



Vacation Budgeting

Galit Osadtsuk, Consolidated Credit Counseling Services of Canada, Inc., Director of Community and Public Relations

A bowl of ice cream and a dream vacation should both leave you wanting more, but completely satisfied. Times are tough, but we all still need that vacation. Whether it's a family vacation or a singles cruise — you need to clear your mind, let loose and enjoy that hard earned sunny break. We wait and anticipate this special time of year. "Vacation", a time when we are not awoken by the harsh ring of the alarm clock, or rush to get through the morning traffic. We try to maximize our vacation time and quality, year after year, but often find ourselves lost and over budget. The best vacation is one that is memorable, fun and makes you forget that in just a few short days — you will be back at work, and back to the rush of morning traffic. The best kind of vacation is the one that doesn't leave you broke and in debt. Vacations aren't only for single people; they are family affairs, couples retreats and the singles time to "check-out". Let this be a guide to the vacation of your dreams, that won't burn a hole in your pocket book.

Before taking that wonderful trip, one must decide on what they really want out of a vacation, plan and prepare carefully, budget wisely, and most importantly, enjoy. Here is a no nonsense guide to budgeting and planning for the perfect vacation.

First, decide on **what kind** of vacation you want to take. It is important to



know who is going on vacation. Planning vacations is different depending on whether it is a family, couple or solo vacation.

Where to go? This is the next most relevant question to ask yourself. Once you have decided on the destination, you should consider when to go. Seasonal traveling affects the price of your travel and accommodations. This is where the planning and preparing processes are essential.

Plan in advance so that you will have time to save money for your trip. The better you plan your budget, the more likely you are to abide by it. Furthermore, planning in advance presents an opportunity to research the region you are headed to, and allows you to find interesting activities and summertime festivities that may be

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WHAT'S NEW ON WWW.CAGT.CA

- CAGT is going green** — All future issues of this newsletter will be available online only: www.cagt.ca/newsletter.htm
- Member Survey** — Please fill out the CAGT Poll on page 3 and check out our polls online: www.cagt.ca/onlinepoll.htm
- Market Place** — Place your ads on our web site for jobs, seminars, events, products and services: www.cagt.ca/market-place.htm

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THERESA WOJTASIEWICZ

Message from the President:

Dear Members:



Kathy Milne, President

Ahhhhhhhhhhh
.....Spring!!!

It's been a long time coming and many of you are looking forward to enjoying sun filled days with family and friends and embracing the season ahead. We at the CAGT are no different

as we launch new initiatives and prepare to present several interesting events.

Today, more than ever, the success of our organization relies heavily, not only on the strength of program content and presentation, but increasing our ability to interact with our members. The 21st century tools of technology and telecommunications have provided innovation, making us more productive in our ability to stay connected with our members and other industry colleagues.

By maximizing the power of technology, our goal is to use the internet as an excellent channel for promoting our events, industry news and your business.

The internet offers a convenient means of keeping in touch with our existing member base and keeping you informed of developments within our community. And the benefit for organizations like ours is that the internet is an excellent means of satisfying this need cost effectively.

The advantages of using the internet to promote the CAGT are endless. Here are just a few:

- Global Audience
- Operates 24 hours, 7 days a week
- Relatively Inexpensive
- Create Online Discussion Forums
- Online Surveys
- Obtain Member Feedback
- Advertising
- Announcements
- Immediate Distribution of Information

In the weeks ahead, we will strive to utilize the CAGT website as our primary communication base. **Our hope is to:**

- Reinforce brand identity
- Advertise services and products
- Collect email addresses and other information through our website (to increase visibility and encourage additional membership)
- Conduct membership research via polls through our website
- Promotion through targeted direct e-mail campaigns
- Build member relationships

The **CAGT is going green**. This is the last printed newsletter you will receive via Canada Post. All future newsletters will be online at www.cagt.ca/newsletter.htm. We will email you when the latest newsletter is posted on our website. Please make sure we have your email address by sending it to zita.pinto@equifax.com.

We look to you, our members, for your opinion regarding our dinner meeting format and speakers. Please fill out the survey in this newsletter (page 3) or complete the poll online at www.cagt.ca/onlinepoll.htm.

