

Survive and Thrive

Move ahead financially
after losing your job

David Trahair, CPA, CA



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Library and Archives Canada Cataloguing in Publication

Trahair, David, author

Survive and thrive : move ahead financially after losing your job /
David Trahair, CPA, CA.

Issued in print and electronic formats.

ISBN 978-1-5254-0041-4 (paperback).--ISBN 978-1-5254-0042-1 (epub)

1. Job hunting--Canada. 2. Labor laws and legislation--Canada.
3. Finance, Personal--Canada. 4. Career changes--Canada. 5. Occupational
retraining. 6. Unemployment--Psychological aspects. I. Chartered
Professional Accountants of Canada, issuing body II. Title.

HF5382.75.C3T68 2016

650.14

C2016-906484-0

C2016-906485-9

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Introduction

If you are reading this, there is a good chance you have been laid off or are concerned that this might happen to you soon. This guide has been created for you. It is a concise source of information to get you through this difficult time.

It will give you key information to assist you in dealing with your situation, so you can move forward with confidence.

It starts with the most important issue—dealing with the psychological, mental and emotional toll of being unemployed. It also takes a high-level look at employment law to help you decide what legal steps are open to you. There is also a detailed chapter on how to find a new job, including job search and interview tips and a discussion about the jobs of the future. It also addresses options other than full-time employment, such as contracting and starting your own business.

There is detailed information about how to finance your life going forward, including the implications of using any savings you might have (RRSPs, TFSAs, etc.), as well as how to access any locked-in pension money.

It also addresses how to gain control of your expenses and deal with your debt, starting with how to do it yourself or by using a non-profit credit counselling organization. There is a chapter on

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more drastic options for dealing with excessive debt which includes filing a consumer proposal or bankruptcy using a Licensed Insolvency Trustee.

The final chapter addresses the option of going back to school or other retraining and provides information regarding what government grants are available.

The appendices include detailed instructions on how to apply for employment insurance, links to further resources in your province or territory as well as a sample resume and cover letter for you to customize and use.

We welcome any and all comments about ways we can go further to help you move on to the next phase of your life. Email us at financialliteracy@cpacanada.ca.

CHAPTER 1

The Psychological, Mental and Emotional Toll

Right now, it probably feels like you just got kicked in the gut. Are you finding it hurts like hell and it's sometimes difficult to breathe? When you think back to your exit interview, did you actually hear anything after "We're letting you go"?

The problems you are facing are likely far more than just financial.

You are probably feeling a significant amount of emotional stress and confusion and that is just as important (or even more so) as money issues.

You may have thought:

- How could they do this to me, I've always worked hard?
- What is the future going to be like?
- If I promise to do things differently, can I get my job back?
- I guess I'm not so good after all ...

You are not alone. To start with, realize that feelings of depression, panic, self-doubt and helplessness are normal in your situation. The vast majority of people going through job loss have the same feelings. It's absolutely natural.

In fact, the journey you are on now is very much like the grieving process and, according to psychologists, your related stress level is much like it is after a divorce or the death of a loved one.

Where to Get Help

Unfortunately there are no free provincial or territorial outplacement services (that often include psychological counselling) to help you through this difficult time. But there are ways to find help that won't cost you anything.

Your Union

If you are in a union, the first person to talk to is your union representative. It's possible that your union may have general outplacement services that include professionals you could talk to about how you are feeling and what to do about it.

Your Human Resources Department

If you are not in a union, consider getting in touch with your ex-company's HR department to see if they have services that can help you.

The Company Health Plan

If you had an employee health plan at work, it is possible that you could still be covered for psychological counselling. In some cases, employers will extend these benefits for perhaps a month or more after an employee leaves the company.

Your Doctor

If none of the above is an option, consider setting up an appointment with your family physician. He or she should be able to assess your situation and refer you to a mental health specialist if needed. In most cases, those costs should be covered by your provincial or territorial health plan.

Included in Termination Offer

If you received a written termination offer, which is fairly standard for all white-collar jobs, read it to see if outplacement support is included. This is often done by an external firm that specializes in transitioning employees to a new job and often includes psychological counselling. If outplacement support is not included in the termination offer, ask that it be added. (We discuss termination agreements in the next chapter).

Tips for Getting Back on Your Feet

Remember that you are exactly the same person, with the same skills and experiences, as you were before this happened, and you are still valuable to another potential employer. Many very successful people have experienced major setbacks in their careers and have come back stronger by learning from the experience and trying again.

Keep Busy

The key is to try to keep yourself busy. Of course, you should spend a lot of time looking for a new job, but remember to seek balance in your life. Don't just sit and watch TV, but get out of the house and get active.

There is some great information about dealing with job loss and unemployment stress at www.helpguide.org. Here are some of the things the site recommends.

Reach Out to Stay Strong

It is normal to withdraw from friends and family out of a sense of shame or embarrassment, but don't ignore the importance of interacting with other people to relieve anxiety and self-doubt. Social contact is nature's antidote for stress. Nothing is better at calming your nervous system than talking one-on-one with another person. Try to find a good listener—they don't have to provide answers for you—all they have to do is listen. Most people will not see this as a burden. Many will be flattered that you trust them enough to confide in them.

Involve Your Family for Support

Unemployment affects the whole family so you shouldn't try to keep it a secret from them. Now is the time to lean on those who love you for support. Keep them in the loop about your job search and tell them how they can support you. Give them a chance to voice their concerns and offer suggestions about your employment search. Try and set aside some time for the family to enjoy some activities together so you can all let off some steam and forget about your job situation for a while.

Exercise

Exercising is a great way to keep yourself in shape and get your mind off things. Perhaps previous work commitments may have prevented you from getting regular exercise. Now is the time to focus on your physical health. Regular exercise is one of the best things to relieve stress. It relaxes tense muscles and releases powerful endorphins that improve your mood.

Aim to exercise for at least 30 minutes each day. If that's too much, start with 10 minutes. Even a brisk walk is better than sitting at home watching TV, because it forces you to focus on your body and how it feels rather than focusing on your thoughts.

Watch Your Diet

It is natural to let your eating habits slide and succumb to the call of junk food. But what you eat has a significant effect on how much energy you have and how positive you feel. So try to minimize sugar and refined carbohydrates—that means staying away from candy and comfort foods like pasta, white bread, potatoes and French fries. These high-carb foods quickly lead to a crash in mood and energy. It will help you if you can avoid nicotine, as it is a powerful stimulant that leads to higher, not lower, levels of anxiety. Also, you should try to moderate your consumption of alcohol because, while it may temporarily reduce worry, too much can cause even greater anxiety once the effect wears off.

Try to Get Plenty of Sleep

Aim to get 7 to 8 hours of sleep each night, as a good night's sleep has a huge influence on your mood and productivity the next day. This will help to keep your stress levels under control and maintain your focus for your job search.

Practice Relaxation Techniques

Techniques such as deep breathing, yoga and meditation can do wonders to reduce stress. They boost your feelings of serenity and joy and teach you how to stay calm and collected during stressful situations, including job interviews.

Volunteering

Volunteering at a non-profit organization can help foster a sense of value and purpose and for many people results in a boost in overall mood. Remember that no matter what your situation is, there are people much worse off than you and it is always good to give back.

CHAPTER 2

Employment Law

DISCLAIMER: Employment law is complicated and the laws and regulations related to it are always changing. This chapter will give you an overview, but you should consider getting legal advice before taking action.

Employment law in Canada is governed by two main sources: formal legislation and common law (also known as case law).

In Canada, both the federal government and the provincial legislatures are responsible for labour and employment laws because there is different constitutional jurisdiction over employment matters. Federal authority over employment is generally limited to federally legislated industries such as:

- banking
- radio and TV broadcasting
- air transportation
- railways, and
- interprovincial trucking and shipping.

The key federal employment legislation is the *Canada Labour Code* that governs areas such as:

- labour and industrial relations
- collective bargaining
- hours of work
- minimum wages
- vacation entitlement
- statutory holidays
- termination
- severance,
- and unjust dismissal.

Other federal legislation also covers employment issues, including the *Canadian Human Rights Act*, the *Canada Pension Plan Act* and the *Employment Insurance Act*.

At the provincial level, the key legislation governing employment law is the *Employment Standards Act* (or *Code*). This usually provides minimum standards for:

- work hours
- overtime and holiday pay
- minimum wage
- vacation pay
- termination, and
- severance pay.

While an employer and an employee can contractually agree to the terms of the employment, the agreement cannot specify terms below the relevant *Employment Standards Act*. Other statutes governing employment at the provincial level include human rights, workplace safety and insurance, occupational health, pay equity, people with disabilities, as well as labour relations.

The second source of employment law is common law (which is the law as established by the outcome of former cases); it establishes additional rights and remedies for employees.

Unionized Environments

Unionized workplaces are governed by specialized labour legislation and the employment contract is between the employer and the union that acts as a bargaining unit for a group of employees. The terms of the employment are set out in a collective agreement between the employer and the union. The employer must deal with the union on employment matters, rather than directly with the employees. Disputes are usually dealt with by specialized labour relations boards.

In unionized environments, the collective agreement usually has a section requiring there to be “just cause” for terminating an employee. Therefore unionized employees cannot be dismissed by an employer by simply providing notice or pay in lieu of notice. If an employer terminates a unionized employee and there is a dispute, the employee is usually represented by the union in an arbitration process governed by the collective agreement and applicable labour law. In cases where the employer is found to have dismissed the employee without just cause, the labour arbitration generally leads to an order for reinstatement with compensation.

In a unionized environment, your union will represent you in a case of dismissal. In some cases, the union may hire a lawyer to help with your case; it is unlikely you will have to hire your own lawyer.

Non-Unionized Environments

Non-unionized workplaces are governed by the relevant employment standards code and common law. The employment contract is between the employer and the employee. Employers can terminate employees with or without cause, provided they give reasonable notice, or pay in lieu of notice, as defined by the applicable employment standards code or common law. Disputes, including dismissal, are often handled by the courts.

Do You Need a Lawyer?

In a non-unionized environment, you have the right to consult legal counsel, but the need to hire a lawyer depends on the situation. In some cases, such as wrongful dismissal, legal representation may make sense. This is an important decision as it is often an expensive and time-consuming process for the employer and the employee.

However, remember that you will have to pay your own legal fees since your ex-employer will not cover them. That's because employers don't want to assist ex-employees in getting more money out of them and so you won't see your legal costs covered in any termination agreement.

The need for legal representation is lessened significantly where there is an employment agreement in place.

Employment Agreements

If you signed an employment agreement before you started your job, the process of leaving your employer is often relatively straightforward. If an agreement has not been signed, the process is more complicated as there will be many issues to address.

The employment agreement must comply with the employment standards legislation of the applicable province and will set out the employee's title, duties, salary, benefits and vacation terms. It often includes the following as well:

- **Termination without cause.** The agreement should clearly indicate the notice or severance the employee will receive. This may be set at the employment standards minimum, but is often higher than that.
- **Termination for cause.** The agreement should state what types of conduct are included for an employee to be dismissed with no notice or severance required. This may include such things as a material breach of the company's code of conduct, insubordination, culpable absenteeism, intoxication or sexual harassment.
- **Bonus.** According to common law, an employee terminated without cause is entitled to a pro-rated bonus and to compensation for loss of bonus as part of a severance claim. A clear agreement that states the basis upon which the bonus is calculated and the amount due in case of termination will help reduce the complexity and cost of leaving.

