



SANDS

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Licensed Insolvency Trustees



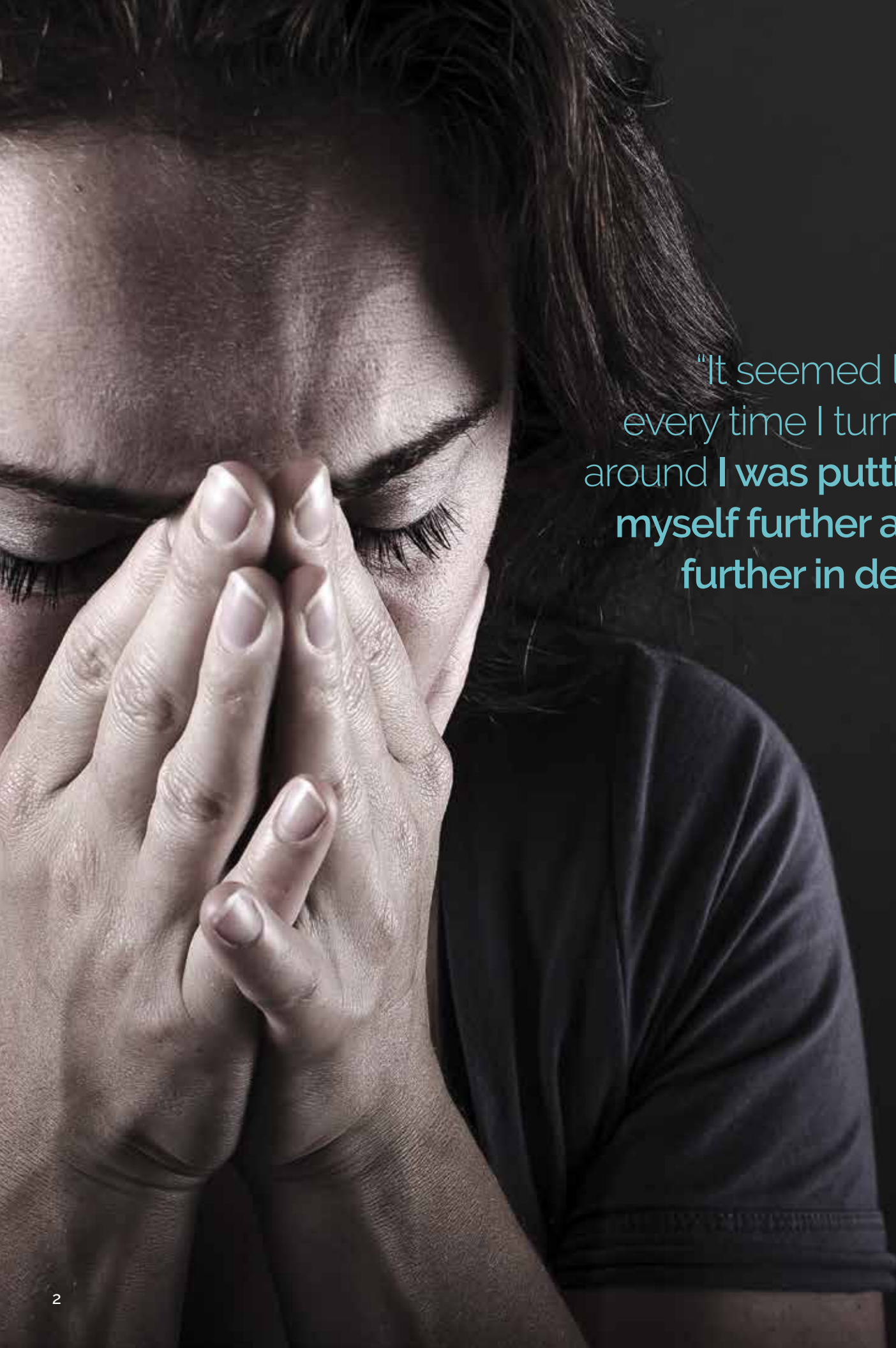
2018

British Columbia
Consumer Debt Study
Report on Findings

CONTENTS

Introduction	3
Demographics	6
Consumer Debt Analysis	8
Amount of Debt	8
Causes of Debt	10
Meet Peter	12
Behind the Debt	14
Credit Use — Before & After	14
Views on Debt Problems — Before & After	18
Meet Tammy	20
Signs of Debt Problems	22
Meet Ian	26
Impact of Debt	28
Meet Jessica	32
Dealing with Debt	34
Measures Taken	34
How Long Do People Struggle with Debt Before Seeking Help	36
Conclusion	43
Locations	44





"It seemed like every time I turned around I was putting myself further and further in debt."

INTRODUCTION

Consumers around the globe have heard warnings about consumer debt and the potential crisis it can cause for individuals. 2017 alone saw over 5,800 consumers in British Columbia take the step to restructure their debts by filing Consumer Proposals and more than 4,100 sought a financial fresh start by filing for Personal Bankruptcy.¹ For most Canadians debt has become more than a financial convenience, it's a way of life that is increasingly required to meet the needs of day-to-day financial obligations. So what tips a relative normality into crisis?

With the 2018 BC Consumer Debt Study, the sixth annual study conducted by Sands & Associates, we attempt to dig deeper into the events and behaviours that cause debt problems, and compare how these habits and attitudes shift following consumers' use of legal processes intended to write-off their debt. We are challenged to scrutinize the debt cycle and the age-old question of "what comes first – the chicken or the egg" when it comes to debt. For those nearly 10,000 BC residents who filed Consumer Proposals or Personal Bankruptcy last year: Did the debt cause the problem, or rather did the problem cause the debt?

The only annual study of its kind exclusively focused on BC residents, Sands & Associates received detailed survey responses from over 1,600 consumers across BC who faced financial challenges and took action using legislated debt solutions. For a sense of scale, this represents 17% of the total number of consumers who formally restructured their debts in BC last year.

“Many **sleepless nights** and **days filled with anxiety** and just trying to figure out what the next step was going to be.”

“...a constant worry and **nagging thought in the back of my mind**, all the time.”

“I’m **trying to hide** these facts from my friends, from my family...”

“What else could I have done – that’s the question you’re always asking yourself – **what else could I have done?**”

“What if I can’t afford to have a family, or **what if I never can buy a house...**”

Blair Mantin, Senior Vice-President of Sands & Associates and Licensed Insolvency Trustee explains the decision to focus on “the whys” of debt for this year’s study: “For almost 30 years we’ve helped people file bankruptcies or Consumer Proposals and the ‘official causes’ are often attributed to an overextension of credit. What we wanted to get at is why? What’s underneath it all? If we can figure that out it’s really the first step in helping people avoid making the same moves again later, and maybe helping some people avoid getting into financial trouble altogether.”

It appears more often that the face of financial disaster is hidden. Consumers experiencing debt problems are not necessarily coping under obvious signs of emergency – they may be struggling for years, seeming to be managing by outward appearance, but behind the scenes facing overwhelming stress and feeling trapped. Nearly 35% of the study’s respondents said they waited to get professional debt help because they were worried about being judged or felt embarrassed.

These are statements that the debt professionals at Sands & Associates hear all too often.