As mentioned at a previous dinner meeting, we are introducing an advertising section at www.cagt.ca. Companies will be able to promote services, make announcements, acknowledgements and post jobs within their organizations and members can go there and look for job opportunities. Check it out at www.cagt.ca/marketplace.htm.

Your feedback is essential to ensuring that we communicate what you want to see and hear.

Transitioning to this virtual arena is no small task but we will endeavor to do our very best to consider the needs of our audience and welcome your comments and suggestions.

Warmest wishes for the summer season ahead.

Sincerely,
Kathy Milne, President

More Canadians Not Paying Their Bills On Time

ON March 31, 2009, Equifax Canada released the latest data from an economic report developed by its Consulting Solutions team. They revealed that Canadians are failing to pay their bills on time at an increasing rate.

Driven mostly by credit card debt, the average national consumer delinquency rate increased by 7.3%, over the period from February 2008 and February 2009. In addition to the overall increase in the national delinquency rate, Equifax also reported that the rate has increased at different pace across the country.

Among major Canadian centres, Montreal saw the greatest increase at 15.9%. Other cities that experienced an above-average increase include:

- Calgary: 13.2% increase
- Quebec City: 12.8% increase
- Hamilton: 10.9% increase
- Edmonton: 9.7% increase
- London: 9.3% increase

These cities experienced below-average increases:

- Toronto: 1.4% increase
- Ottawa-Gatineau: 4.2% increase
- Halifax: 4.8% increase
- Vancouver: 5.5% increase

“Our data indicates that delinquency rates are impacted by regionality. Financial institutions may find this of interest as they develop their risk strategies,” said Nadim Abdo, Vice President of Equifax Consulting Solutions.

Equifax Consulting Solutions defines delinquent accounts as those that are 90 days or greater past due.

AUTHOR

EQUIFAX is a global leader in information solutions that enriches both the performance of businesses and the lives of consumers.



CAGT Poll

The CAGT values your opinions and we are looking at new ways to serve you better. Please complete this survey and fax it to Zita Pinto at **(416) 227-5023**. You can also complete this survey online at cagt.ca/poll.

- a. What is the top reason for you to attend our dinner meetings?
 networking education entertainment
 other. Please specify _____

- b. Would you prefer that our monthly meetings be held as (please check one)
 breakfast meetings (7:30 to 8:30 a.m.)
 lunch meetings
 dinner meetings (i.e. no change)
 other. Please specify _____

- c. Would you like the speakers' topics to be
 strictly related to our industry
 motivational speakers that may not be from our industry
 a mixture of both
 other. Please specify _____

- d. Please name speakers you would like see in future meetings
1. _____
2. _____
3. _____
- e. Please name topics you would like us to cover in future meetings
1. _____
2. _____
3. _____
- f. What do you like most out of your CAGT membership?
 Networking Speakers
 B2B opportunities Learning about current trends
- g. What other type of events would like to see the CAGT hold?
 Conferences Golf tournament
 Workshops — if so, please list topics

- h. What areas could CAGT improve upon to make your membership experience better?

- i. Are you interested in opportunities to market to your CAGT membership peers?
 Yes No

Past Events

OUR 2008-2009 dinner meeting series have been a huge success so far this season. We have been fortunate to have Chris Warburton, Vice President, Billing, Credit & Collections, Bell Canada; Aron Gampel, Vice President and Deputy Chief Economist, Scotiabank; Fred Hopper, Director of Security at Giesecke & Devrient Systems Canada Inc.; Andrew Levison and Tracey Levison, Above & Beyond, Emerging Trends and Migration in Credit Granting, with panelists Nadim Abdo, Vice President, Consulting Solutions, Equifax; Richard Yap, Chief Operating Officer, SCORE Statistical and Thomas Higgins, Director, Analytics & Decisioning Solutions, TransUnion.



