
directly with your creditors to:**

- Reduce or even eliminate interest rates!
- Lower monthly payments.
- Eliminate over-limit fees.
- Consolidate debts into one lower payment.
  - Help you pay off debt faster.
  - Rebuild your credit rating.
  - Save you thousands of dollars.
  - Get you on a plan to be debt-free!



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Call today, and take  
your first step  
toward financial freedom!

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or visit [www.ConsolidatedCredit.ca](http://www.ConsolidatedCredit.ca)

# YOU CAN BE DEBT FREE



## THERE IS HELP WAITING FOR YOU NOW.

- Reduce or eliminate interest charges.
- Consolidate credit card bills into one lower monthly payment.
- Pay off your debt in half the time.
- Save thousands of dollars.



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