Termination Agreements

In many cases you will receive a written offer from your employer on the day you are let go. It is important to avoid signing it right away. If you do, you could be throwing away thousands of dollars and possibly significant other benefits.

In that exit meeting, you will most likely be confused, vulnerable and not thinking straight. It is not the time to agree to something that could have significant financial implications going forward. Do not cave to the pressure to sign it at the exit meeting.

If your ex-employer is being reasonable, the terms of the agreement will probably give you a period of time, perhaps a few days or even a week, to review the offer and decide if you want to sign it. Always take this time before making any decisions.

The Employment Standards Code

As a general principle, employers have a right to terminate the employment of employees. In most cases, with that right comes the responsibility to provide notice of intention to terminate. The length of notice is normally dependent on the duration of the employment with the employer. In many cases, severance pay for the required notice period is paid to the employee in lieu of notice. That means that an employer may choose to provide termination pay of an amount at least equal to the wages the employee would have earned if the employee had worked the regular hours of work for the applicable termination notice period.

Start with some research on your own to see if what is being offered is reasonable. Assuming your employer was subject to provincial or territorial legislation, do a search for the *Employment Standards Code (or Act)* for your province or territory, and review the section on required notice to terminate.

Note that there are circumstances that the employment standards code may not require an employer to provide termination notice. For example, when there is just cause for terminating an employee's employment.

Where there are allegations that the requirements around termination have been breached, a complaint can be filed with your provincial employment standards body.

The Alberta Standards Code

Make sure you are looking at the section of the code related to the type of work you do. For example, in Alberta, construction employees are not entitled to notice of termination, or pay in lieu of notice, from their employer.

There is an excellent termination of employment and temporary layoff fact sheet available at <https://work.alberta.ca/documents/Termination-of-Employment-and-Temp-Layoff.pdf>. Here is what the fact sheet says about termination notice:

An employer must give an employee whose employment is being terminated written termination notice of at least:

- one week for employment of more than 3 months, but less than 2 years
- two weeks for employment of 2 years or more, but less than 4 years
- four weeks for employment of 4 years or more, but less than 6 years
- five weeks for employment of 6 years or more, but less than 8 years
- six weeks for employment of 8 years or more, but less than 10 years, and
- eight weeks for employment of 10 years or more.

If your case goes to court, you may be successful in getting a greater notice period than the minimum standard as set out in the code.

In Alberta, where notice is required, the employer must provide the employee with termination notice in writing or termination pay. A combination of notice and termination pay is allowed. Payments of all wages, overtime, general holiday pay and vacation pay owing to the date of termination is due within three days.

Where an employee is dismissed for just cause, or for any other reason specified by the code as not requiring notice, the employer must pay all wages, overtime, general holiday pay and vacation pay due to the employee within 10 days of the date of termination.

CHAPTER 3

Finding a New Job

The worst thing you could do right now is put pressure on yourself to find a new job as soon as possible, because this will only increase the stress you are already feeling. You need to realize it will take time to transition to new employment.

Remember to just breathe. That's right, constantly remind yourself to sit back and take deep cleansing breaths as much as possible and it will help to reduce your anxiety level.

It might sound a little odd, but this is a chance for you to be selfish. Take some time to really think about your situation. Were you happy in your previous job or were you just stuck in it? Look at this time you've been given as an opportunity to explore what it is that you'd really like to do. This is your chance to make a positive life change, perhaps to do something you have dreamed about for years.

Start by writing down a summary of your strengths, skills and experiences. This is best done on a computer so you can easily add to it as you think of more items, and use the resulting information in your covering letter and resume (we'll deal with that later). How have your positive attributes helped your employers in the past? How do you think they could help any potential future employer? Remember that

companies are looking for people who will add value to their business. Make it easy for them to identify you as someone who can do that.

Remember to think outside the box. Just because you have used your skills in say, the oil and gas industry, does not mean they can't be used in a different industry. Unless you are highly specialized, your skills may well be in demand elsewhere.

You may have to consider moving to a different town, city or even province, and that may be the reality if you are in a resource-based economy like Alberta's, for example.

Outplacement Services

If you are lucky enough to have outplacement services provided by your ex-employer, make sure you take full advantage of them. These services usually allow you to conduct your job search through the recruiter with access to their office facility and their expertise. If not, you may want to consider finding a recruitment agency, often referred to as "headhunters." These organizations specialize in finding jobs for people and will provide advice to help you succeed. The other advantage is that their services are usually free to you because the company that hires you will pay them a fee.

Research Required

Do some research on the web or at your local library about the type of businesses you are interested in. For example, the Scott's Business Directories Online has detailed information on Canadian manufacturers, wholesalers, distributors and business services and is available free online through many public libraries.

All you need is your library card to gain access to organizations and key business contacts from thousands of Canadian businesses. You can easily look up a company name, phone number, business address or website URL. Just go to www.scottscanadianbusinessdirectory.com and sign in with your library card bar code and password (if you can't remember setting up a password, try the last four digits of your home phone).

With the directory you can search for all businesses that meet your criteria as follows:

- **Geographic:** city, postal code, metro area, Province/Territory, street name, area code
- **Demographic:** company name, number of employees, estimated sales, executive functions, year established
- **Firmographic:** product/service, NAICS, business type, export country.

You can use as many fields as you need to find your list of target companies. For example, you could search for courier companies in Alberta with more than 100 employees.

“NAICS” is the North American Industry Classification System, which is a set of numeric codes designated by Industry Canada to help identify types of businesses by the products or services they produce. The NAICS code for courier companies is 492110. This search yields six companies—three in each of Edmonton and Calgary.

After you find the companies you can view and print the company profile which lists the address, phone and fax numbers, website, executive names and titles, the associated NAICS codes, the number of employees and estimated sales figures.

Top Three Job Search Tips

It may have been years since you last looked for a job. It's normal that you might feel nervous about embarking on something you haven't done for a while, so here are three tips that should increase your confidence and your chances of success.

1. Get Personal

The easy way to look for a job is to hide behind a computer and send out hundreds of resumes, but this shotgun approach is unlikely to be successful. Many jobs are not advertised and are found through direct personal contact. If you are just sending resumes to listed job openings you may be missing the majority of available jobs.

This is not to say you should not make efforts online, just make sure that the majority of your efforts are directed at people rather than computers. For example, if you have a computer, make sure you join LinkedIn and learn how to use it. LinkedIn is a business-oriented social networking service mainly used for professional networking. It is a great way to get in touch with people you used to know or worked with but no longer have their current contact information.

2. Network

It is a myth that you need to be the “life of the party” to be effective at networking with people to find a job. Even if you aren't an extrovert, you can learn how to network effectively. It's normal if this makes you nervous, many people feel like they are begging for a job and that makes them uncomfortable. However, you aren't begging for a job, you are looking for an organization that can use your skills.

Here's a tip to make it easier. When you contact someone, tell them you would like to get their advice. So you aren't asking them for a job or if they know someone who can give you a job, you are just asking them for advice. You'll probably find that most people love

to give advice because it makes them feel their opinion is important. Try it and see. There is no reason to be nervous, you don't have to be perfect and often they will do the majority of the talking. Another benefit is this doesn't cost you any money. Suggest meeting them at their office as many people would prefer you meet them there, as it will save them time not having to travel to meet you somewhere else.

After you meet with them, consider offering the person something in return for the time they have given you. Maybe you could find a good article relevant to their business, or maybe you know someone else who might be a good fit for their business right now. A simple, hand-written thank you note is always well-received and, because they are so rare in this electronic age, the recipient will remember you.

Unless it is a formal job interview, try to leave the meeting with either a reason to get back in touch with the person or perhaps the contact information of someone else you could talk to. You are not pressuring the person to think of someone they know who could give you a job, just someone else to give you advice.

Consider making a list of people you'd like to network with. Make a list with three columns:

- **Friends and family:** these are the easy ones—use them to practice your job pitch and see if they can think of someone else you could talk to.
- **Connectors:** these people may or may not have a potential job for you, but they may be able to put you in touch with someone who could.
- **The scary list:** these are the key decision-makers or influencers that often have senior positions. They will be harder to approach, but you have the greatest chance of finding out about potential jobs if you meet with them.

3. Join the Library

If you don't have a library card, go and get one. There are a myriad of free services available at your local branch and online through your library's website. It is also a great way to get out of the house and be among other people who are studying. You might find it easier to focus here than at home.

Librarians are also available to assist you in your job search, which could be extremely valuable. You can also:

- borrow books, music, movies and more
- download eBooks, digital magazines, movies and music
- reserve computer time at library branches
- use research databases to access magazine and newspaper archives, business directories and other content
- reserve materials through the websites and have them sent to your nearest branch
- upgrade your skills by using free online learning sites provided by some libraries, such as Gale courses, Learning Express, or [Lynda.com](https://www.lynda.com)
- attend free programs, such as career, business, employment law and financial literacy
- meet people through groups such as networking, Toastmasters, support for the recently laid off.

Your Resume

There are two main ways to structure your resume: by function or by date. Most search firms prefer the chronological method that shows your most recent position and responsibilities first. Because companies have many responses to positions posted, there is no time to review a very detailed resume, so keep your resume to a maximum of two or three pages, unless you are a seasoned executive with many years of service. Make sure it is clear and succinct.

In many cases, your resume will be imported into some kind of resume management tool that looks for key words most critical to the role, so it's a good idea to use bullet points with common key words for your job descriptions.

If there is a time gap in your resume, make sure you are prepared to answer what you were doing during this period. Maybe you were looking for a job or travelling or volunteering. Be truthful, it's not the end of the world if you don't have a perfect resume.

There is some debate about whether to include the year of graduation in the formal education section. Some people worry that it would make their age apparent. The general consensus is to include the dates. They'll probably figure out how old you are anyway and it makes it easier for them to reference your degrees with the universities and schools (which is done regularly now). Be proud of your experience and be 100% truthful. If you only partially completed a program, say so. If you don't, it will probably result in any offer being rescinded.

Resume Tips

Start with an **Executive summary** of who you are and your experiences. You can use bullet points here. However, do NOT start with "OBJECTIVE: To get a job at a progressive company..." as this is obvious and provides no information for the reader. Think about what the reader would like to hear, not just what you'd like to say.

In the next section, summarize your **Achievements** focusing on what is most important to the reader, your potential employer. This should not just be a past job description. It is not necessary to tailor the achievements section of your resume for each job you apply for. It can be confusing to recruiters if you have more than one resume

circling around. This is also where you list not just your education, but your volunteer experience, any courses you have taken and any awards that you may have received.

Spend time on the achievements section. Start each section with an action verb like “led” or “participated in” or “drove” or “developed.” These words create a picture much better than “responsible for” or “accountable for.” Then add the details of what you did, the actions you took and the end results you achieved. What did you deliver? This does not have to be a number, such as “increased sales by 25%,” maybe you simply delivered something, or ensured the effectiveness of a process, etc.

If you are overwhelmed at the prospect of starting to write your resume, there are many websites offering resume advice and free templates, and we have also included a sample resume in chronological style at Appendix C.

Your Cover Letter

Keep your cover letter to one page. The first section should be a summary of who you are and what role you are applying for. If there is a job code reference in the job-listing, make sure you include it at the top. This section needs to be consistent with your elevator pitch (see **Top Three Interview Tips** below) and your resume.