Beyond the numbers – who are the faces and what are the stories behind debt problems? In this report we’ll introduce you to Ian, Peter, Tammy and Jessica – four people who are bravely sharing their personal stories of dealing with debt head-on. At Sands & Associates we believe that helping to remove the stigma and secrecy surrounding financial difficulties faced by so many people is a necessary and beneficial societal change. We see far too many individuals suffer alone, and in silence, due to a financial problem that has robust, legally sanctioned options to solve.

A full summary of Sands & Associates’ services and locations can be found at www.sands-trustee.com

¹ Source: Government of Canada

“Days pass as you’re trying to work and deal with your situation to the point where **eventually years pass where things are not changing.**”

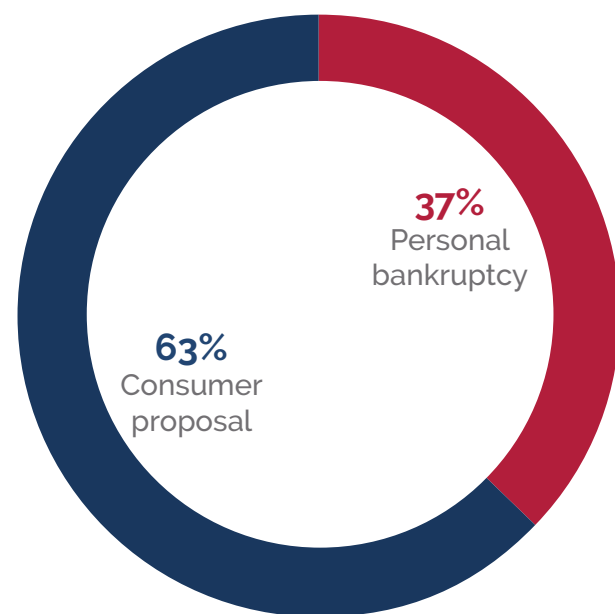
“I was angry a little bit but...**totally embarrassed that I had put myself in those shoes** and not wanting to admit to anybody that I had that problem going on.”



DEMOGRAPHICS

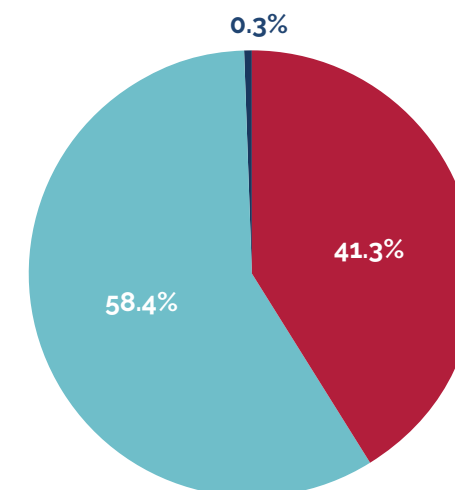
WHO DID WE SURVEY?

Participants of the 2018 BC Consumer Debt Study were clients of Sands & Associates who restructured their debts using legislated debt options – either a Consumer Proposal (63%) or Personal Bankruptcy (37%).



The age of participants varied, with the largest proportion (38.1%) falling into the age range of 40 to 54 years old. The respondent gender profile leaned more-so female, with women making up 58.4% of respondents. Marital status also varied, with the highest proportion of respondents (41%) married or in a common-law relationship.

