



## MODULE 26B: **HANDLING DEBT PROBLEMS B**

Choose from the Suggested Activities below to find activities to help your students meet the outcome for this module from the Saskatchewan Financial Literacy 20/30 curriculum.

All resources for this module's activities can be found on [saskmoney.ca](http://saskmoney.ca).

### OUTCOME

Examine the processes of and alternatives to personal bankruptcy in Saskatchewan.

#### INDICATORS

- Research the advantages and disadvantages of alternatives to filing for personal bankruptcy (e.g., consolidation loans, credit counselling, debt repayment program and consumer proposal) in Saskatchewan, including the impact on one's credit report.
- Explain the factors that may lead one to file for personal bankruptcy.
- Discuss the:
  - benefits (e.g., eliminating creditor phone calls and eliminating the fear of repossession or foreclosure) of bankruptcy;
  - disadvantages of bankruptcy, including the existence of a permanent, public record; and,
  - effects of declaring bankruptcy on self and others, including family.
- Research the costs associated with, and the steps for, filing for personal bankruptcy in Saskatchewan.
- Determine assets that are seized and assets that are protected in a bankruptcy proceeding in Saskatchewan.
- Distinguish between debts that will be eliminated and debts that will remain after declaring bankruptcy in Saskatchewan.
- Discuss myths often associated with bankruptcy (e.g., you will lose everything, bankruptcy will ruin your financial future and you can claim bankruptcy on student loans).

#### OVERVIEW

Bankruptcy rates are increasing. Over 135,000 consumer insolvencies were filed in Canada in 2019 which is up 9.5%. There are long term ramifications from filing for bankruptcy and many myths surrounding the process.

#### PREREQUISITE

Modules 26A

#### SUGGESTED TIME

3-5 hours

#### RESOURCES

- Online Tools:**
  - No More Debts:*
    - What is the Bankruptcy Process in Canada?
    - Many People Can't File for Bankruptcy in Canada...
    - 7 Common Bankruptcy Myths in Canada
  - Credit Counselling Society of Canada
  - cbc.ca* article: On the Hook for \$170k
  - Bruce Sellery
    - Moolala*—Podcast: "Paying Off Your Debts"
    - 5 things to consider when considering bankruptcy (*YouTube*)

## MODULE 26B: CONTINUED

### • **Assignments and Activities:**

- *Finances, Debt, and Wellness* (Also posted in Module 26A)
- *Practical Money Skills* PDF's:
  - Chapter 13 **In Trouble** Teacher's Guide
  - In Trouble: Unit 3
  - "Are They in Trouble?"

### **ASSESSMENT**

- several lessons have worksheets suitable for formative feedback
- debt repayment calculator could provide an activity that could be assessed formatively or summatively
- a summative assignment where one student gives advice to another in a fictional situation

## SUGGESTED ACTIVITIES

### 1. **Finances, Debt, and Wellness**

(Also posted in Module 26A)

Consider how an activity and discussion may or may not be appropriate based on the age of the students you are working with. An idea for a case study is provided in the Resources tab .

2. *No More Debts* website. These articles present excellent information for students about bankruptcy. Depending on their prior knowledge. Teachers could assign each article to small groups and have them teach what they learn to the rest of the class:
  - [What is the Bankruptcy Process in Canada?](#)
  - [Many People Can't File for Bankruptcy in Canada...](#)
  - [7 Common Bankruptcy Myths in Canada](#)
3. **On the Hook for \$170k.** This article is from 2017 and involved a Saskatchewan student who had to leave post-secondary education. Teachers will find an opportunity for discussion with students to understand the perspectives of all people involved. Students could discuss (or debate!) whose side they are on.

### 4. *Credit Counselling Society of Canada: [How to Consolidate your Debts in Canada.](#)*

Students will certainly need prior knowledge before reading this piece so some pre-reading strategies (ex. Understanding vocabulary) will certainly help. Students can then take notes while reading.

5. *Practical Money Skills.* Follow the instructions in these documents for some great instructional ideas and activities:
  - Chapter 13 **In Trouble** Assignment sheet.
  - Are they in Trouble? (scenarios for students to work through)
  - Unit 3 resource has overheads, assignments and answer keys.
6. These following links provide an opportunity where students can listen, take notes, discuss, and follow up with research for further understanding.
  - [Paying Off your Debts.](#) Interview with a Licensed Insolvency Trustee. *Moolala—Podcast* by Bruce Sellery
  - [5 things to consider when considering bankruptcy](#) (From July 2020)
7. Summative activity suggestion: Create a scenario where a person feels they need to claim bankruptcy. Have students be their advisors and have them create a pros/cons list and/or alternatives to filing for bankruptcy.

For more curriculum information, please visit the Government of Saskatchewan curriculum website.