The middle section should include bullet points of your skills that would be useful to your new employer. Make sure you use words that are contained in the job listing as these are the ones they consider most important.

The last paragraph should be a brief summary with your contact information, concluding with a statement that you would be pleased to meet with them.

Please see Appendix D for a sample cover letter.

The Interview

When you get an interview, there are some things to remember that will help you make a positive impression.

It may sound obvious, but show that you are interested in the company and the job. Remember to smile, and make sure you dress appropriately for the job you are seeking, i.e., if it's a blue collar job, dress like you would for a good client; if it's a white collar job, find out what the firm culture is—maybe it's a suit and tie or maybe just a jacket, open-collar shirt and dress pants. Practice your handshake—would you feel comfortable hiring someone with a limp handshake?

Think about the “brand” you are portraying. It should include a positive attitude, a hard worker, someone who is interested in learning no matter what age they are. Are you coming across as someone the interviewer would like to work with? Do you sound interested in the job? Remember, a lot of human interaction is based on chemistry—would you hire someone who appears disinterested and negative?

And remember, don't be afraid to use the “I” word. Sure, be a team player, but the interviewer also wants to see some self-confidence. Be proud of what you have accomplished. If you successfully led a team, tell them you did. Then you can explain about how the team worked collaboratively and achieved the result.

Before the interview, you should think about how you will answer the more difficult questions, such as “Why did you leave your last job?” or “What is your biggest weakness?” It is important to prepare for these questions, as many people are caught off guard when they are asked during an interview, this makes an already stressful situation even worse.

Prior to the interview, research the company (this is usually easy to do with a simple online search), because a question that is often asked at the end of an interview is: “Is there anything you would like to ask me about the company?” It gives a positive impression if you can ask a couple of prepared questions which demonstrate your knowledge of and interest in the company.

Top Three Interview Tips

1. Develop Your “Elevator Pitch”

In many interviews the first question you’ll be asked is, “Tell me a bit about yourself.” Some interviewers are very busy people and may not have read your cover letter or resume. An open-ended question like this allows the interviewer to find out about you if they have not prepared for the interview. That is your opportunity to make a good first impression. Many people make up their minds about whether they like someone or not in the first few minutes of meeting them, so make those minutes count.

Prior to the interview, you need to develop a simple statement, no more than a few sentences, that gives the interviewer some insight into who you are, what skills and experience you have and why you would be an asset to their company. It should take no longer than a minute or two. Also, make sure you connect your skills to the role you are interviewing for. Prior to the interview, write several drafts, memorize it and practice saying it. This will give you confidence as you’ll have something useful to say that you don’t have to think about.

It is also a good idea to create an agenda for the meeting, just in case the interviewer leaves it up to you to carry the conversation.

2. Personalize Your Stories

Be prepared to illustrate your skills and experience by telling stories of what you have accomplished. You should be trying to paint a picture in the person's head about what you have done in the past. People love to hear stories and they are more likely to remember you than if, like most people, you give them bland, generic statements about your abilities. It also shows that you actually have the skills, because you gave them practical examples of how you used them to solve a problem.

3. Connect Your Skills to the Job

This is probably the hardest step and, because it takes effort, many people don't bother doing it. This is a major mistake that some people make. It is important to spend time preparing this as it is your opportunity to be the "wow" candidate. If you don't, you run the risk of being overlooked. That's because it's human nature for interviewers to want to categorize people (put them in a nice, easy-to-define box) and forget about them as soon as they leave.

You are trying to articulate what you have done in the past and how those skills and experiences will allow you to bring value to your new role. Start by analyzing the job description and think of situations in the past where you have used your skills to address the challenges of the position. Research the company and its current situation to familiarize yourself with their current challenges. Follow them in the news and search online for more information, e.g., have a look at their annual report. Check out the investor relations section of their website. The more information you gather prior to the interview, the easier this task will be. Some of the others being interviewed won't do this, so you will set yourself apart if you do.

Where Are the Future Jobs?

At this point it makes sense to conduct a thorough analysis of not only what your particular skills are, but what jobs require the skills you have.

One of the main sources of employment problems today is the advancement of technology and it is changing the workplace at a very fast pace. Many goods and services are becoming cheaper in the process, but it is having a devastating effect on the number of jobs available in certain areas.

A notable example is Uber. Uber is a free ride-sharing app that you download on your smart phone. You register with an email address and password, link it to your credit card and you don't have to fumble with cash or credit cards to pay at the end of each ride. Whenever you need a ride you start the app, type in where you want to go (it already knows where you are because of the built-in GPS in your phone) and the map in the app will show you which Uber drivers are in your area and how many minutes away they are. You can even see the car making progress towards you. The app will also give you the full name of the driver, make of car and licence plate number. In many cases, the charge is about half what a traditional cab would have cost including a tip. With Uber, tips are not expected or required.

As a result of its ease of use and low prices, Uber is having a devastating impact on the traditional taxicab industry. In some cities, like Calgary and Vancouver at present, Uber is banned in order to protect the existing taxi system, but for most of Canada it's either already here, or it's coming soon.

Spending a large amount of money buying a taxi plate doesn't make a lot of sense in this new environment. Perhaps the best bet is to embrace change and look into the possibility of using your car, if you have one, to drive for Uber.

The Future of Automation and Its Impact on Jobs

Recently the Brookfield institute for Innovation + Entrepreneurship (BII+E) at Toronto's Ryerson University released a report titled "The Talented Mr. Robot: The impact of automation on the Canadian workforce." The report indicates that nearly 42% of Canadian jobs have a high risk of being replaced by automation (the replacement of workers by technology and computerization) over the next 10 to 20 years.

Most of the high-risk occupations are in office support and administration, sales and services, transportation and distribution, lower-skilled technical occupations in health, natural and applied science, as well as manufacturing and construction labourers and assemblers. But the recent advances in artificial intelligence mean that automation is now entering more complex, non-routine tasks and occupations such as driving and conducting job interviews.

These changes are even beginning to affect the investment advisory industry with the rise of robo-advisors (using computerized asset allocation and rebalancing) for a much lower fee than traditional human advisors.

About 36% of Canada's labour force is at low risk of automation and, according to the Institute, these types of jobs will bring 712,000 net new positions by 2024.

The BII+E website makes the whole dataset available online and allows you to download the data at <http://brookfieldinstitute.ca/research-analysis/automation>

There are 498 occupations in the dataset.

The following is a list of the top 10 occupations that are at lowest risk of becoming automated:

	Occupation	Average Income (2011)	Probability of Automation
1	Occupational therapists	\$52,750	0.35%
2	Fire Chiefs and Senior firefighting officers	\$92,143	0.36%
3	Accommodation service managers	\$41,544	0.39%
4	Dietitians and nutritionists	\$46,510	0.39%
5	Specialist physicians	\$175,088	0.42%
6	General practitioners and family physicians	\$136,456	0.42%
7	Elementary school and kindergarten teachers	\$53,198	0.44%
8	Dentists	\$124,790	0.44%
9	Denturists	\$54,108	0.44%
10	Audiologists and speech-language pathologists	\$58,065	0.49%

Here is the list of the top 10 occupations that are at the highest risk of becoming automated:

	Occupation	Average Income (2011)	Probability of Automation
1	Insurance underwriters	\$56,109	99.0%
2	Data entry clerks	\$27,846	99.0%
3	Camera, plate-making and other prepress occupations	\$41,218	99.0%
4	Photographic and film processors	\$23,511	99.0%
5	Library and public archive technicians	\$34,286	99.0%
6	Air transport ramp attendants	\$33,333	99.0%
7	Shippers and receivers	\$31,103	98.0%
8	Accounting technicians and bookkeepers	\$33,573	98.0%
9	Insurance adjusters and claims examiners	\$55,564	98.0%
10	Customs, ship and other brokers	\$49,912	98.0%

The younger you are, the more it makes sense to spend a good amount of time researching the future potential of the job you are interested in before investing time and money pursuing it.

CHAPTER 4

Contracting and Self-Employment

There are many advantages to having a full-time job besides the guaranteed base salary. Potential benefits including the following:

- health insurance
- employment insurance
- vacation pay
- sick leave
- life insurance
- disability insurance
- half of your CPP premiums paid for you
- workers compensation
- severance pay.

However, from the employer's perspective, all these benefits cost a lot of money. There are also other costs to the employer, such as the cost of recruiting employees, training them, renting the space the employee occupies, the cost of office and computer equipment and software (plus tech support), cell phones and travel, among others.

The cost of salary plus all the benefits and other costs is often estimated to be 1.25 to 1.4 times the base salary; so if your base salary is \$50,000, your actual cost to the company is \$62,500 to \$70,000.

When companies are faced with an economic downturn that reduces their revenues, the cost of employees' salaries and benefits become an easy target for cuts.

Contracting as an Alternative

While it obviously makes sense for most people to continue to search for full-time employment with all the associated benefits, you may wish to consider independent consulting or self-employment. It can be a practical alternative to full-time employment, depending on what you do.

For example, setting yourself up as an independent contractor requires very little time and money. If you operate under your own name, you don't even need to register a business name and you can use a personal bank account to deposit cheques from clients. You also don't need to register for the Goods and Services Tax (GST) or Harmonized Sales Tax (HST) until you reach \$30,000 in revenue in a year.

The Advantages of Independent Contracting

While there is no doubt that going out on your own means you will not have any benefits that are paid for by an employer, there are many advantages including the following.

Freedom and Flexibility

When you are an employee, you are told when to start work, when you can take a break, when you can eat lunch, when you can leave, when you can take a vacation and what to work on. When you are self-employed, there is no one telling you every day when to work and what to do. This can make it much easier to balance family life

with earning money. At this point you can decide what type of work you would like to do, how many hours you'd ideally like to work, and when you'd like to put in those hours. Of course, once you find a paying client your freedom will be curtailed, but you will be earning money for every hour you work.

You Are Attractive to Potential Clients

For the reasons we discussed above, hiring and paying employees is an expensive proposition for a company. The advantage for you as an independent contractor is that you are much less expensive to a company than a new employee. This is especially true if you choose to remain in the field in which you are experienced, because they won't have to pay to train you.

It May Lead to Full-Time Employment

In many cases, companies hire people as independent contractors and end up hiring them as full-time employees later. Of course, you need to be a hard worker and be good at what you do to make this happen, but if you are intent on finding full-time employment, starting as a contractor may be the best route.

Things to Consider When Starting on Your Own

It is best to keep it simple and start small. Don't begin by spending money on renting space and buying equipment. Start by working out of your home and see how it goes. If you still have a job and think you might be in danger of losing it, the best idea is to start your business part-time on weekends and after work. Then you already have a head start if you are laid off.

The federal government has a great source of information and links to other sites dealing with all the issues related to starting a business. It's called the Canada Business Network and can be found in English or French at www.canadabusiness.ca

Assuming you know what it is that you want to do, we'll discuss the basic steps to setting yourself up in as a contractor.

1. Name and Register Your Business

As we have discussed, if you operate your business under your own name, you don't need to register that name. If you choose another name, most provinces and territories will require you to do a search to ensure the name is not already in use and pay a fee to register the business. In the "Starting a business" section of the Canada Business Network there are links to register a business in most of the provinces and territories.