GENDER

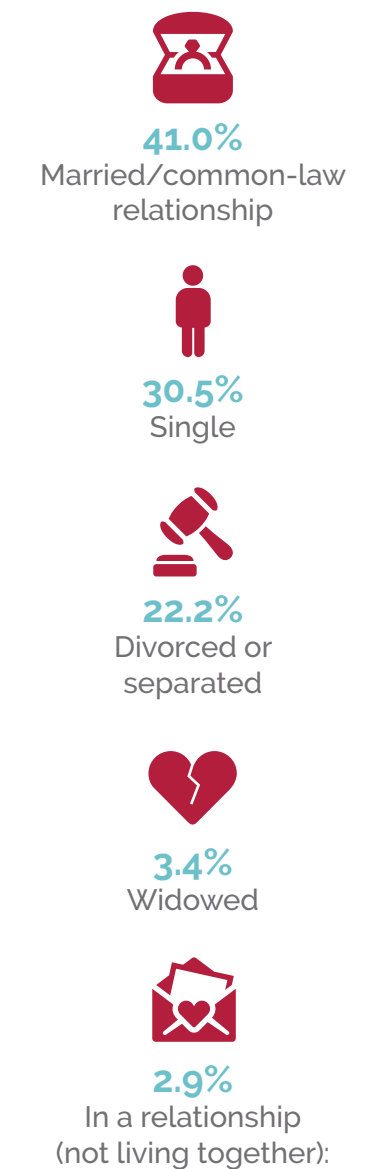


41.3%
Male

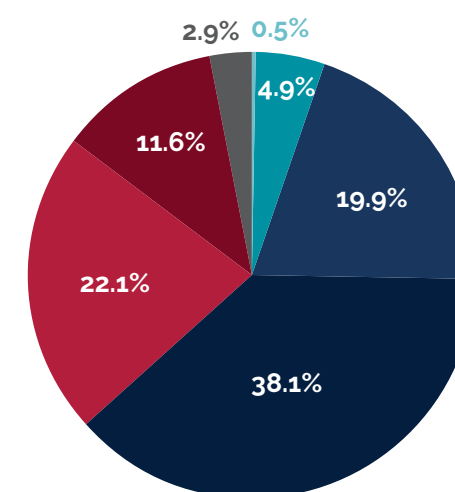
58.4%
Female

0.3%
Other

MARITAL STATUS



AGE OF RESPONDENTS



0.5%
18-24

4.9%
25-30

19.9%
31-39

38.1%
40-54

22.1%
55-64

11.6%
65-74

2.9%
75+

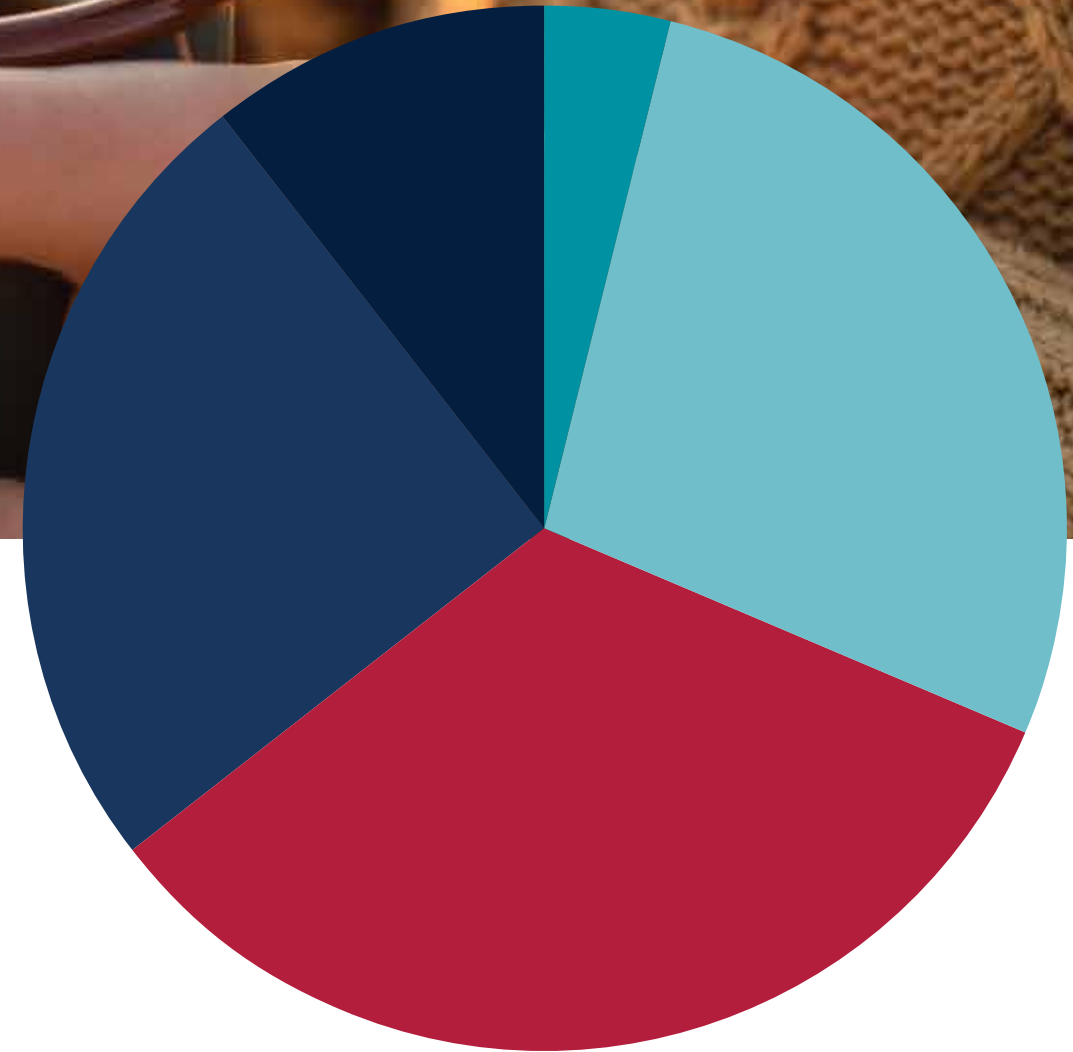


CONSUMER DEBT ANALYSIS

AMOUNT OF DEBT

Consistent with study findings from 2014 through 2017, the highest proportion of BC residents indicated they were carrying between \$25,000 and \$49,999 worth of debt (excluding vehicle loans and mortgages) at the time they initially met with a Licensed Insolvency Trustee for assistance with their debt.

It is interesting to note that debt level responses remain relatively consistent year-over-year across BC Consumer Debt Studies.



HOW MUCH CONSUMER DEBT DID YOU HAVE WHEN YOU CONTACTED OR MET WITH SANDS & ASSOCIATES?
(Excluding your vehicle loan and/or mortgage)

3.9% Less than \$10,000 27.6% \$10,000-\$24,999 33.2% \$25,000-\$49,999 24.8% \$50,000-\$99,999 10.5% \$100,000 or more

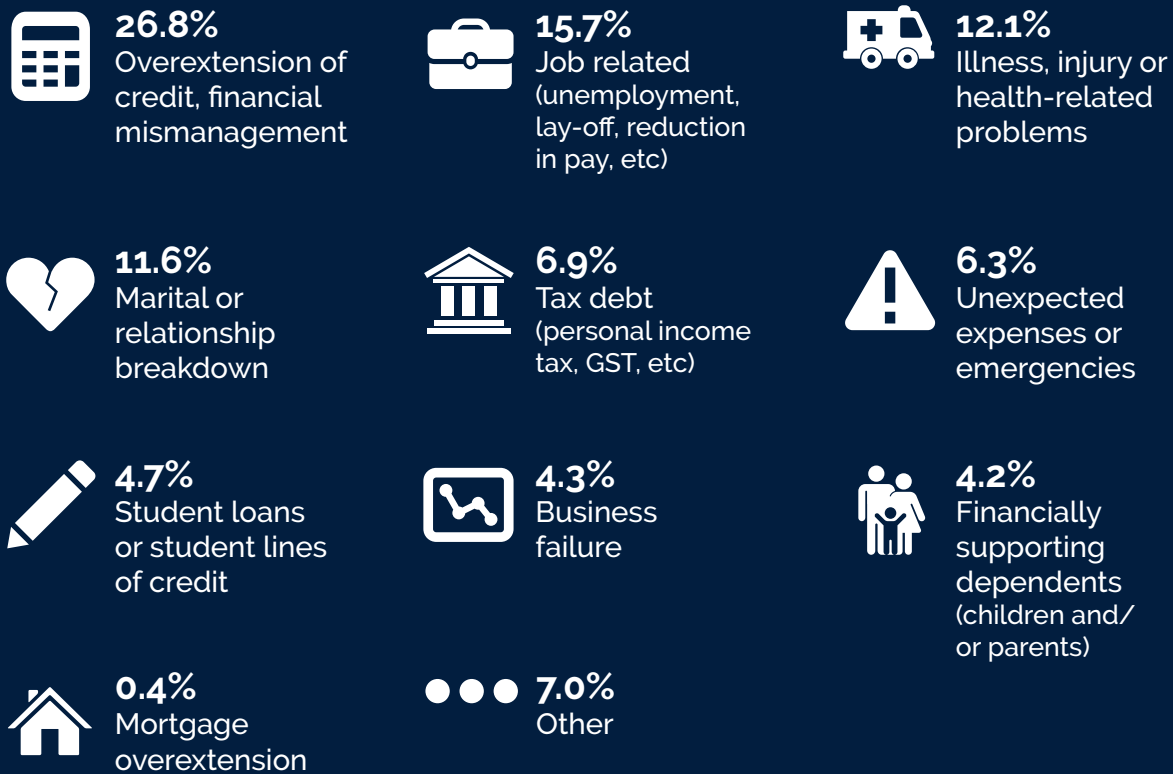


CAUSES OF DEBT

Survey participants reported a wide range of primary causes of debt, with top primary causes of debts being: overextension of credit, financial mismanagement; job related; illness, injury or health-related problems. Many respondents indicated that their debts were caused by a combination of events such as a change in marital status followed by job loss, or an overextension of credit and spouse's health problems.

A deeper look into overextension of credit, views participants previously held as to what causes debt problems, as well as their past credit use habits is detailed later in this report.

WHAT WAS THE PRIMARY CAUSE FOR YOUR DEBT?