Chris Warburton, Vice President, Billing, Credit & Collections, Bell Canada; Mukesh Daji, Freedom 55; Kevin Pretty, Account Director, TransUnion

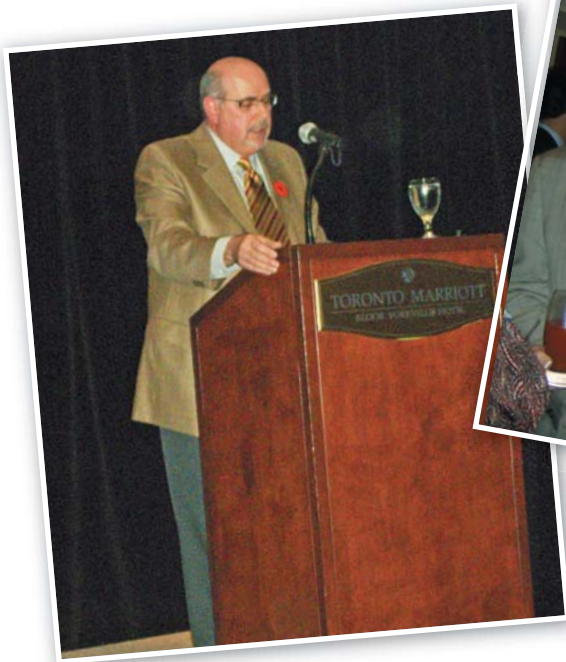
October 2008: Collections and Bell Canada!

with Chris Warburton, Vice President, Billing, Credit & Collections, Bell Canada



November 2008: The US Economic Crisis — What's in Store for Canada?

Aron Gampel, Vice President and Deputy Chief Economist, Scotiabank



Brian Cherry, President, A-1 Credit Recovery & Collection Services Inc and Aron Gampel, Vice President and Deputy Chief Economist, Scotiabank



Anthony Sabatelli, Rogers and Fred Hopper



February 2009: Phone and Email Spoofing

Fred Hopper, Director of Security at Giesecke & Devrient Systems Canada Inc.



March 2009: CAGT Presents Above & Beyond

Andrew Levison and CAGT Members



Sheila McCracken, Tracey Levison, Mukesh Daji



Nadim Abdo, Vice President, Consulting Solutions, Equifax; Richard Yap, Chief Operating Officer, SCORE Statistica; Thomas Higgins, Director, Analytics & Decisioning Solutions, TransUnion.



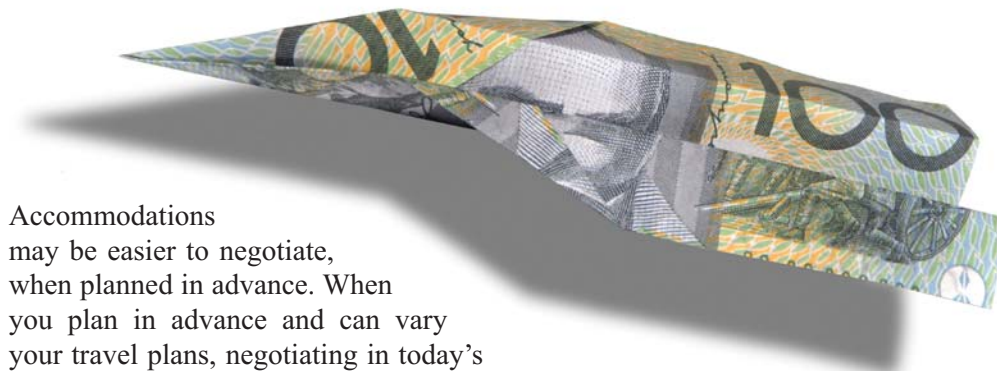
April 2009: Emerging Trends and Migration in Credit Granting

Vanessa Giuliani, Equifax

offered. No matter what kind of vacation you are going on (family, couples or single) setting target price goals for the amounts you are willing to spend, per day for all aspects of your vacation, is key to a budget friendly, cost efficient vacation.

Set a target on how much you are willing to spend on travel, accommodations, souvenirs, activities and food by creating a “Vacation Budget”.

When you plan in advance, you are able to shop around for the best rates. Last minute planning can be inefficient, time consuming and expensive. If your destination is expensive to fly to, consider another means of transportation such as driving, taking a coach bus or even a train. If you participate in an “air miles” or “travel rewards” program, consider cashing in miles or points for reduced rate traveling or car rental discounts.