2. Should You Incorporate?

Unless there is a strong reason like limiting potential liability, don't worry about forming a corporation, simply operate as a sole proprietor. If things go really well and you end up making lots of money then you can consider the added costs and administrative duties that come with incorporating. That's because the main benefit, besides limiting potential liabilities, is the tax benefit to leaving profits in the corporation. If you need all the money you earn to meet your personal needs, there are usually no tax benefits to having a corporation.

3. Do You Need a Business Number (BN)?

A Business Number is a single nine-digit account number that identifies your business to federal, provincial and municipal governments and is used for GST/HST, payroll, corporate income tax, import/export and other activities. It is the same number, but any GST/HST account will have "RT" at the end, a corporate income tax

account will have “RC” and a payroll account will have “RP.” Not all businesses need a BN. You only need one if you need a program account for your corporation, if you have employees or if you need to charge GST/HST.

You have to register for GST/HST if you provide taxable supplies in Canada (including most consulting services) if you are not a small supplier. A small supplier is any business that does *not* have gross revenue over \$30,000 in four consecutive calendar quarters. In other words, if you invoice your clients a total of \$30,000 or less in any year you don’t have to register and charge GST/HST. If you reach \$30,000, you are no longer a small supplier at the end of the month following the quarter in which you exceed \$30,000 and you need to register and start charging GST/HST, beginning the month after you cease to be a small supplier.

There is a link on the Canada Business Network site to register a BN: www.canadabusiness.ca/eng/page/2730

Choosing Your Business

As stated earlier, this is your chance to make a change and get into something that you love to do. However, the best advice is to do as much research as possible beforehand. After all, you want to do what you love, but it also has to pay the bills.

One useful resource is provided by Innovation, Science and Economic Development Canada. It’s called Financial Performance Data and it provides access to detailed financial data from more than 1,000 Canadian industries based on income tax returns filed with Canada Revenue Agency (CRA). The report features the number of businesses in the selected industry, detailed financial data on revenues and expenses, net profits and statistics on the number of

profitable and non-profitable businesses. The data can be refined by geographic area and segmented into businesses with gross revenue in the \$30,000 to \$5 million or the \$5 million to \$20 million range.

It also segments the data into the bottom, lower middle, upper middle and top quartiles based on revenues so you can view data separately for small, medium and the largest businesses in the category. This is important because larger businesses can have very different cost structures than smaller ones, even within the same industry.

So you can have a look at the average income statement for any industry in any geographic area to see what your revenues, expenses and profits are likely to be. For example, a recent search for landscaping businesses in Saskatchewan in the \$30,000 to \$5 million gross revenue range revealed that the average total revenue of the 371 businesses was \$349,500 with an average net profit of \$52,400. Furthermore, 84.6% of the businesses were profitable and 15.4% were not. In the lower middle quartile (revenue ranging from \$65,000 to \$143,000) the average total revenue was \$98,900 and the average net profit was \$25,700.

Here is the link to the Financial Performance Data site:

www.ic.gc.ca/eic/site/pp-pp.nsf/eng/home



HOW TO FIND CLIENTS

One of the hardest things for most people starting on their own is finding clients to pay them for their efforts. As an employee you don't have to find work, but as an independent you do. Here are some ideas for you to consider.

1. Don't forget where you came from

If you left on reasonably good terms, the company you used to work for may find it advantageous to hire you back, perhaps during a busy season. As we have discussed, that would be much simpler and cheaper than trying to find and hire a full-time employee.

2. Personal contacts

Just like most employment positions, most small business clients are found through personal contacts. So make sure you have an updated contact management system, either computerized or simply a collection of business cards, of all the people you know that may be able to point you in the direction of paid work. It is also a good idea to join LinkedIn as it is often a great way to reach out to someone you know but don't have the contact information for. Then get in touch with them—give them a call, suggest going out for coffee or a beer after work. It's often the casual conversation with a person who knows you that leads to new clients.

3. Consider offering a few hours or days of free work

This is a drastic option and not for everyone, but if nothing else is working, you could try offering your services for free for a short period of time. If you are a good worker this may lead to paid work.

CHAPTER 5

Financing Your Life

When you had a job with a steady pay cheque coming in, paying the bills was relatively simple; you didn't really have to plan ahead because you knew the cash flow was going to continue.

Now there is no regular pay cheque and the thought of not having enough cash to pay the bills is probably causing you significant stress. That is normal. Let's look at the various options that might be available to you to finance your life.

Do You Have an Emergency Fund?

Remember that advice to set aside about three months' worth of expenses in a bank account in case of emergencies? Hardly anyone actually does that, so if you actually do have an emergency fund you are one of the select few. If you have one, now is the time to use it.

Do You Have Any Savings?

Assuming you don't have an emergency fund sitting in a bank account, think about where your savings are, if you have any. We'll look at the various types of investments and the implications of drawing funds from them.

Tax-Free Savings Account (TFSA)

If you made contributions to a TFSA, the contributions were not tax deductible and any investment growth (interest, dividends, realized or unrealized capital gains) in the TFSA has not been taxed, nor will it ever be. You can withdraw any funds from a TFSA and pay no income tax on the withdrawal. So, if you have any money in your TFSA, it is probably the first place you should withdraw money from.

Registered Retirement Savings Plan (RRSP)

The main function of RRSPs is to save for your retirement and therefore it is best to leave any funds in your RRSP until you retire. However, you may need the money now because of your current cash flow issues. It would be better not to withdraw money from it, but your current needs may override retirement planning.

However, the problem with taking money out of your RRSP to fund your current expenses is that the withdrawal is taxable. Unfortunately, it means that in addition to whatever salary you were paid during the current year, the RRSP withdrawal amount will be added onto your tax return and taxed at your marginal tax rate (the rate at which an additional dollar is taxed based on your income level).

The timing of your exit from employment is therefore crucial when it comes to withdrawing money from your RRSP. If you are let go at the end of January, you'll get a T4 for only one month of income during that calendar year. Any RRSP withdrawal up to December 31st of that year will be in addition to only one month's income and therefore will be taxed at a low rate. If, however, you are let go at the end of October, you'll have 10 months of salary on your income tax return for that year. Any RRSP withdrawal during November and December of that year will be added to your 10 months of income and be taxed at a higher tax rate.

So if you left your job near the end of the year, try and delay the withdrawal of your RRSP until January 1st of the next year so the RRSP withdrawal amount will go on the next year's tax return, which will be taxed at a lower rate (if you don't find another job and earn similar income to the current year).

Withholding Tax

The other problem with taking money out of your RRSP is that tax withholdings are required, i.e., the financial institution that holds your RRSP will hold back the tax and send it directly to the government on your behalf and you will only get an amount minus the withholding tax. This is essentially an estimate of what you will actually owe when you file your income tax return. The amount withheld will show on your tax return as taxes already remitted, much like the tax withheld from a pay cheque, and the actual tax owing will be calculated depending on all your other income.

The withholding tax rates range from 10% to 30%, depending on how much you take out, for all provinces and territories except Quebec. In Quebec, the rates range from 5% to 15% and there will also be Quebec provincial tax at a rate of 16% withheld.

The rates are as follows:

Withdrawal Amount	Federal Withholding Tax Rate (Except Quebec)	Federal Withholding Tax Rate (Quebec)
Up to \$5,000	10%	5%
\$5,001 to \$15,000	20%	10%
Over \$15,000	30%	15%

So if you withdrew \$20,000 in Prince Edward Island, the financial institution will withhold 30% (\$6,000) and send it to the government on your behalf. You would then receive the net amount of \$14,000.

Note that when you file your tax return for the year of the RRSP withdrawal you could owe more than the withholding amount, but it could possibly be less, depending on your total income for that year.

RRSP Withdrawal Exceptions

There are two ways you can get money out of your RRSP and not pay tax on the withdrawal: (1) go back to school, or (2) buy a house.

Lifelong Learning Plan (LLP)

Both you and your spouse can take up to \$20,000 each out of your RRSPs to pay for full-time education or training expenses. The maximum you can take out is \$10,000 in a year. You won't have to pay tax on the amount as long as you pay it back over a period of 10 years. But if you are in a low tax bracket because you are not earning a salary, it probably makes more sense just to take the RRSP money out and use it rather than having to negotiate the LLP and then pay the money back into your RRSP.

RRSP Home Buyers Plan (HBP)

You and your spouse can each withdraw up to \$25,000 from your RRSPs for a down payment on your first home under the HBP. You won't pay tax on the withdrawal as long as you pay it back over the next 15 years.

RRSP Warning

You may have come across schemes promising to get money out of your RRSP without paying tax. The Canada Revenue Agency (CRA) has issued a taxpayer alert warning taxpayers to be wary of offshore investment schemes or tax shelter arrangements that claim

the RRSP withdrawal income from such schemes will not be taxable. Before you consider such a scheme, make sure you read the CRA Tax Alert which warns what can go wrong (see www.cra-arc.gc.ca/nwsrm/lrts/2007/071129-eng.html) and also get independent legal and tax advice from professionals not connected to the scheme or the promoter.

Unlocking Your Locked-In Pension Accounts

When your employment with a pension plan provider ends, it may be possible to have the plan value paid out instead of being transferred to a locked-in retirement account. This is usually allowed if the value of the plan is low or if you have a shortened life expectancy. To see if this is an option for you, contact the pension plan administrator.

Locking in simply means restricting access to the funds—you can't simply withdraw the money because the government wants to limit it to the purpose for which it was intended, i.e., a pension when you retire.

However, it may be possible to unlock the accounts so you can access the money now.

Federally Regulated Private Plans

Your plan is likely federally regulated if you work in aviation and airlines, banks, broadcasting, telecommunications, interprovincial transportation, railways, marine navigation and shipping. Private pension plans under federal jurisdiction are regulated by the Office of the Superintendent of Financial Institutions (OSFI)—Pension Plans Section (see www.osfi-bsif.gc.ca/Eng/pp-rr/Pages/default.aspx).

If your plan is federally regulated and has already been transferred to a locked-in RRSP, locked-in Life Income Fund (LIF) or Restricted Life Income Fund (RLIF), it may be possible to unlock the funds under the following conditions:

1. Small Balance

If you are 55 or older with LIF holdings of less than 50% of the CPP Yearly Maximum Pensionable Earnings (YMPE) you can wind up your account and convert it to a tax-deferred savings vehicle like an RRSP or RRIF. The CPP YMPE is the maximum amount that CPP premiums are based on and for 2016 it is \$54,900 (50% is \$27,450).

2. One-time 50%

If you are 55 or older, you are entitled to a one-time conversion of up to 50% of your locked-in funds value into a tax-deferred savings vehicle with no maximum withdrawal limits. In this case, the transfer to your own RRSP or RRIF does not require that you have RRSP contribution room and you are not taxed until you withdraw the funds from your RRSP or RRIF.

3. Financial Hardship

Withdrawals for financial hardship can generally be done once per year unless you have more than one locked-in account. If you only have one locked-in account and the maximum permitted amount was not taken out, another application for withdrawal can be made within 30 days of the first withdrawal. If you have more than one account, any second withdrawal must also be made within 30 days of the first withdrawal.

The permitted total amount of all withdrawals is limited to the following:

- **Low income:** The amount you can take out is based on your expected net income for the year (line 236 on your income tax return). It varies from a withdrawal of 50% of the CPP YMPE

(\$27,450 in 2016) for zero in expected net income to no withdrawal allowed when expected net income is 75% of the YMPE (75% = \$41,175 in 2016).

