

## Debt Factoids

- Personal debt in just Leicestershire is £11m excluding mortgages.
- British consumers owe one trillion pounds on cards, mortgages and loans.<sup>[1]</sup>
- £56 billion of debt on credit cards alone in the UK in 2004.
- £470 million a year is stolen in credit card fraud.
- Six million families struggle to keep up with credit commitments.<sup>[2]</sup>
- In 2001 in USA credit card debt alone was \$690 billion (about £400 billion).<sup>\*[3]</sup>
- Half of American 40 year-olds see their level of debt as a problem.<sup>\*[4]</sup>
- When people approach the Citizens Advice Bureau (CAB) for help they usually owe between £11,000 and £30,000.
- By the time people go to CAB for advice, it will take about 77 years to pay their debts in full.
- Those who seek help from CAB have an average debt 14 times their monthly income.
- Bankruptcies have risen by over 30 per cent in a year.
- We are likely to build up more debt in our 30s & 40s than any other time of our lives.
- People have relatively less debt when older, i.e. over 55 years of age, but they are catching up with credit card debt.
- People with high income are more likely to have credit card and bank loan debt.
- People with low income tend to have rent or mortgage arrears, debts for fuel (gas, electricity) and catalogues debts.
- There is roughly the same proportion of single people without children in debt as there are couples with children in debt. (There is a slightly higher likelihood of debt if you are a single male.)
- Anyone can fall into debt. It happens to couples and singles - with children or without; to the employed, the unemployed and those unable to work through illness or disability and in any part of the country.
- \$375 billion dollars is owed by the 52 poorest countries. G8 have promised to write off \$100 billion (\$46 billion written off so far).<sup>[5]</sup>
- Credit card companies will continue to offer credit to people who have owed them a lot of money and to people who have been declared bankrupt.
- 12.4 million people including 3.6 million children live in 'income poverty' in the UK.

<sup>[1]</sup> DebtCred

<sup>[2]</sup> CAB

<sup>[3]</sup> & 2 Source: National Consumer Law Center Boston Massachusetts USA

<sup>[4]</sup> www.citizensadvice.org.uk