Accommodations may be easier to negotiate, when planned in advance. When you plan in advance and can vary your travel plans, negotiating in today’s economy may produce reduced rates for many things including accommodations. Most hotels offer discounts for those who book in advance with a credit card or book on line (to secure the rate and space). Often, cruise ships offer discounts for inside staterooms and cabins. You may contact resorts directly, and ask for any discounts or special rates. Newlywed couples may even get an upgrade to the Honeymoon suite at no extra charge (and find a nice bottle of bubbly upon arrival). Traveling alone can be adventurous, spontaneous and fun. Those on a tight budget may consider staying in a hostel: similar to student dormitories but provide a chance to

meet and interact with global backpackers and travelers. Reasonable rates can be negotiated at national parks and camping grounds by booking online. A home swap is a great way to experience an extended stay vacation in another country. The process involves an exchange of living accommodations; living in another family’s home while they stay in yours, and explore your locale. Look for a safe Home Swap on www.homexchangevacation.com. An alternative form of vacation is a “Volunteer Vacation”. These trips will involve some sort of aid, relief or work, however they can turn out to be rich, rewarding experiences. Volunteer Vacations are relatively inexpensive, but some accommodations will not be as luxurious as others. Look for safe, credible volunteer vacations on www.cadip.org.

One of the best aspects of a vacation in a foreign destination is exploring the variety of cuisines that different cultures have to offer. You will find inexpensive restaurants and specialty shops that suit every palate and budget. It is very common for the specialty food of any destination, to be less expensive. A vacation can be a time to relax, rejuvenate and experience something new. What you do on your vacation will remain with you forever. A wine lover may enjoy a wine tasting. A beach lover may enjoy a boating excursion. Those who enjoy scenery may be keen on a guided day trip. Consider your budget and plan key activities that you wish to participate in.

A vacation has priceless memories, but the price of creating those memories can be sky high. Budgeting and planning your vacation is the smart way to prepare lower costs and avoid unwanted debts.

Check out these web sites for your next vacation

- **Exchange of living accommodations:**
www.homexchangevacation.com
- **Vacation homes for rent:**
www.homeaway.com, www.vacationrentals.com
- **Stay with families in their local communities:**
www.couchsurfing.com
- **Volunteer vacation:**
www.cadip.org, www.globalvolunteers.org
- **Last minute discounts on hotel, car rental and travel:**
www.priceline.com, www.selloffvacations.com, www.lastminuteclub.ca,
www.cheaptickets.ca, www.orbitz.com

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Throwing That Desperately Needed Lifeline...

Kathy Milne, President, KJM Consulting Services

A slowing economy and rising job losses mean more consumers are taking longer to pay off their debt, raising the risk of defaults to lenders. Statistics Canada says the country lost another 61,300 jobs in March 2009 as the unemployment rate hit 8% for the first time in seven years. Statistics Canada also comments that it expects the wave of job losses that have swept across the country since last fall will continue.

You may have heard that the Bank of Canada has taken its key policy interest rate to the lowest practical level in an effort to combat what it says has become a deeper than expected economic slump. In addition, the commercial banks quickly cut their prime lending rate in step with the Bank of Canada's move. Some fixed mortgage rates were also trimmed.

Despite the low interest rate, the challenge many Canadians face is the ability to access "money today" in a credit-crunched environment that has become more and more difficult and nearly impossible. Presenting options that allow the consumer to use their **own** balance sheet and asset base to clear debt will prove to be revenue effective. The appetite to absorb debt into an asset already on their household ledger is often a much more acceptable solution for a consumer as opposed to attempting to acquire "new" debt to cure older balances.

Given the current economic climate, I think you would agree that alternative recovery methods will bear greater importance. Creative, alternative processes now demand a thorough review of alternate funding options beyond the usual sources.

So... what options do you have? Does your organization have reliable, recession proof tools in your arsenal to



combat this war on recession? What solutions have you implemented into your action plans that will provide immediate results? How quickly can you implement these solutions and still provide flexibility and retain customer loyalty?

You've probably answered these questions with what you've learned and known for years, however, those solutions may no longer be adequate. Consumers used to have a variety of options and now choices have vanished and they expect you to provide the solutions... the one that will throw them that lifeline. Some folks are at the end of their rope. You might just be the lifeguard in these unstable times, not only for the consumer, but for your organization as well.

New legislation allows Canadians to take cash out of their pension plans

Legislation introduced in 2000 allows consumers to access their former employer's pension plans or "Locked in RRSPs".