AMONG THE 7% OF RESPONDENTS WHO ANSWERED "OTHER", THERE WERE A WIDE RANGE OF FACTORS THAT LED TO DEBT

—
"Son diagnosed with leukemia and 3 years of treatment. Lost wages for 10 months off work."
—

—
"Husband died, his pension did not transfer to me."
—

—
"Retirement with insufficient income."
—

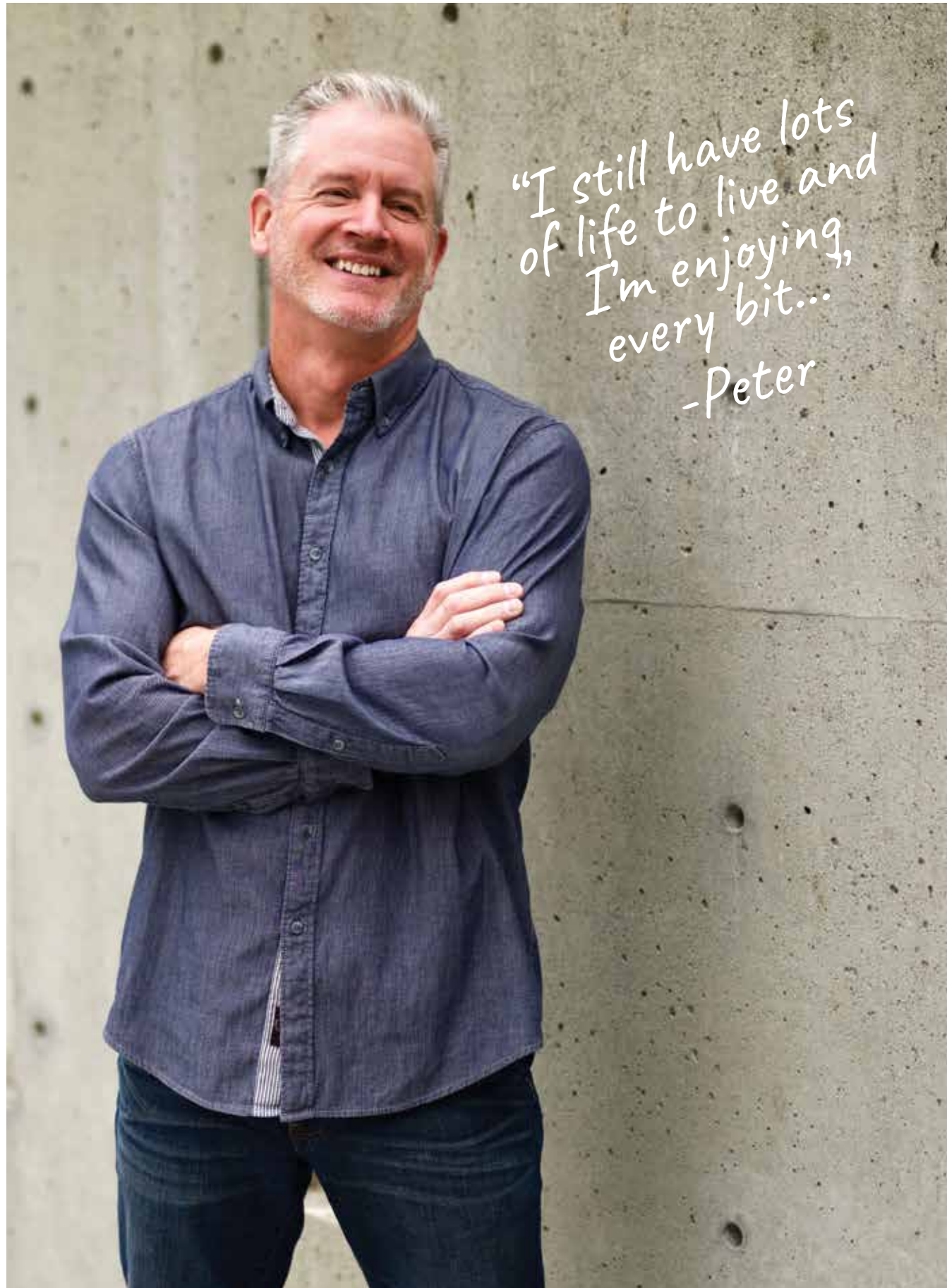
—
"Spouse unable to find a job."
—

—
"Emotional spending – loss of son and husband caused deep depression."
—

—
"Injured my neck and fell behind in payments."
—

—
"Eviction."
—





Meet Peter

Peter's story could be familiar to many people across the province. He enjoyed success as a contractor in the Okanagan for a number of years before the economic downturn in 2008. His customers then struggled to pay their bills, passing on the financial weight. Feeling he had responsibility to his own tradespeople and vendors, his financial challenges started.

"...it took a financial toll on me in that I had to use personal savings in order to make sure everyone was paid and taken care of."

A combination of life events, including the eventual loss of his business and breakdown of his marriage brought Peter to the decision to move to the lower mainland in order to keep working, juggling debt of just under \$100,000. Despite his diligent efforts, including working three jobs, he found himself unable to make enough money to cover his living expenses and became completely overwhelmed.

"I had no idea how stressful the situations would be...how it makes you react...not sleep, not eat...it just becomes a very desperate life situation..." Peter describes this period as being the lowest point in his life, filled with sleepless nights, anxiety and overwhelming stress.

"I didn't want to be around anymore. I didn't want to be a burden to people, I felt that I was."

Realizing he needed to figure out his next steps and coming to the ultimate decision to somehow make a better life, he decided to talk to Sands & Associates. "For me that was the beginning of turning around my life...knowing that there were options that I didn't feel were there before."

Feeling as though he had "a new beginning coming", and a path to move forward on, he

worked with Sands & Associates on a financial plan that would allow him to regain control of his life. The daily worry, desperation and pressures he coped with for so long are behind him: "In a short three years I've gone from being \$100,000 in debt to almost the same amount of money in the bank...within the next six months I'll be buying a home."

"...it allowed me to concentrate on other things in my life as well and working on making my stability, not just financially but mentally, physically..."

Looking back even now, Peter says he still wonders "where things went sideways...what I could have done differently...and there's not a lot."

He decided to share his own story, should it give comfort and hope in the life of someone else who might be struggling: "...if all it does is change one person's life then to me that is a good thing, because it changed my life."

"I still have lots of life to live and I'm enjoying every bit..."



BEHIND THE DEBT

CREDIT USE – BEFORE & AFTER

The causes of debt leading to formal debt restructuring are often officially self-diagnosed by individuals as a general overextension of credit, or financial mismanagement. The 2018 BC Consumer Debt Study aims to discover more about the self-reported overuse of credit and perceived mismanagement of money. Could these be caused by frivolous spending? Social pressures to maintain a financial status quo? A lack of financial literacy?

Using credit to cover costs for things respondents wanted but didn't necessarily need was reported by nearly 20% of consumers, fitting into what many Canadians may perceive as a root cause of money and debt problems. In contrast however, study participants' highest reported use of credit was to cover necessary expenses that they did not have enough income to cover.

This finding could indicate that the 'overextension of credit and financial mismanagement' officially logged could actually be driven by consumers having insufficient income to meet their necessary costs of living, forcing them to use credit to bridge the gap between income and expenses.

After filing a Bankruptcy or Consumer Proposal, only 9% of respondents admitted to using credit to cover necessary expenses, a substantial decrease. As it is doubtful that this improvement is solely due to an upturn in income, this may indicate that carrying the debt itself may be a factor in this cycle of reliance upon credit.

Is it that ongoing, unbudgeted spending creates a cycle of borrowing and increasing debt that eventually forces consumers to rely on the very credit that enabled overspending to begin with? If so, where does the change need to occur: with the consumer, with the lender, or with our society and its expectations?

Interestingly, events over things appear to be a marginally larger pressure for consumers when it comes to overspending, with roughly 17% of respondents reporting that they felt pressured to spend money on events they couldn't afford. Respondents between the ages of 18-30 in particular appear to be the most susceptible to these financial demands of "fitting in".

