

ENSURE HOLIDAY SPENDING JOY: DON'T MAKE DEBT THE GIFT THAT KEEPS ON GIVING

With Canadians planning to spend an average of \$645 on holiday gifts this year, CPA Canada unwrapped three scenarios (based off a 20% interest rate) to help Canadians understand the cost of credit card holiday splurges. Don't let the ghosts of holiday spending haunt you with future bills.

		OPTION A Make the minimum monthly payment	OPTION B Add an additional \$5 to the minimum monthly payment	OPTION C Pay \$100 monthly
Time to pay off		8 years and 3 months	4 years and 8 months	7 months
Original balance		\$645.00	\$645.00	\$645.00
Interest paid		\$546.85	\$306.29	\$43.13
Total paid		\$1,191.85	\$951.29	\$688.13
Amount saved		—	\$240.56	\$503.72
Time saved		—	3 years and 7 months	7 years and 8 months

SOURCES: Survey data from CPA Canada 2023 Holiday Spending Study, conducted by Ipsos

Tool provided by the Financial Consumer Agency of Canada. Visit their suite of free financial tools and calculators to help you manage your money. Visit Canada.ca/financial-tools.