Lesson 3: Credit Cards

Credit Cards Assignment.

Your task for this assignment is to:

1. Read the page called Canadian Credit Card Statistics to see why it is VERY IMPORTANT for individuals to understand the financial risks involved with owning and using credit cards.

2. Work through the attachment titled Credit Cards. There are questions to answer along the way and at the end. You do NOT have to answer each question. Use them more as a guide to be sure you understand the information provided as you go.

3. When you have worked through the information above, summarize your learning on a piece of paper and submit to your teacher. Include at least 5 points about the pros and cons of having a credit card. Think "big ideas" here, rather than specific details. IE: Benefits of having a credit card include ... Credit rating means... Suggestions for avoiding credit card debt include... Be sure your name is on each page you submit please😊 Don’t forget to submit electronically!
Canadian Credit Card Statistics


- Canadian adults with at least one credit card in 2016: 89%
- Average number of credit cards per Canadian adult: 2.2 in 2016
- Minimum age for Canadian primary or secondary cardholders: 18 years, except in Nova Scotia, Newfoundland and New Brunswick where the minimum age is 19
- Visa and Mastercard credit cards in circulation in Canada as of October 2015: 68.5 million
- Credit card debt accounted for approximately 5 per cent of total household debt as of December 2016
- Credit card delinquencies (90 days past due) were at 2.26% Quarter 3, 2016

Credit Scores

- Canadians with credit scores of 750+ (safest risk rating): 60.51%
- Canadians with credit scores from 680-749 (average risk rating): 21.40%
- Canadians with credit scores below 520 (extreme risk rating): 2.85%
- Age group with highest percentage of Canadians with credit scores 750 and above: 65 and older
- Age group with highest percentage of Canadians with credit scores below 520: 25 and younger

Debt

- Total consumer debt in Canada (including mortgages) as of September 2016: $1.973 trillion
- Consumer credit debt as of September 2016: $585.8 billion
- Average credit card debt per person as of September 2016: $3,954
- Average household debt (including mortgages) as of July 2016: $200,000
- Ratio of household credit market debt (consumer credit, and mortgage and non-mortgage loans) to disposable income: 167.6%