It would seem the experience of a Consumer Proposal or Personal Bankruptcy drastically impacts how credit is used following these legal debt processes. Perhaps one of the most striking changes is the overall use of credit: nearly half of respondents say they now never use credit if they can avoid it – an increase of over 35% from prior credit usage.



WHICH STATEMENTS BEST DESCRIBE YOUR APPROACH?

(Choose all that apply)

	BEFORE starting Consumer Proposal or Bankruptcy	CURRENT since starting Consumer Proposal or Bankruptcy	CHANGE
Never use credit if I can avoid it	10.6%	47.5%	↑
Use my credit, but always (or almost always) pay it off right away	14.5%	26.5%	↑
Use credit to cover purchases I don't have the cash for	48.6%	7.3%	↓
Use credit I know I can't afford to pay off	17.9%	2.9%	↓
Use my credit to cover necessary expenses that I don't have enough income to cover	53.9%	9.0%	↓
Use my credit to cover costs for things I want, but don't necessarily need	19.6%	2.8%	↓

WHICH STATEMENTS BEST DESCRIBE YOU BEFORE STARTING THE CONSUMER PROPOSAL OR BANKRUPTCY PROCESS?

(Choose all that apply)

I felt **pressured to spend money on events** I couldn't afford

17.1%

I felt **pressured to buy things** I couldn't afford

14.8%

I bought things for myself or my household to impress other people, or to fit in

7.6%

I bought things for others to impress them, or to fit in

6.2%



VIEWS ON DEBT PROBLEMS – BEFORE & AFTER

Many debt management experts agree that consumers who have not experienced a major debt burden feel that it simply “won’t happen to them”, that their financial skills, standing, or planning are sufficient to protect themselves from money problems.

It would appear that hindsight is indeed 20/20, as more study participants report significant changes in their opinions on causes of debt problems following their own experiences.

Before starting a legal debt process, 46% of respondents claim they thought debt problems were due to not having good money skills; and 41% say they thought debt problems were due to circumstances out of their control. Following the Consumer Proposal or Bankruptcy, the second highest response of respondents changed, with participants claiming they now think debt problems are due not having savings in the event of emergency or unexpected expenses (51.4%).

Although the distinction may seem subtle, with nearly 35% of respondents indicating they waited to get professional debt help because they were worried about being judged or embarrassed, it is unsurprising that many people appear to shoulder blame for the situations they find themselves in, even where unforeseen circumstances are at play. For example, most people could not predict a job-loss or inability to work due to a long-term illness, however, it is possible to prepare for emergencies by having an expert-recommended six months’ worth of salary in the bank. The person isn’t necessarily at fault for the triggering event but blames themselves and feels ashamed that they did not prevent the consequences.

WHICH STATEMENTS BEST DESCRIBE YOUR VIEWS?

(Choose all that apply)

	BEFORE starting Consumer Proposal or Bankruptcy	CURRENT since starting Consumer Proposal or Bankruptcy	CHANGE
Debt problems are due to not having enough money, and little to do with how credit is used	23.4%	17.8%	↓
Debt problems are due to overspending on things that aren’t important, or are frivolous	28.0%	40.6%	↑
Debt problems are due to not having savings in the event of emergency or unexpected expenses	38.7%	51.4%	↑
Debt problems are due to not having good money skills	46.1%	53.9%	↑
Debt problems are due to circumstances out of our control	41.1%	37.7%	↓
I don’t really have an opinion on what causes debt problems	16.9%	9.1%	↓

Meet Tammy

Tammy was managing on a narrow budget as a single Mom raising her son on her own, but when her employer's company changed hands and she lost her job, debt began to take root in her daily life. After a period of having her income reduced to EI benefits, Tammy did find work but the decreased income left the strained family finances suffering.

"...starting off at minimum wage again...it hurts because you're taking such a pay cut..."

"It was very difficult to keep up with payments and bills, my rent especially, that was the hardest one because the rent is so expensive in BC." As Tammy tried to keep a handle on her finances, bill collectors began calling and she was caught in the trap of credit cards and payday loans "...repaying them back to borrow again..."

Battling the relentless demands of her debts, the emotional drain and constant stress and embarrassment left Tammy feeling alone, "I would get two steps ahead and something else would happen and I'd be another three steps back, it felt like I was taking more steps back than I was forward."

Tammy's biggest worry was that she wouldn't be able to care for her son. She describes an incident that triggered her drive for change the most:

"...I literally could not buy my son anything for Christmas. That was the worst feeling of my life."

"I tried my hardest to try to hide it from my son, but he knew something was up because I wasn't myself..."

Struggling with feelings of failure, but realizing she was "on a never-ending debt payment system that just didn't work", Tammy pushed past the habit of independence that made her shy about asking for help. Despite her nervousness, she sat down with Sands & Associates. "I didn't feel like I was alone anymore. I had somebody in my corner helping me..." Learning that she could conquer her debt without filing bankruptcy left Tammy feeling energized... and finally stress-free.

"...I just kept taking those steps forward... Life just rolls and we have to know how to deal with it."





SIGNS OF DEBT PROBLEMS

"Despite paying more than the minimum, the debt kept getting higher and higher."

"The bank pulled the pin, demanding 'accelerated repayment.'"

The top three indicators by which respondents knew their debts were becoming a problem were: overwhelming stress; only making minimum payments and accumulating more debt.

The mental and physical distress that debt can cause and its potentially serious health consequences are discussed in further detail in the 'Impact of Debt' section of this report.

As Licensed Insolvency Trustees, it is becoming increasingly common to encounter individuals who self-diagnose a debt problem because they can only make minimum payments.

Often people are able to continue in this fashion until a further triggering event leaves them unable to continue with these payments, or they recognize that they will be repaying debt for years, or often decades to come.

Accumulating more debt often presents as both a warning sign of a debt problem, as well as a tactic people employ to try to fix a growing debt problem, which we will discuss further later in this report.

HOW DID YOU KNOW YOUR DEBTS WERE BECOMING A PROBLEM? (Choose all that apply)





“OTHER” SIGNS OF DEBT

“Was **not approved by bank for consolidation loan.**

I was considered high risk.”

“So many phone calls from the collection agency I actually **thought of suicide** and my life insurance would help my kids.”

“**Marriage problems.**”

“**Using RRSPs** to pay bills.”

“Was **using credit cards to pay on other cards...** I was in a deep tunnel of debt and had no way out.”

“**Loss of sleep.**”

Meet Ian

As a young man in the Canadian armed forces, Ian had a small loan of a thousand dollars that he could manage. When he left the army and wasn't finding sufficient work he started to struggle to pay off the loan. This is where Ian's 25-year cycle of debt begins.

Three years ago he found himself scared; panicked and stressed over his growing consumer debt and back-rent. Ian was stuck, being able to make payments towards the bills but at a huge proportion of his wages and seeing little progress on paying down the balances.

"I thought I had another decent job and that one disappears and then...the spiral begins again."

As Ian's financial pressures continued to mount, so did his creditor's actions. He received collection letters and threats from lawyers: "I thought OK, I can fix this myself...I can go get some decent work, but it was too late."

His situation brought him to a dark place; sinking into depression and anxiety, the guilt of being unable to repay his financial commitments weighed heavily on him. Ian began shutting out friends to avoid letting them know what was happening in his life, losing sleep and starting to rely on alcohol to help dull the realities of his burden.

