



# credit&debtsolutions

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With about a week to go to Christmas, the malls and big box stores are just about bursting at the seams. Most people though, are just about “there” as far as preparations go. In all likelihood the bulk of us are down to the final chores, the supermarket, meal plans, guest lists and cluing up on decorating. But for some, those of us in the midst of a money crunch, the next week will be possibly one of the most financially stressful times all year.

Christmas, and the expense which accompanies it, is tough for almost everyone. No matter what our income level, how well we’re organized or how early we begin to prepare, very few of us can say in definitive terms, that we feel OK about how the season impacts us financially. This year, on average we’ll spend just under \$900.00. Last year it was around \$800.00. That’s quite a jump. For people who simply can’t afford this kind of outlay, the feelings which accompany the frustration also include inadequacy, embarrassment and to a lesser extent demoralization. At Credit and Debt solutions, clients have been telling us stories that reflect these feelings for about six weeks now. We provide assurance and encouragement and we try giving people some practical suggestions which we hope will minimize negative feelings.

If you’re fortunate enough to have some money, you just feel it’s sparse since you’ve got an extensive list of family, extended family and friends, then you might try a little trick we call the 70% rule. (This one works well for people who don’t feel financially inadequate too). It’s quite simple. You spend 70% of your amount on the people you live with, you know; your children, partner, parents, siblings, etc. You then spend 70% of the remainder on extended family, and 70% of the amount yet still remaining on what we call acquaintances. The remainder you give to charity. So a \$200.00 budget goes like this, \$140.00 on your household, \$42.00 on people you’re close to outside your household, \$15.00 on tokens to people important to you and \$3.00 to charity, like the Salvation Army Kettle.

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If your household has a number of people, and \$140.00 just won't cut it, consider instead a single large family gift. You can spread your \$42.00 to a greater number of people by purchasing supplies and working from you kitchen. If you're not talented in that area, maybe you can co-op with a friend in a similar situation who is talented but has no money. You bring the material and they bring the labour.

Secret Santa, the practice of drawing a single name, whom you then gift, also works well as a way of cutting costs. Although, we all acknowledge that a week before Christmas is not a good time to introduce the concept. So mark your calendar for September 01, 2007 and float the idea around that time for next Christmas.

Just because you're financially limited, does not mean you're not resourceful. You could consider giving your whole budget to one or more charitable causes or organization who work with and on behalf of the needy. You can then present a card to everyone on your list, advising them that a donation to XYZ organization has been made on their behalf. You don't have to tell them how much the donation was. By doing this you preserve a little of the dignity you might have otherwise feared loosing. Chances are, the card recipient will get a warm and fuzzy feeling when they open it, at least most people will.

If you've got no money, it must be acknowledged that your choices are even more limited when viewed in traditional terms. But think for a moment, you're in a position to give the best gift of all, a little piece of you. You can give the gift of time. You can present hand made free babysitting coupons, or one for some yard work in the spring. You can promise to take a family member who is limited, to the market, the mall, bank, church or park a time or two. You can agree to read a book, do some housework or clear the snow several times. Something as simple as visiting a loved one's home and preparing and serving a meal there for them is also a great ideal. The coupon might entitle the bearer to a "Romantic Winter Evening" in their own home; compliments to you. Make sure you sign all you coupons with lots of love and affection.

The next few days will possibly see you leaning toward borrowing or using a charge card, particularly as the week goes by and you fear that you are therefore running out of options. If you're already in a financial pinch, deciding to go it on credit is a lousy conclusion, plain and simple. There's no kind way to say otherwise. So avoid that direction at all costs. Equally disastrous is a payday loan or even borrowing from family or friends. Try to the best of your ability to move your focus away from what you see as a quandary. Take in some of the numerous church services which will all be underway in the next few days. You might even visit a church you've not seen before or one of a different faith or tradition. Church music is great this time of year. After dark, go for a walk in you neighbourhood. You'll find the light and outdoor displays spectacular. Or try watching little children play. Why? They've got Christmas down to its truest form and state. They don't judge, they give freely, they understand simply and they have tons of fun, hysterically playing with the trappings of Christmas; empty boxes, torn paper, shredded ribbon, and heaven forbid – Snow. Best of all, they're happiest in familiar surroundings and around people who care about them.

So don't be elf-conscious, or elf-deprecating, work hard at not feeling sorry for your-elf. Be elf confident that everything will be OK. Elf propel into 2007. Tel you-elf it's my year and it starts in only a few days!

Thanks for reading and for all the calls and questions over the last few months.

***Merry Christmas!***

In two weeks its – you guessed it, Financial Resolutions for the New Year!

Al Antle is the Executive Director of ***Credit & Debt Solutions***. ....*your partner in financial wellness.*