- **High medical or disability related costs:** The amount of medical expenses can be unlocked up to a maximum of 50% of the YMPE (\$27,450 in 2016) as long as medical expenses exceed 20% of the YMPE (\$10,980 in 2016). The medical expenses can include your own and those of your spouse and your dependants.

4. Non-Resident

If you are no longer employed with the employer from which the pension funds originated and you have been a non-resident of Canada for at least two consecutive years, then you can unlock the total value of your plan funds.

5. Shortened Life Expectancy

If a physician has certified that you have a shortened life expectancy due to a mental or physical disability, the total value of your plan can be unlocked.

Provincially Regulated Plans

If your pension plan is provincially regulated, you'll have to consult your provincial regulator for the unlocking rules. Note that private pension plans fall under federal jurisdiction for the Yukon, Northwest Territories and Nunavut.

Here are links to the provincial private plan regulators:

Alberta	www.finance.alberta.ca/business/pensions/index.html
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British Columbia	www.fic.gov.bc.ca/index.aspx?p=pension_plans/index
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Manitoba	www.gov.mb.ca/labour/pension/index.html
New Brunswick	http://fcnb.ca/consumer-pensions.html
Newfoundland and Labrador	www.servicenl.gov.nl.ca/pensions/index.html
Nova Scotia	www.novascotia.ca/finance/en/home/pensions/default.aspx/about
Ontario	www.fSCO.gov.on.ca/en/pensions/Pages/Default.aspx
Prince Edward Island	No provincial regulator
Quebec	www.retraitequebec.gouv.qc.ca/en/plan-site/Pages/plan-site.aspx
Saskatchewan	www.fcaa.gov.sk.ca/sfsc-pension-plan-members

CHAPTER 6

Dealing with Debt: Initial Steps

Many employees assume their job will last indefinitely, so they don't worry about how much they are spending. However, in many cases they are spending more than they are making, resulting in the build-up of their credit card debt. This strategy often leads to major cash flow problems when events such as an unexpected job loss happen.

Of course, the ideal is to live within your means while you are working, which means spending less than you make so you can pay off your credit cards every month and still have money left over to save.

The best time to address your debt issues is *before* you lose your job. The second best time is today.

Tracking Your Spending

Now that you no longer have a pay cheque coming in, it's time to get serious about where your money is going so you can actively stop your cash draining away. There are several options.

Many of the credit card companies now do this for you automatically so, if you have signed up for online banking, you can see where the money went on that card. The problem is that you don't get a consolidated picture of where all your money went.

Two of the banks now offer a consolidated service that automatically tracks where your money goes, at least for all the accounts you hold with them. They are:

RBC Royal Bank

They offer online money management with myFinanceTracker, that automatically tracks your spending, organizes your financial data and calculates key information for you.

www.rbcroyalbank.com/online-services/my-finance-tracker.html

BMO MoneyLogic

A free service offered to BMO Bank of Montreal everyday banking and MasterCard customers that tracks your spending and allows you to set up budgets, etc.

www.bmo.com/moneylogic

Mint.com

There are also free websites that do the same thing but allow you to set up bank accounts and credit cards from different financial institutions. One such site is www.mint.com.

Analyze Your Spending To Save Money

When you track your spending you'll be able to see clearly where all your money went, which is the first step to stemming the outflow. If you are like most people, you will find a lot of discretionary spending—items that are not necessities. These are easy targets to cut.

Spend time analyzing the data. Where are the big money drains? Many people find that it's their house and car that are draining the most cash. Is there a way to reduce these costs?

Make this a family discussion. You are all in this together and you need to all be on the same page. If two members are cutting back while one continues to spend, it'll be tough to make significant progress.

Let's look at some of the discretionary spending items that you may be able to cut back.

Cash Withdrawals

How much cash did you withdraw last year? Any idea where it all went? Even if you track your spending you don't know where all those ATM withdrawals went. And if you don't know where they went, you won't know where to cut back. The best thing you could do is to start tracking your use of cash, perhaps using an app on your smartphone like "CashTrails." Each time you use cash, enter the amount and choose a category. At the end of the month you'll know where the money went. And once you know that, you will be able to cut back on your spending.

Food

Many families waste a lot of money on restaurant meals and take-out food, especially during stressful times. If you want to save money here, focus on home cooking. If you don't know how to cook, resolve to learn. Invest in a good cookbook. Start making detailed grocery lists so you have the ingredients on hand when you need to prepare a meal.

The other advantage is that you'll eat better quality food and that will help your overall health as well as your energy levels.

Clothing

Is there a member of the family that is always at the mall picking up the latest fashions? That habit is often a large, consistent cash drain for many families and will need some behaviour modification.

Electronics

Like many people, you probably cringe when the bill comes in for your home phone, TV, cell phone and internet. Now is the time to have a detailed review of these costs. Do you even need all the services? At the very least call the “customer retention” department of your provider, explain your situation and see how much you can get them to reduce the bill.

Assessing Where You Stand

Once you have looked at your spending, the next step is to figure out where you stand financially.

First, list all your assets and what they are currently worth. Your assets are the things you own, e.g., bank balances, investments (RRSPs and TFSAs), your house, and other assets such as cars. Add up the total value of your assets.

Now list all your outstanding debt balances. Start with consumer debt—such as credit cards and lines of credit—then list any secured credit such as car loans and mortgages. Total all your debts.

The difference between the market value of all your assets and the total balance of all your debts is your net worth. If the total is a negative number, you have negative net worth (your debts exceed your assets).

Once you calculate your net worth figure, you can begin to explore your options for going forward.

There are four basic alternatives for dealing with your debts:

1. Deal with them yourself.
2. Seek the help of a credit counselling service and undergo a Debt Management Program (or Plan).
3. File a consumer proposal with the help of a Licensed Insolvency Trustee.
4. File for bankruptcy using a Licensed Insolvency Trustee.

The best option for you will be determined by your specific situation. Generally, it makes sense to try the options in the order they are listed to see if the problem can be dealt with before taking more drastic measures. We'll discuss options 1 and 2 in this chapter and options 3 and 4 in the next chapter.

Let's look at what is involved with each option.

Dealing With Debt Yourself

This is the simplest way to address your debt issues but it is very difficult, if not impossible, if you have no source of income.

Assuming you do have some income coming in, the next step is to rank the debts from the one charging the highest interest rate to the one charging the lowest. Write the interest rate beside each debt along with the minimum monthly payment required. Do you have enough money coming in to make the minimum payments? If you don't, you'll have to choose another option. If you have any excess funds available above the minimum required payments, apply all the excess to the highest rate debt first. If you manage to pay that debt off, then move to the next highest rate debt.

Here are some of the other strategies you can try.

Credit Card Balance Transfer

For people with high interest rate credit card debt, there are several options. You could apply for a balance transfer to another card charging a very low, or even zero, rate of interest for a period of time. You will need a good credit score to be approved. To find out how good your credit is, you can request your credit report free of charge by phone from the two credit bureaus in Canada: Equifax (1-800-465-7166) and TransUnion (1-800-663-9980).

The offers vary depending on the economic situation the credit card companies are in. Try an Internet search for “credit card balance transfer Canada.” Here are a few:

www.ratesupermarket.ca/credit_cards/low_balance_transfer

[www.greedyrates.ca/blog/
best-0-balance-transfer-credit-card-offers-canada/](http://www.greedyrates.ca/blog/best-0-balance-transfer-credit-card-offers-canada/)

www.lowestrates.ca/creditcards/low-balance

<http://canada.creditcards.com/balance-transfer.php>

You can often find deals for very low interest for six months or longer and sometimes zero interest for up to 12 months on any transfer.

Debt Consolidation Loan

If you have equity in your home, meaning the market value exceeds the mortgage on it, you may be able to take out a home equity line of credit (HELOC). This is a line of credit secured by a claim on your house if you were to default on the loan. The interest rate on HELOCs is lower than unsecured loans due to the guarantee.

With a HELOC, you pay off the balances of any higher rate debt and therefore exchange it with the lower rate debt of the HELOC.

Replace Your Mortgage with a Line of Credit

One solution to significantly ease your cash flow problems is to replace your traditional mortgage with a line of credit. While there are usually minimum monthly deposit amounts required, this could eliminate the requirement to make mortgage payments as the financial institution just adds the interest owing on a monthly basis to the balance outstanding.

Most banks now offer this product, but it is important to note that it is not for everyone. While it has the advantage of easing your cash flow problems, it means you are not paying down the debt as you do when you are making regular mortgage payments.

Sell Some Assets

If you own anything that can be sold, now is the time to consider this option so the proceeds can be used to pay off debt and therefore reduce the cash outflows that holding debt entails. However, in the case of a large-scale economic downturn, it is much more difficult to sell assets because the potential buyers are probably experiencing financial pressure just like you. That automatically brings down the price as the demand is simply not as high.

Your Car Strategy

A car is something that for most people is a large financial drain. Unless you own it outright, there will be loan or lease payments. But even if you have paid the loan off, you'll still have all the other costs of operating a car—insurance, gas and oil, licence, maintenance, etc.

It makes sense to try and figure out how to reduce your car costs.

For example, if you lease there are websites like www.leasebusters.com that help you find other people willing to take over your car lease. It can also be used to find a lease-take-over deal, so if you need a car and are considering downsizing, you might find the right lease here.

Credit Counselling—Debt Management Program

Unless you are quite confident that you can handle your debt situation on your own, it makes sense to seek the advice of professionals with experience in this area.

The first place to consider is a non-profit credit counselling agency. These organizations specialize in dealing with people in excessive debt situations and offer their services free of charge to you.

Search online for “non-profit credit counselling + your city” for your city and you’ll probably find a number of them.

The main product they offer is the Debt Management Program (DMP). (It may also be called a Debt Management Plan.) This involves agreeing with your creditors to pay back 100% of the debt you owe over a four-year period. In most cases the creditors agree to stop interest charges in exchange for getting their money back.

A DMP is for people who can afford to pay back all their debt over a period of time but who are ineligible for a debt consolidation loan because they don’t own a home or have insufficient equity in the home (the mortgage and any other debt amount owing on the home is not much less than the home’s value). Entering into a DMP is voluntary—no one can force you into one.

If you are eligible for, and agree to a DMP, you simply make one monthly payment to the agency and they deposit it into a trust account and then divide the amount in proportion to the amount owing to each creditor and make the payments to them for you. For many people this simplifies their life significantly.

The other advantages include the fact that interest charges are usually reduced (or stopped) and calls from collection agencies will stop.

The best way to start the process is to get in touch with a credit counselling agency by phone, email, online chat or in person. An initial consultation should be free of charge. Any “non-profit” credit counselling service that wants to charge you a fee for an initial consultation is not non-profit and you should avoid them.

Even if you are not suited to a DMP, a meeting with a credit counselor can be very helpful. For example, they could confirm with you that you are in a situation where you could handle your debts yourself, or perhaps that you need more drastic options like a consumer proposal or bankruptcy that we will deal with in the next chapter.

When you find a potential credit counselling service online (if you don't own a computer, head to the library to use one of theirs) have a look at what they are offering and ask yourself:

- Is this just a sales job offering to “fix” my credit and get rid of my debts for me? If so, forget them.
- Do they allow me to get in touch by phone, email, online chat, and in person? If all they want you to do is visit their office, it may be an attempt to pressure you into paying an up-front fee. Don't agree to it.