Feeling as though he had exhausted his resources and done all he could on his own, he reached out to Sands & Associates.

Ian recalls feeling elated when he learned about the help and choices available to him, including an option that would allow him to avoid bankruptcy. "You go in there thinking my situation's different, there's nothing you can do. They suddenly show you the options and you feel like 'wow'...there's a lot I don't know."

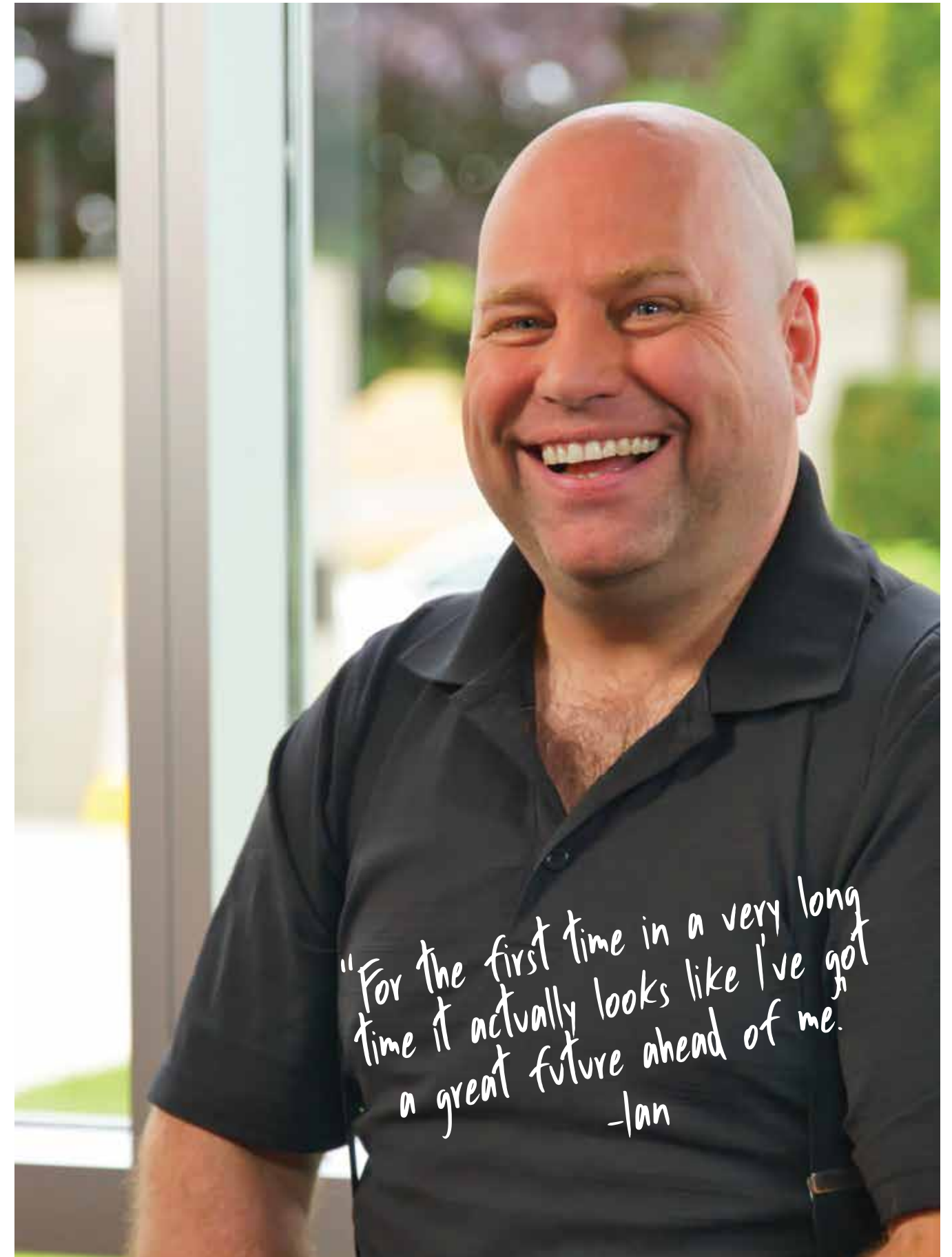
"Once you have the knowledge and where you can go with it, a big weight lifted off my soul."

Following what he describes an "eye opening" experience, the weight of Ian's struggle was finally lifted by his decision to work with Sands & Associates to consolidate and reduce his debts by filing a Consumer Proposal. The process was one that Ian says made him "feel not only a client but a team member" and that they were working together to brighten his future.

Ian remarks; "For the first time in a very long time it actually looks like I've got a great future ahead of me. I've got a great job...I get to work on my dream project (a comic book I'm pitching)... Life is absolutely fantastic and it's because I've got a giant weight off my shoulders."

I wish I'd gone to Sands & Associates much sooner.

"In this world you really can't handle it all, all the time. You need to reach out for help..."





IMPACT OF DEBT

"I was so ashamed at my age being in so much debt."

"It felt like we were drowning."

DEBT STRESS IS REAL STRESS

Mirroring past findings, overall study participants indicated that being in debt affected them negatively - be it an emotional, psychological and/or physical impact. In many cases, respondents felt that the state of being in debt extended beyond themselves to reach loved ones and even their employment.

With over 60% of individuals reporting a constant worry about debts or general finances, and a host of effects ranging from suffering health issues to feeling hopeless – the findings paint a dire picture of the realities of being in debt.

HOW WOULD YOU SAY BEING IN DEBT AFFECTED YOU? (Choose all that apply)



75.8%
My personal well-being suffered as a result



64.3%
My self-esteem suffered as a result



57.1%
My health suffered as a result



38.5%
I had to put life events on hold (purchasing a home, starting a family, etc)



36.4%
My relationships suffered as a result



28.3%
I felt my family and/or children suffered as a result



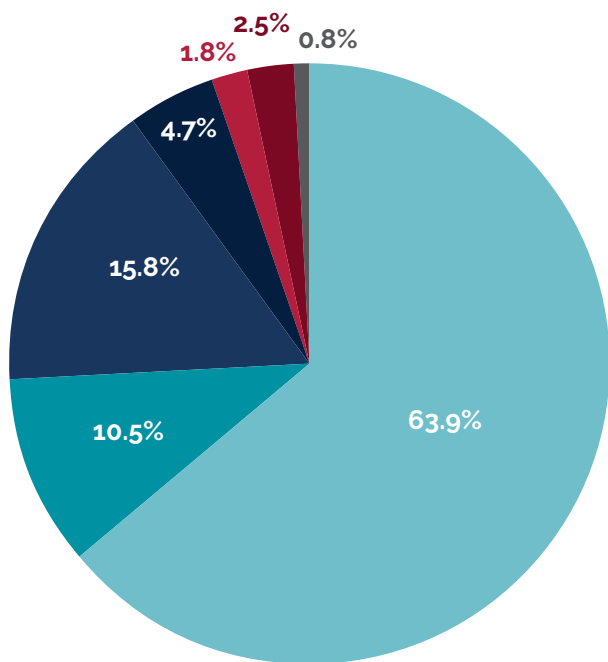
14.7%
My well-being was unaffected by being in debt



14.2%
My job suffered as a result

“Its a huge burden to carry.
**Keeping it private and not
 wanting family or friends to know.**
 It is something than never
 leaves you. It is always there.”