Every debt stressed Canadian, who possesses a former pension plan or Locked In Retirement Account (LIRA) is eligible for something, provided they qualify under rules that vary from province to province.

It is as easy as implementing one simple phrase into your action plan that would result in creating awareness and offering debt stressed Canadians a solution versus another problem.

Offer your customers the option to unlock their pension

When you enable recently laid off, debt stressed Canadians access to their money (currently locked in their previous employer's pension plans,) you are providing them with financial relief while seeking alternative employment.

We're not just dealing with people losing their jobs, we're dealing with people losing their jobs and who are highly indebted. Unlocking their pension plan just might be the "only" answer available to them.

Help your customers help themselves and throw them that lifeline they so desperately need. ■

AUTHOR



KATHY MILNE is the President of KJM Consulting Services. KJM Consulting Services has partnered with a national, professional firm dedicated to assisting debt stressed Canadians access their pension funds offering confidential debt management and educational programs to help individuals become debt free and achieve financial security. For more information, contact Kathy Milne at (647) 278-1291 or Kathy@kjmconsultingservices.com, visit www.kjmconsultingservices.com or www.phoenix-crmc.com.

Planned activities will help make the most of your trip and allow you to explore the culture and surroundings, while keeping you on budget.

Planning a budget is half the task, keeping to it, is the hard part. Here are some additional money saving tips that will ensure your vacation is a dream come true, rather than a money pit. If traveling overseas, contact credit companies in advance to find out what their charge fees are on overseas spending. It is also important to notify credit card companies that you will be traveling so that they will not detect fraudulent behavior on your card and compromise usage.

Spend time planning this vacation with everyone traveling. This will ensure that once you are on your dream vacation, you are prepared for what may come. Discount traveler's coupons books are widely available and have great offers for travelers (these can be found at the airports, hotels, hostels, and travelers information centres). Avoid unnecessary expenses; bring some snacks for the road and activity books for young children. Be sure to budget in gratuities for all goods and services provided to you by staff or crew (on ships, in hotels, taxis and tour guides). Traveling with a cellular phone can get expensive with roaming fees; buy a local calling card to keep in touch with family or friends.

A vacation has priceless memories, but the price of creating those memories can be sky high. Budgeting and planning your vacation is the smart way to prepare lower costs and avoid unwanted debts. Lastly, remember to enjoy your vacations, because they don't occur everyday.

At Consolidated Credit Counseling Services, we believe that people who have more information and who are better educated with respect to all of their finances will make better decisions. ■

AUTHOR

GALIT OSADTSUK is the Director of Community and Public Relations at Consolidated Credit Counseling Services of Canada, Inc. Galit has also traveled extensively through the pursuit of her education and has shared some of this experience through this article. For more information on this topic and many others relating to Personal Financial Literacy, please contact Galit at gosadtsuk@consolidatedcredit.ca or (416) 915-7283 ext. 1014.

People on the Move

- **FRANK ZITO** is now the Manager of Collections at Enbridge Gas Distribution
- **BARRY KRYBA** is now the Chief Operating Officer at ARO Collections
- **LIONEL NEWMAN** is now the Vice President of Sales and Marketing at Teleperformance in Canada.

If you have changed your employment or know someone who has, please let us know. Please send the information to info@cagt.ca or contact Sheila McCracken at (905) 946-1810.

New Board Members

- **JEFF SCHWARTZ**, MBA, Executive Director, Consolidated Credit Counseling Services of Canada Inc. (416) 915-7283 ext 1010, jeff@consolidatedcredit.ca
- **BARRY KRYBA**, Chief Operating Officer, ARO Inc. (905) 667-5050 Ext. 3921, Barry.Kryba@aro.ca

Become a Member

The CAGT is a great resource for education and insight into new trends and ideas in the credit industry. Our members come from all areas of credit, including retailers, banks, finance companies, utilities, collection agencies and credit bureaus.

For more information, visit
www.cagt.ca/membership.htm

About Us

News & Views is a publication of the Credit Association of Greater Toronto (CAGT) and is produced two times a year.

Please circulate this newsletter.

- To submit an article or your comments, contact Sheila McCracken at: (905) 946-1810 or info@cagt.ca.
- To receive extra copies of News & Views, contact Zita Pinto at: (416) 227-5473.
- For membership information, contact Brad McFater at: (416) 332-2432.