- Do they have a Frequently Asked Questions (FAQ) section so I can get up to speed before meeting with them? Some may want you to think this is all too complicated and you should just “trust them.” Don’t.
- Do they offer online calculators to help determine where I stand with my debts before seeking advice? This is strongly recommended.

While you should do your own research, here are two credit counselling services you could consider.

Credit Counselling Society (1-888-527-8999)

They have offices in Alberta, British Columbia, Manitoba, Ontario and Saskatchewan. You can chat with a counsellor online, get information about the options for dealing with your debt, find out about free in-person workshops, webinars (online workshops) and follow their blog. They also have a large number of online financial calculators including debt, loan, car payment and credit card calculators, an interest, credit card and loan payment calculator, a debt ratio and loan calculator, a tool for debt repayment strategies to stop debt stress, as well as savings and budget calculators.

www.nomoredebts.org/canada/alberta/credit-counselling.html

Credit Canada Debt Solutions (1-800-267-2272)

They have offices in Alberta, British Columbia, Ontario and Quebec. Their website offers a free online debt assessment tool, detailed information on what credit counselling is and when you should seek it, how to choose a credit counselling service, the pros and cons of debt consolidation loans, what a DMP is, who is eligible for one, how it works and what life is like when you are on one. There are also online debt and budget calculators and information on how to

improve your credit score, create a budget, stop collection calls and avoid bankruptcy. They also have an excellent section on surviving a job loss.

<https://creditcanada.com>

CHAPTER 7

Dealing with Debt: More Drastic Options

If you have met with a credit counselling service and have come to the conclusion that you won't be able to handle your situation on your own and that using a Debt Management Program (DMP) is not an option because you can't afford to pay back 100% of your debts, then you will probably need to seek help from a Licensed Insolvency Trustee (LIT).

How to Find a Licensed Insolvency Trustee

The federal government's Office of the Superintendent of Bankruptcy (OSB) maintains a searchable database for all Licensed Insolvency Trustees in Canada. You can search for individuals or firms at:

www.ic.gc.ca/app/osb/tds/search.html?lang=eng

LITs are the only professionals authorized to administer government-regulated insolvency proceedings that allow you to be discharged from your debt. The fees charged by LITs are regulated by the federal government. In many cases they do not charge for an initial consultation.

The two main services they offer are consumer proposals and bankruptcy.

Consumer Proposal

If you are an individual and your total debts (excluding secured debts like your mortgage) do not exceed \$250,000, a consumer proposal is an option. It is a formal, legally binding agreement that must be administered by an LIT and is governed by the *Bankruptcy and Insolvency Act*. If you decide to submit a consumer proposal, the LIT will work with you to develop a proposal to your creditors. This is an offer to pay a percentage of what is owed to them, or extend the time you have to pay off your debts, or both. The term of a consumer proposal cannot exceed five years.

A consumer proposal may be the best choice if you can't afford to pay 100% of your debts due to job loss or other reasons and you can't get a debt consolidation loan because your debts are too high versus the equity in your home.

It may also make sense if you want to avoid bankruptcy, because that might mean you lose your house or car or would be subject to complex bankruptcy surplus income obligations.

The advantages of a consumer proposal include:

- you pay off less than 100% of your debts
- all collection activities against you stop, including wage garnishment (the exceptions are alimony and child support)

- interest charges stop as soon as you file a proposal
- you can include all unsecured debt such as credit cards, banks loans, payday loans and income taxes
- the negative effect on your credit rating is less severe than bankruptcy
- you don't lose your house, car or other assets, provided you continue to make the required payments to your secured creditors.

Here are the steps for a consumer proposal:

1. After meeting with you and going through your situation in detail, the LIT will file a proposal with the Office of the Superintendent of Bankruptcy Canada (OSB). Once your proposal is filed, you stop making payments to your unsecured creditors. If your creditors are garnishing your salary or wages (collecting money direct from your employer) or have filed lawsuits against you, these actions are stopped.
2. The LIT submits the proposal to your creditors. The proposal will include a report on your personal situation and the causes of your financial difficulties.
3. Creditors then have 45 days to either accept or reject the offer. This can be done either prior to or at the meeting of creditors, if there is one.

A meeting of creditors is held if one is requested by one or more creditors that are owed at least 25% of the total value of the proven claims. The request must be made within 45 days of filing the proposal. The OSB can also direct the LIT to call a meeting of creditors at any time within the same period.

The meeting must be held within 21 days after being called and the creditors vote to accept or reject the proposal at the meeting. If no meeting of creditors is requested within 45 days of the filing of the proposal, it will be deemed to have been accepted by the creditors, regardless of any objections received.

At the meeting of creditors, a creditor's approval or rejection of the proposal counts as a vote as long as it is received at or before the meeting. The number of creditor votes corresponds to the total dollar value of the proven claims. The vote is decided on the majority of this total dollar value. In other words, if the creditors who vote to accept the proposal are owed more than 50% of the total, the proposal will be deemed accepted and all other unsecured creditors must accept it.

If your proposal is not accepted, you can make changes to it and resubmit it, explore other actions to solve your financial problems, or declare bankruptcy.

Bankruptcy

Bankruptcy is the last resort, but for some people it is the only option because they have too much debt. This is difficult to determine as there are no set rules and that is why you need to use a Licensed Insolvency Trustee, as you do with a consumer proposal.

When you are in bankruptcy, no unsecured creditor can garnishee your wages or initiate any other collection action against you. Remember, however, that bankruptcy does not generally affect the rights of secured creditors since they have valid security against your property even after you start bankruptcy proceedings. In other words, bankruptcy will not wipe out your mortgage or car loan and allow you to keep your house or car.

It is also important to note that if your debts are joint in nature, or if someone else has co-signed one of your loans, they are not “off the hook” if you declare bankruptcy. The LIT will, in most cases, attempt to recover payments from the co-signor or jointly liable person even if they are your spouse.

Here are the steps for bankruptcy.

1. Meet with the LIT

During this meeting the LIT will discuss your personal situation and the options available to you as well as the implications of declaring bankruptcy.

2. Work with the LIT to Fill Out the Forms

The LIT will complete the required forms for you to sign and file them with the Office of the Superintendent of Bankruptcy Canada (OSB). Unless there are unforeseen problems, the OSB will accept the filing and you will formally be declared bankrupt. From then on your creditors will deal directly with your LIT and you will stop making payments to your unsecured creditors. In addition, any wage garnishments against your salary or lawsuits against you by your creditors will stop.

3. Your Assets Will Be Sold By the LIT

Your LIT will attempt to sell certain assets and hold the proceeds for later distribution to your creditors. Note that some assets are exempted subject to certain limits, which are set by the provinces and territories. These exemptions include household furniture up to certain limits, personal effects like clothing, tools of trade (they won't take away a contractor's toolbox), RRSPs (except for contributions made within 12 months of bankruptcy), motor vehicles worth

less than a certain amount and certain life insurance policies as long as there is a preferred beneficiary (basically a spouse, parent, child or grandchild).

The exemption usually applies to the equity you hold. For example, in Alberta the exemption for a car is \$5,000. So if you live in Alberta and have a car worth \$12,000 with a secured loan of \$8,000, your equity in the car is \$4,000, so your car is exempted from your bankruptcy and your unsecured creditors can't take it from you. However, remember that the secured creditor (the one you owe the car loan to) might repossess your car if you go bankrupt even if your payments are up to date, depending on their credit policies.

4. The LIT will Notify Your Creditors

After you declare bankruptcy, your LIT will notify your creditors that this has occurred. A meeting of your creditors may be required or requested, depending on the size of the bankruptcy and whether your creditors or the OSB insist on one. If there is a meeting, you will be required to attend. At the meeting the creditors can obtain information about the bankruptcy and give directions to the LIT.

5. You May Be Examined by the OSB

After you file for bankruptcy, you may be required to attend a meeting to be examined under oath by a representative of the OSB. This is to find out about your conduct, the causes of the bankruptcy and the disposition of your property.

6. You Attend Two Financial Counselling Sessions

As part of your bankruptcy you will need to attend two financial counselling sessions to help you understand the causes of your bankruptcy and to assist you in managing your financial affairs going forward.

7. You Make “Surplus Income” Payments If Required

In addition to paying the LIT’s fees you may be required to make additional payments to your LIT, known as “surplus income payments” for distribution to your creditors. These are part of your earnings deemed above what a family needs to maintain a reasonable standard of living, which is set by the OSB annually. The larger your family, the more you will get to keep and the higher your income, the more you will have to give. For example, if your surplus income is more than \$200 a month, you’ll have to contribute 50% of that amount.

8. You Will Be Discharged from Bankruptcy

Upon discharge you will be released from the legal obligation to repay the debts you had as of the date you filed for bankruptcy, except for specific types of debts that are excluded by law. These include alimony and child support payments, student loans (if you stopped being a student less than seven years ago), court-ordered fines or penalties and debts arising from fraud.

Note that the timing of your discharge depends on several factors, including whether you are required to make surplus payments and whether this is your first bankruptcy.

Always remember that bankruptcy rules are complicated and depend on the province or territory where you live as well as your personal circumstances. Make sure you get answers to all your questions from a professional before taking this step.

Bankruptcy Assistance Program

If you can’t find an LIT to accept your file, or if you can’t afford to hire an LIT, the OSB’s Bankruptcy Assistance Program may offer assistance if you have contacted at least two LITs and tried to obtain

their services, are not and have not recently been involved in commercial activities, are not required to make surplus income payments and are not in jail. In this case, contact the OSB and they will send you further information about the program as well as a list of the LITs who participate in the program.

OSB Contact Info

Phone: 1-877-376-9902

Website: www.ic.gc.ca/eic/site/bsf-osb.nsf/eng/home

Twitter: @AskISED

How to Find a Licensed Insolvency Trustee

The federal government's Office of the Superintendent of Bankruptcy maintains a searchable database for all Licensed Insolvency Trustees in Canada. You can search for individuals or firms at:

www.ic.gc.ca/app/osb/tds/search.html?lang=eng

CHAPTER 8

Going Back to School/Retraining

Many people consider going back to school or college to be one of the best options in times of unemployment. It seems logical—how could more education be a bad thing?

The key, however, is to do your research up front to make sure there is going to be a demand for your services once you complete the courses. Only then will the education be a good investment.

You also need to consider your stage in life. For example, if you are in your mid-fifties with only ten years left until retirement, the decision to go back to school full time for two years is much tougher than for someone in their thirties. You need to weigh the cost of the two years of education versus the additional salary, wages and benefits you will (hopefully) receive over the last eight years as a result.

And of course there is the cost of the education. Let's explore how you are going to get the money to pay for it.

Government Student Loans and Grants

The government of Canada offers Canada Student Loans to eligible full- and part-time post-secondary students in most provinces and territories. They help you pay for the educational costs at certain designated colleges, universities or other post-secondary institutions.

The list of designated institutions is at www.esdc.gc.ca/en/post_secondary/designated_schools.page. There are a significant number of them. For example, a recent check in mid-2016 showed almost 200 designated institutions in Alberta alone.

The federal government works with most provincial and territorial governments on various student loan programs:

- In Ontario, British Columbia, Saskatchewan, New Brunswick and Newfoundland and Labrador, the federal and provincial governments work together to provide financial assistance through Integrated Student Loans and Grants.
- In Alberta, Manitoba, Nova Scotia and Prince Edward Island, Canada Student Loans and Grants are available alongside provincial student financial assistance.
- In Yukon, only Canada Student Loans and territorial grants are available to permanent residents of the Yukon.
- Nunavut, the Northwest Territories and Quebec operate their own student assistance programs—Canada Student Loans and Grants are not available.