HOW OFTEN DID YOU FIND YOURSELF WORRYING ABOUT YOUR DEBTS OR GENERAL FINANCES?



63.9%
Constantly

10.5%
Several times a day

15.8%
Daily

4.7%
A few times a week

1.8%
Weekly

2.5%
Monthly

0.8%
Rarely, if at all

BEFORE RESOLVING YOUR FINANCIAL SITUATION, DID YOU EXPERIENCE ANY OF THE FOLLOWING AS A RESULT OF DEBT ISSUES? (Choose all that apply)



76.3%
Poor sleep or disruption of sleep habits



71.2%
Feelings of helplessness and/or hopelessness



54.3%
Anger or irritability



47.5%
Loss of interest in daily activities



44.1%
Appetite and/or weight changes



36.2%
Upset stomach



21.2%
Heart problems and/or high blood pressure



19.4%
Over-using substances (alcohol, drugs, food) or behaviours (shopping, gambling, technology) as a coping strategy



4.4%
None of the above



Meet Jessica

Jessica's introduction to credit began at the age of 18, starting with her very first credit card offer. When she was extended even more credit in addition to her student loan, a personal loan and daily costs of living, the debt began to get out of control.

"I took it, **thinking it would be a good thing,** thinking I could build my credit..."

Initially she considered debt a normalcy of life, especially for a young adult, but she eventually became caught in a worrying and nagging pattern. "I would make a couple of decent payments on a credit card and something would come up (like the brakes on my car would go), or just something unexpected and everything would go downhill again."

"I went to school, I got a job... and I had a career so I didn't see what was really wrong. I think I'm doing everything properly but my debt was just outweighing all of it."

Determined to persevere, Jessica often worked every day of the week, most days at two different jobs, just to make her minimum payments. "I would wake up in the middle of the night thinking about my bills, thinking about how much am I gonna get paid... if there was another job I could pick up to make ends meet." Her debts had become all-consuming, causing her to lose sleep and embarrassment led to her avoiding contact with other people, or even opening her mail.

"I just kept thinking I would get on top of it when I got my tax return or I got a raise at work or when I started picking up extra shifts."

Like many people, Jessica struggled to manage her debts on her own for years before making the decision

to reach out for help. "...I wasn't sure I could pay my rent...I wasn't sure if my car payments would bounce back, so that's when I started looking for help. It took me three years to actually pull the trigger and make the call... I decided I need to do something now or I will be stuck forever."

Finding out that there was help, she met with Sands & Associates, leaving the office with a plan of action that gave her a sense of comfort and relief: "I felt like everything was going to change for me for the better and I could finally just relax and trust that I was in good hands there." She credits now having the right tools and resources for giving her a plan for the future.

"...someone with 53 thousand in debt could actually have a light at the end of the tunnel... to pay it all off in 5 years, when I thought it would take me until I was maybe 65... I feel like a million bucks."



DEALING WITH DEBT

MEASURES TAKEN

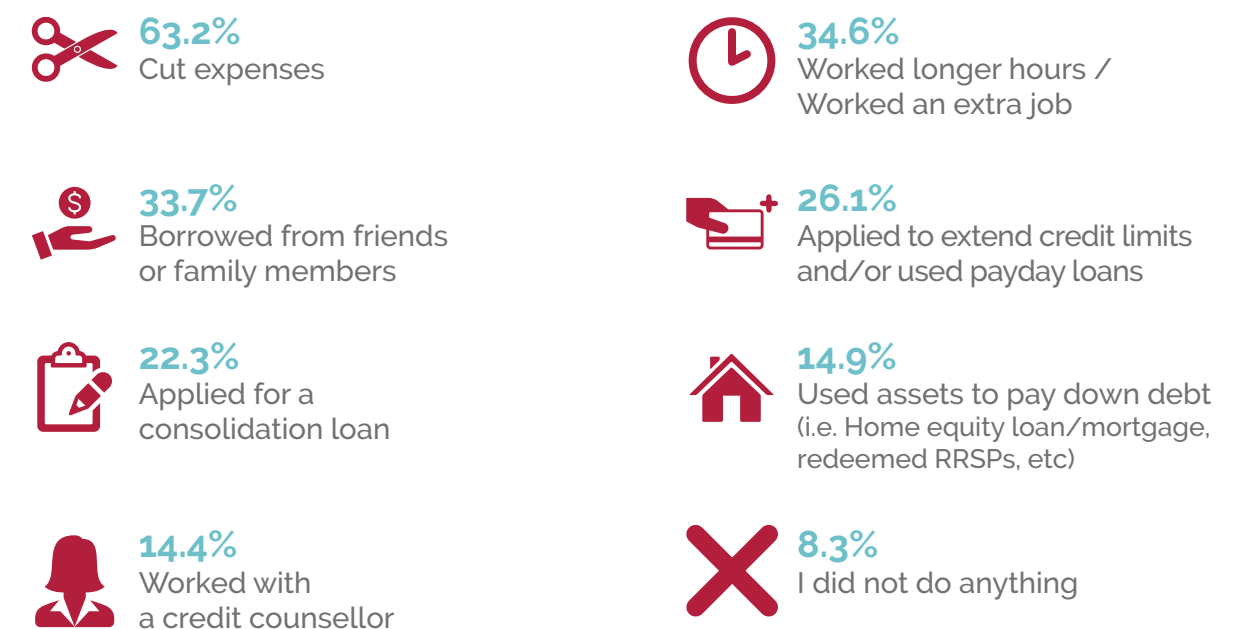
The majority of study participants attempted to deal with their debts before ultimately filing a Consumer Proposal or Personal Bankruptcy. The top measures being: cutting expenses; working longer hours or working an extra job; and borrowing from friends or family members.

A strikingly large proportion of participants attempted some form of borrowing as a means to deal with debt. Although applying to extend credit limits or consolidation loans is a common action, it is also a top sign that debts are becoming out of control. In addition, payday loan usage has been cited by many debt professionals as a vicious cycle of borrowing that accelerates a debt problem.

These borrowing strategies, as well as depleting assets often aggravate financial problems and are generally speaking "band-aid solutions". They may temporarily accomplish some relief but ultimately do not provide a definite resolution and long-term impact.

For example: If debt is becoming unmanageable, qualifying for a consolidation loan at prime lending terms will often be impossible due to credit ratings, and subpar financing will generally be high-cost.

WHAT MEASURES DID YOU TAKE TO DEAL WITH YOUR DEBT, BESIDES CONTACTING SANDS & ASSOCIATES? (Choose all that apply)



"I thought I could catch up.

I wanted to honour my commitments."

"I really, really wish I hadn't waited so long."

"I never missed payments, my credit rating was very good, but it came to a point that I could not bear the burden, I was over stressed."

"It takes a lot to admit you can't do it."

HOW LONG DO PEOPLE STRUGGLE WITH DEBT BEFORE SEEKING HELP?

