



Debt control to-do list

- 1.** Find out your credit rating by obtaining your credit report. If you find any errors, correct them. You can obtain a copy of your own credit report for a small fee by contacting Equifax Canada (www.equifax.com or 1-800-465-7166) or TransUnion Canada (www.tuc.ca or 1-800-663-9980).
- 2.** Use your credit cards as charge cards – that is, use them for convenience, but pay them off in full every month without carrying a balance.
- 3.** No matter how much you owe on credit cards, apply for a line of credit to consolidate your debts, get a lower interest rate and pay off this high-cost debt first.
- 4.** Credit cards charge varying rates of interest. Find the ones that charge lower rates – it makes a difference.
- 5.** If you own a home, opt for a home equity line of credit, which generally offers a lower interest rate than an unsecured line of credit.
- 6.** Refrain from borrowing money in situations where there is no payback, such as going on an expensive holiday.
- 7.** Be very cautious about using one credit card to pay off another.
- 8.** Pay off “bad” debt (such as high-interest credit card debt) before “good” debt (such as tax-deductible or lower interest debt).
- 9.** Be cautious of “no down payment” deals. You must usually pay the full amount owing by a certain date, and if you can’t, you’ll find yourself paying a lot of interest.





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