See www.esdc.gc.ca/en/student_loans/provincial.page for more information about what is available to you in your province.

To find out if you are eligible for a Canada Student Loan see: www.esdc.gc.ca/en/student_loans/eligibility.page

The good news is that in addition to educational loans, there may be government grants available to help.

Canada Student Grants

A Canada Student Grant is money you receive to pay for college or university that you don't have to pay back. They are available to students in all provinces and territories except those mentioned above that have their own programs.

If you qualify for a Canada Student Loan, you are automatically assessed for most Canada Student Grants. The exception is the Grant for Services and Equipment for Students with Permanent Disabilities, which requires a separate application.

The following Canada Student Grants are available:

- Grant for part-time studies
- Grant for part-time students with dependants
- Grant for full-time students with dependants
- Grant for students from low-income families
- Grant for students with middle-income families
- Grant for students with permanent disabilities
- Grant for services and equipment for students with permanent disabilities

Here are the requirements for the first two.

Grant for Part-time Studies

This grant is available to low-income students enrolled in a part-time program at a designated post-secondary institution. You are eligible if:

- you are enrolled in a part-time degree, diploma, or certificate program at least 12 weeks in length within a period of 15 weeks in a row at a designated post-secondary institution
- you apply and qualify for part-time student financial assistance
- you have successfully completed all courses for which you previously received a grant

- the province or territory where you most recently lived for at least 12 months in a row assesses that you have enough financial need, and
- you and your spouse or common law partner have a low family income as defined by the Canada Student Loans Program.

There is a table to determine the low-income threshold (for pre-tax income) at www.esdc.gc.ca/en/student_grants/csg/part_time.page. The threshold depends on the province or territory in which you live and your family size. For example, for a four-person family in Alberta the threshold is \$46,234 for the loan year 2016-17.

You could receive this grant for each year of your studies (including undergraduate and graduate levels) as long as you still qualify. You could receive a maximum of \$1,800 each school year (August 1 to July 31) based on your assessed need. If your assessed need is \$1,800, you will receive a grant of \$1,800.

Grant for Part-time Students with Dependants

This grant is in addition to any grant you receive under the Canada Student Grant for part-time studies. In addition to the requirements for the part-time studies grant, you must also meet the following requirements:

- You have a dependant who is under the age of 12 at the start of the study period (or a dependant 12 or older with a permanent disability).

The low family income threshold amounts are the same as for part-time studies.

You could receive a maximum of \$40 per week of study if you have one or two dependants, a maximum of \$60 per week if you have three or more dependants up to a maximum of \$1,920 per school year.

Other Grants

Details of the other grants are available at www.esdc.gc.ca/en/student_grants/csg/index.page

Other Loans

Some financial institutions offer consumer loans for school. The main type is a line of credit which is a pre-set limit of an amount of money you can withdraw as needed. You usually only have to pay the interest on the money you have withdrawn, unlike a mortgage or car loan where you also have to pay back part of the amount borrowed with each payment. Interest-only loans therefore result in lower payment amounts.

Remember when negotiating a bank loan:

- **Shop around:** get quotes from several financial institutions so you can have them compete for your business.
- **Ask for a better rate:** as with any financial product always ask, “Is that the best you can do?” In many cases the initial offer is not their best offer.
- **Find out what your credit report says:** before starting to negotiate, it’s a good idea to find out what your credit report says. A good credit report and score will mean you will get a lower rate. To find out how good your credit is, you can request your credit report free of charge by phone from the two credit bureaus in Canada: Equifax (1-800-465-7166) and TransUnion (1-800-663-9980).

APPENDIX A

Applying for Employment Insurance

Employment insurance (EI) pays regular benefits to individuals who lose their jobs through no fault of their own and are available to work but can't find a job. The job loss could be due to reasons such as mass lay-offs, a shortage of work or seasonal employment.

If you were an employee, as opposed to an independent contractor, you may be entitled to receive Employment Insurance (EI) benefits.

Number of Hours Required to Qualify for EI

The number of hours of insurable employment you need to qualify for EI depends on your situation. The hours of insurable employment used to calculate your benefit must have been accumulated during your qualifying period.

Your qualifying period is the shorter of:

- the 52-week period immediately before the start date of your claim, or
- the period from the start of a previous benefit period to the start of your new benefit period, if you applied for benefits earlier and your application was approved in the last 52 weeks.

Note that in some cases the qualifying period may be extended to a maximum of 104 weeks if you weren't in insurable employment or if you were not receiving EI benefits.

You will need to have between 420 and 700 hours of insurable employment during the qualifying period to receive EI regular benefits, depending on the regional rate of unemployment. For example, if the unemployment rate is 6% and under, 700 hours are required. If the rate is more than 13%, only 420 hours is required. The full chart is online at www.esdc.gc.ca/en/ei/regular_benefit/eligibility.page.

How Much You Could Receive

The amount you will receive is only determined after the government receives your application. For most people the basic rate for calculating EI benefits is 55% of your average insurable weekly earnings, up to a maximum amount. As of January 1, 2016, the maximum yearly insurable earnings is \$50,800, so the maximum you could receive is 55% of that or \$27,940 (\$537 a week).

How Long You Could Receive Regular EI Benefits

You can receive EI benefits from 14 weeks to a maximum of 45 weeks, depending on the unemployment rate in your region at the time of filing your claim and the number of insurable hours you have accumulated in the last 52 weeks or since your last claim,

whichever is shorter. For example, if the unemployment rate is over 16% in your region you would need to have 1,330 hours of insurable employment to receive benefits for 45 weeks, whereas if the rate is 10.1% to 11% you would need 1,785 hours. The full chart is at www.esdc.gc.ca/en/ei/regular_benefit/benefit_amount.page.

What You Will Need

To complete the online application for EI regular benefits, you will need the following:

- your social insurance number (SIN – if your SIN begins with a 9, you'll need to give proof of your immigration status and work permit)
- your mailing address and residential address, including postal codes
- your mother's maiden name
- your banking information (bank name, branch and account numbers) so you can sign up for direct deposit
- names, addresses, dates of employment and reasons for separation for all your employers over the last 52 weeks
- your detailed version of the facts if you quit or have been dismissed from any job in the last 52 weeks
- the dates, Sunday to Saturday, and earnings for each of your highest paid weeks of insurable earnings (the income earned on which EI contributions were paid) in the last 52 weeks or since the start of your last EI claim, whichever is shorter. This information combined with your Record(s) of Employment is used to calculate your benefit rate.

How to Apply for EI Benefits

If you think you are entitled to EI benefits, make sure you apply as soon as you stop working. You can apply even if you have not received your Record of Employment (ROE) from your employer. If you wait more than four weeks after your last day of work you could end up losing benefits.

To apply, you must submit an application online. It will take about an hour to complete. The application is located at: www.esdc.gc.ca/en/ei/apply.page

Note: self-employed individuals can apply for benefits if they have voluntarily registered into the EI program. This program provides temporary financial assistance if you are sick, pregnant, caring for a newborn or adopted child, caring for a seriously ill family member or providing care or support to a critically ill child.

How Long it Will Take to Receive Benefits

If it is determined that you are entitled to receive EI regular benefits, your first payment should arrive within 28 days of the date the government receives your application and all required documents. There may be a two-week waiting period for which you won't be paid, similar to the deductible you have to pay for other types of insurance.

If you are not entitled to receive EI benefits, you will be contacted by letter or phone with an explanation. If you wish to dispute the decision, you can request a reconsideration online within 30 days of the decision being sent to you.

Working While on EI

You are allowed to work while you are on EI regular benefits but you must report your work earnings and hours for each week you work, in the week in which the work occurred. If you receive other payments while receiving EI, some types of earnings will be deducted from your EI benefits, while other types of income have no effect on your EI benefits. See www.servicecanada.gc.ca/eng/ei/information/wwc.shtml#how

APPENDIX B

Additional Government Resources

Federal

Applying for Employment Insurance Benefits (Service Canada)

Takes you through the steps to determine if you are eligible for EI benefits and how to apply.

www.servicecanada.gc.ca/eng/ei/application/applying_for_benefits.shtml

Lost Your Job (Government of Canada)

Links for more information on determining whether you qualify for Employment Insurance, a checklist of things to do if you lose your job, tools to help you find a job, create a resume, choose a career and assess your skills, explore training and education opportunities and related financial assistance, public and private sector job opportunities and hiring programs.

Checklist of What to Do If You Lose Your Job (Financial Consumer Agency of Canada)

For a checklist of what to do if you lose your job, see:

www.fcac-acfc.gc.ca/Eng/forConsumers/lifeEvents/losingJob/Pages/checklis-aidememo.aspx

Job Search Links (Government of Canada)

Links to various online job listings including the Federal Government's Job Bank, the Canadian Heritage Information Network of jobs in museums and other heritage institutions, government jobs, the Canadian Forces (Army, Navy and Air Force), the Canada Revenue Agency, Parks Canada and the Royal Canadian Mounted Police.

www.esdc.gc.ca/en/ei/finding_job.page

Government Jobs (Government of Canada)

The official website for all Government of Canada jobs open to Canadians who are not employed in public service. It's a searchable online database and there is a link to a calendar of job fairs, events and information sessions that the government is participating in across Canada.

<http://jobs-emplois.gc.ca/index-eng.htm>

Education and Training (Service Canada)

Extensive links for details on education and training options for all Canadians, aboriginal peoples, families and children, newcomers to Canada, people with disabilities and veterans.

www.servicecanada.gc.ca/eng/subjects/education/Index.shtml

Employment Assistance for Older Workers (Federal and provincial/territorial governments)

The Targeted Initiative for Older Workers (TIOW) helps unemployed people typically aged 55 to 64 return to work.

www.esdc.gc.ca/en/training_agreements/older_workers/index.page

Provincial/Territorial

Alberta

Alberta Works

Provides help with financial support, employment services and career resources. They also offer job fairs, workshops, information sessions and region-specific labour market information. Also links you to benefits and services for seniors, people dealing with disabilities, bullying, family violence and homelessness. Note that many Alberta Works Centres will be transitioning into Alberta Supports Centres.

www.humanservices.alberta.ca

British Columbia

Ministry of Jobs, Tourism and Skills Training and Responsible for Labour

Manages key lines of government services that help support and maintain the BC economy. Includes links to other sites like the BCJobsPlan, WorkBC, WelcomeBC, DestinationBC and CreativeBC.

www2.gov.bc.ca/gov/content/governments/organizational-structure/ministries-organizations/ministries/jobs-tourism-and-skills-training

Manitoba

Ministry of Entrepreneurship, Training and Trade, Employment

Links to information on employment and income assistance, apprenticeship programs, career development, the Find My Job database and more.

www.gov.mb.ca/jec

New Brunswick

Ministry of Post-Secondary Education, Training and Labour

Information on student financial services, apprenticeship and trades, employment programs and links including a job listing database (NBjobs.ca).

www2.gnb.ca/content/gnb/en/departments/post-secondary_education_training_and_labour.html