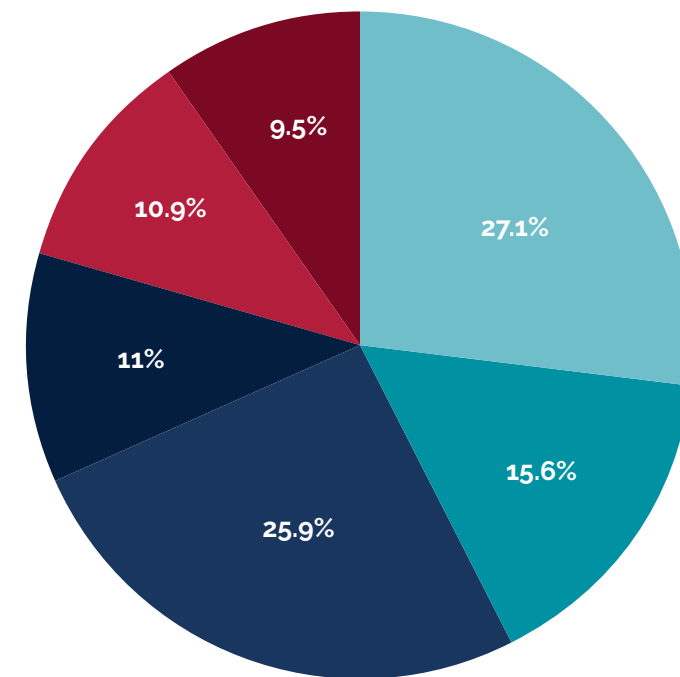
Many Licensed Insolvency Trustees agree that consumers delay seeking debt assistance, with people often struggling under a debt burden for months and even years before finding resolution.

Over one-quarter (27.1%) of survey respondents indicated that they worked on managing their debts independently for more than two years before seeking assistance from Sands & Associates. A further 25.9% indicated waiting one to two years before seeking help.

As previously discussed, the impact of carrying debt can be severe and these delays and overlong wait times prolong stress and negative effects.

Perhaps even more importantly than "how long" - the 2018 BC Consumer Debt Study provides some insight into the reasons why consumers wait to seek debt help.

HOW LONG DID YOU WORK ON MANAGING YOUR DEBTS ON YOUR OWN BEFORE SEEKING ASSISTANCE FROM SANDS & ASSOCIATES?



27.1%
More than 2 years

15.6%
6-11 months

25.9%
1-2 years

10.9%
3-5 months

11.0%
I don't remember how long I waited

9.5%
I sought help as soon as I knew I had a problem



“Being judged was huge in the delay to reach out for help. **You become frozen** in a stressful situation.”

“I’ve always done it on my own.”

“I was depressed from both my illness & lack of opportunities & lack of family emotional support - **I didn't want to face this reality** as well as it can be very emotional.”

Here again, consumers striving to independently resolve their situation plays a leading role in waiting to ask for help. This top response is followed by a troubling finding - over a third of respondents indicate that they thought there was no solution to their situation.

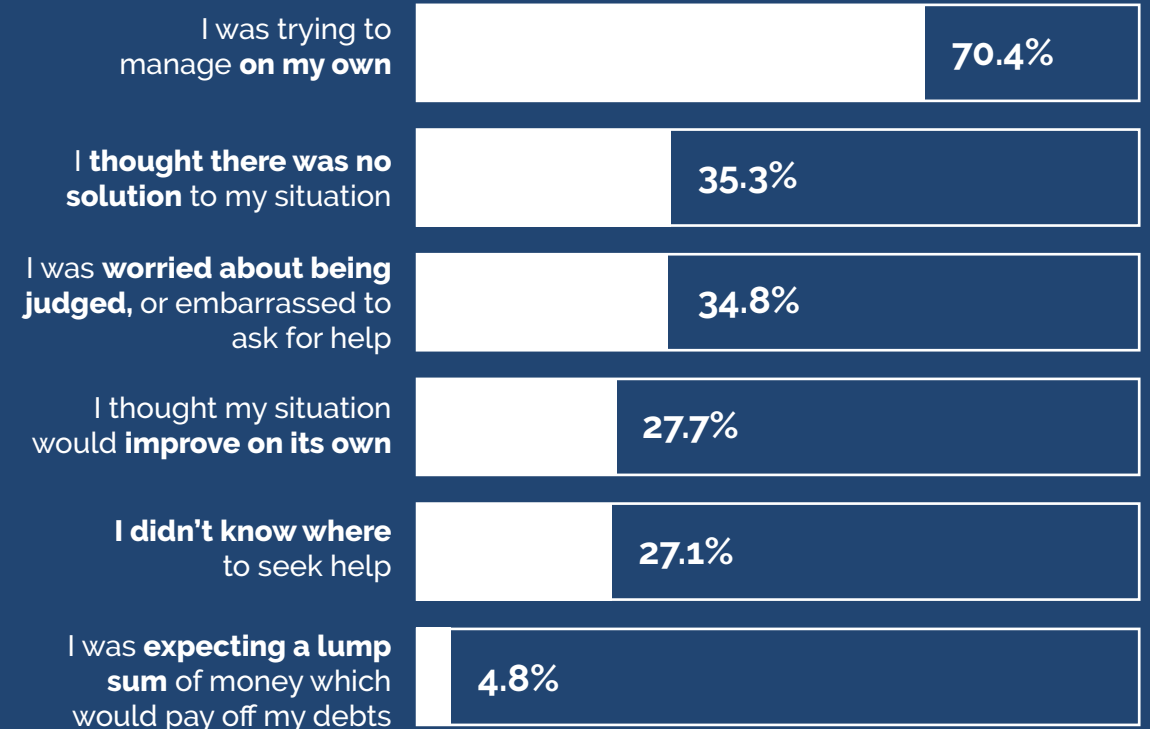
With the smallest proportion of respondents indicating seeking help right away, the possibility that so many people live at a reduced quality of well-being simply because they do not know there are solutions, or do not know where to turn to for help is concerning at the least.


“I didn't want bankruptcy **on my credit report.**”

The overwhelming respondent majority (86.4%) indicated that they would have taken action sooner had they been aware of the process details of Consumer Proposals or Personal

“I had been turned down for support with banks so much that **I was discouraged** from seeking support.”

WHAT WERE THE REASONS YOU WAITED TO SEEK PROFESSIONAL DEBT HELP? (Choose all that apply)





“If we would have known we could keep my RRSPS and our home... **things would have been different.**”

“I wish I had done this sooner **I had no idea** this option was available.”

“**It was like the whole world changed when I signed the papers.** My business picked up, my attitude changed and my overall perspective on most things improved immediately.”

“**I wish I had known** what a big difference it made for me, and how easy the process is, as well as how manageable the payments are.”



CONCLUSION

While the root causes of problem debt and identifying precisely where the cycle begins are debatable, it is clear that consumers need to be encouraged to be self-aware; identifying financial challenges early on may avoid years-long struggles and reduced quality of life.

It is our hope that the 2018 BC Consumer Debt Study may highlight the need for consumer awareness, education around credit use and financial literacy; and dispel fear, shame and stereotypes. Furthermore, we believe these findings show that financial problems truly know no bounds - regardless of our specific demographics, anyone may find themselves caught in the debt cycle.

"Knowing is not owing" is a fundamental certainty at Sands & Associates and we feel strongly that everyone should have access to the knowledge and laws protecting our most vulnerable fellow human beings – those in need of help.

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