Newfoundland and Labrador

Department of Advanced Education and Skills

Information including an Employment and Training Assessment tool as well as information on skills development, how to apply for the JobsNL Wage Subsidy and a large number of free online workshops.

www.aes.gov.nl.ca

Northwest Territories

Department of Education, Culture and Employment

Information on applying for Income Assistance, finding a job, getting a student loan and more.

www.ece.gov.nt.ca

Nova Scotia

Department of Labour and Advanced Education

Information for unemployed Nova Scotians including employment benefits, support measures, links to the Careers Nova Scotia Centres (CNSC), apprenticeships, the Targeted Initiative for Older Workers, adult education and more.

www.novascotia.ca/employmentnovascotia

Ontario

Ministry of Training, Colleges and Universities

Information and resources about what to do if you are unemployed, job hunting tools and information, education and training. You can access the services via live-chat, phone, email or online.

www.tcu.gov.on.ca/eng/employmentontario

Prince Edward Island

Department of Workforce and Advanced Learning

Information about training, career preparation and post-secondary education for job seekers and older workers.

skillspei.com/about-skills-pe/overview

Quebec

Ministry of Employment and Social Solidarity

Information on local employment centres, and links to the Labour Market Information (LMI) resource database of information for people looking for a job and who must make a career choice or who want to improve their current job situation.

www.mess.gouv.qc.ca/Index_en.asp

Saskatchewan

Ministry of the Economy

Information on the Canada-Saskatchewan Job Grant and links to other resources including the saskjobs.ca online jobs database.

www.economy.gov.sk.ca

Yukon

Department of Education

Information on student financial aid, training and work, apprentices and trades.

www.education.gov.yk.ca

APPENDIX C

Sample Resumes

Chronological Sample

NAME

Address:

Home: (xxx) xxx-xxxx

Cell Number: (xxx) xxx-xxxx

Email Address:

CAREER PROFILE

An organized, hard-working and responsible individual with experience gained in the pulp and paper, manufacturing distribution and construction industries. Works well in a team environment and communicates effectively. Mechanically inclined and familiar with repair and maintenance functions. Holds Forklift and High Lift Operator and Health and Safety certification. Works well in “just-in-time” environments, able to deliver multiple tasks to meet deadlines. Works well with minimum supervision.

EMPLOYMENT HISTORY

COMPANY NAME, City, Province (Year—Year)

Pulp Mill Machine Operator (Year—Year)

Operated Bleach Stock Preparation, Pulp Washer and Pulp Refiner machines and supervised the activities of junior crew members. Handled all safety, production, quality control and preventative maintenance activities associated with the product and machines.

- Progressed to the second hand responsible for the crew, equipment and product, ensuring safety and productivity of the line.
- Contributed to continuous improvement teams to enhance line processes and enhance safety. Provided information about line activity, risks and process issues.
- Performed manual and computerized adjustments to equipment to ensure an optimal quality product that meets customer specifications.
- Partnered effectively with Pulping Control Operator to ensure equipment start-up and shut-down was managed on a timely basis and performed sample titration tests to ensure quality was maintained.

Pulp Mill Labourer (Year—Year)

Performed various roles to contribute to the smooth operation of the mill and support the pulp production function:

- Collaborated with others on the pulp processing team to load conveyers with chips and pulpwood and remove scrap using forklift equipment.
- Cleaned, maintained and repaired wood and pulp processing machines.
- Completed more than five years without a lost-time safety accident.
- Excellent record of punctuality and attendance.

COMPANY NAME, City, Province (Year—Year)

Order Picker, XXXX Warehouse (Year—Year)

Performed duties of picker, packer and truck operator in a 300,000 sq. ft. warehouse distribution centre in the manufacturing industry.

- Operated high lift, sit-down counterbalance and order picker in a safe manner and according to warehouse policy, which contributed to a personal accident-free record.
- Performed daily visual and mechanical inspection of trucks prior to usage and completed regular maintenance practices to ensure safe and efficient operation of vehicles.
- Picked and packed bulk loads and special order products and loaded trailer trucks in a timely and safe fashion.
- Entered inventory into the Inventory Management System as well as provided data for packing slips and bills of lading, ensuring accuracy.
- Wrapped pallets in preparation for delivery, ensuring care in the preparation and transport of materials.
- Participated in regular inventory count process paying attention to detail.
- Followed standard operating procedures to ensure safety and quality measures were in place.

CONSTRUCTION COMPANY NAME, City, Province (Year—Year)

General Labourer

Performed numerous functions such as digging, backfill, operating pneumatic tamping machinery, building shoring braces, erecting and disassembling scaffolding and ramps to support residential construction sites.

- Collaborated on a construction team ensuring various role requirements were executed in a timely, safe and conscientious manner.

TRAINING AND EDUCATION

- WHMIS
- St. John's Ambulance First Aid Training
- St. John's Ambulance CPR Certification
- Forklift Licence
- Certified High Lift and Order Picker
- Completed various in-house machine operation certification
- Secondary School Diploma

Functional Sample

NAME

Address:

Home: (xxx) xxx-xxxx

Cell Number: (xxx) xxx-xxxx

Email Address:

PROFILE

Infrastructure and Public Works Engineering Consultant

An experienced engineering technologist with significant knowledge of municipal infrastructure and public works from both a public and private sector perspective. A professional recognized for strong leadership skills, decision-making capability, problem-solving and negotiating expertise. Well versed in all technical aspects of land development applications, construction management and waste water management. Provides innovative approaches to complex infrastructure-related projects.

Key Areas of Expertise

- Land Development Assessment and Environmental Studies
- Construction Project Support
- Strategic Infrastructure Planning
- Water and Waste Water Management
- Project Management

EXPERIENCE

Land Development Assessment and Environmental Studies

- Conducted site selection consultation for various real estate initiatives ranging from residential, commercial, industrial and institutional forms of land use, including facilitation of decisions

with land development stakeholders. Ensured effective knowledge transfer for all environmental studies and clarity around risk mitigation requirements. (XXX Consulting Company)

- Led the review of engineering submissions for land development proposals to ensure that all municipal infrastructure projects met the requirements of environmental sustainability and public safety. (City of XXX)

Construction Project Support

- Reviewed bids and proposal content to assist engineering consulting firm and construction contractors to provide accurate and effective RFPs on projects. (XXX Consulting Company)
- Reviewed and developed technical requirements for land development initiatives early in the planning and administration process to ensure that projects were feasible for construction. (City of XXX)
- Ensured regulatory compliance was met on construction projects to mitigate risk and prevent legal challenges. (City of XXXX)

Strategic Infrastructure Planning

- Provided expertise and technical direction to municipal capital infrastructure projects ensuring that land development proposals proceeded in an effective manner and that public infrastructure such as roadways, storm water management facilities and sewers were in place and functioning prior to land occupancy. (City of XXX)

Water and Waste Water Management

- Led the technical specification design for main sewage pumping station for a municipal client of 150,000 people, ensuring the technical and volume management requirements were sustainable given community growth and potential adverse weather conditions. (XXX Consulting Company)

Project Management

- Led complex projects involving numerous stakeholders, ensuring appropriate customer input, planning, governance, risk mitigation and on-time, on-budget delivery:
 - Managed municipal project to insert liners (trenchless technology) into an aging storm and sanitary sewer pipeline, obtaining permits, security and policing services to limit traffic disruption. (City of XXXX)
 - Led a project to design and implement emission controls for a chemical manufacturer to meet regulatory compliance. (XXXX Consulting Company)

CAREER HISTORY***The XXXXX Engineering Consulting Company*** (Year—Year)*Infrastructure and Public Works Consultant*

- Reported to the Principal, Municipal Sector Practice. Accountable for customer relationship management, project design and project management for various municipal, construction and land management initiatives across Canada. Project scope ranged from teams of three to twelve and \$50,000 to \$300,000 in revenue.

The City of XXXXXX (Year—Year)*Manager of Development Services* (Year—Year)

- Reported to the Director of Public Works. Oversaw a department of five engineering and planning professionals in the review of all land development applications. Led diverse land development projects within the City's approved policies and procedures. Provided expertise on various engineering and environmental matters to Council, Senior Leaders and the

Community. Administered planning applications through to legal development agreements, construction contracts and final clearance or assumption of subdivision plans.

Land Development Coordinator (Year—Year)

- Reported to the Manager of Development Engineering. Responsible for the administration of development project documentation (site plan and subdivision agreements), reports to Council, and coordination of subdivision plan assumption.

Development Review Technologist (Year—Year)

- Reviewed and approved technical requirements documentation pertaining to site plan and subdivision applications.

PROFESSIONAL AFFILIATION

Professional Engineers and Geoscientists of Alberta—Professional Licensee (Year)

Association of Science and Engineering Technologists—Certified Engineering Technologist, C.E.T (Year)

EDUCATION

Civil Engineering Technologist Diploma—Institution name (Year)

Course training in Leadership Essentials—Institution name (Year)

APPENDIX D

Sample Cover Letter

Name

Address

Phone Number

Date

Addressee name

Addressee title

Company

Address

Dear Mr./Ms. Addressee (or First Name, if appropriate):

Please consider this letter and the attached resume as my application for the role of Warehouse Supervisor (Role ID 26788) as outlined on your website. Over the past 17 years, my experience has honed my readiness for a supervisory role. I have a deep understanding of Warehouse Operations, Quality Control and Health and Safety. My experience is a combination of machine operation, process improvement and quality control from the Pulp and Paper industry as well as from Warehouse Operations and Construction. Highlights from my career include:

- **Warehouse Operations.** I have significant experience in picking, packing, truck loading, forklift, and high-lift operations, shipping documentation management and warehouse processes. This enables me to work with all operational aspects and employees/customers of a warehousing facility.
- **Participation on Continuous Improvement Teams.** I have demonstrated collaboration and leadership as part of teams designed to review safety process and improve line productivity. I work well with teams and enjoy contributing to innovation.
- **Manufacturing Machine Operations.** I have developed skills operating various machines in the pulp and paper manufacturing process. I have an excellent safety record and I learn new skills effectively. This demonstrates my ability to shift sectors, and grow my skill set to meet new challenges.

I would be pleased to discuss my experience and skills as a Warehouse Supervisor with you.

Please feel free to contact me at my home (Phone Number) or by email (_____). I look forward to our discussion.

Sincerely,

Name

Enclosure

About the Author

David Trahair, CPA, CA, is a personal finance trainer, speaker, national best-selling author and *CPA Magazine* columnist. His books include:

- Smoke and Mirrors: Financial Myths That Will Ruin Your Retirement Dreams
- Enough Bull: How to Retire Well Without the Stock Market, Mutual Funds or Even an Investment Advisor
- Crushing Debt: Why Canadians Should Drop Everything and Pay Off Debt
- Cash Cows, Pigs and Jackpots: The Simplest Personal Finance Strategy Ever
- The Procrastinator's Guide to Retirement: How You Can Retire in 10 Years or Less

He is known for his ability to explain the often-confusing world of personal finance in plain English. Canadians appreciate his no-nonsense style and the fact that his views are totally independent because he does not sell any financial products.

He currently operates his own personal finance training firm and offers seminars and online learning solutions based on his books to organizations including CPA Canada and its provincial accounting bodies in British Columbia, Alberta, Saskatchewan, Manitoba, Nova Scotia, Newfoundland and Labrador, Ontario and also CPA Bermuda.

Published in partnership with Canada Life,
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ISBN-13: 978-1-5254-0041-4



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