## Canadian debt is a risk, time for the government to lead

anada's continuing conversation on excessively high household debt levels is getting hypocritical. Excess personal debt has been a topic

in the media for many years. Debt is still a problem, but it is time to

view the danger of debt from a different

The more you look at the problem of increasing debt, the more you realize it is turning into a public relations battle.

Who is to blame?

Is our federal government predicting a national economic collapse under the weight of excess debt and are they getting ready to say "it was not our fault"?

Is Ottawa attempting to shift the blame to greedy consumers on a consumption

Let's start with the basics.

The use of personal debt, including mortgages, has many advantages.

These advantages can turn into negatives if excess debt is used.

Debt comes with two obligations lenders pay interest and eventually the principal debt has to be repaid.

At a certain point, too much debt will cause great economic hardship.

For many years, the Department of

Peter Watson



Finance and the Bank of Canada have preached the soundness of a more conservative strategy of using less household debt.

Excessive debt is a risk to individuals.

A domino effect of too many consumers defaulting on their personal and mortgage loans could have negative economic repercussions for Canada's fragile

Earlier this month, Ottawa introduced another measure aimed at slowing down the red-hot housing market.

Finance Minister Bill Morneau introduced small restrictions on mortgage borrowing.

For the sake of simplicity, let's acknowledge that too much debt is an economic risk for individuals and our country.

Also, we should acknowledge household debt is at historic highs.

The debt conversation needs a reset.

The problem is not just with Canadians, but it includes the Canadian government.

Our federal debt is approaching \$700-billion and Ontario owes approximately \$300-billion.

If our federal government thinks excessive debt is that bad, it should stop pointing the finger at us and look in the mirror.

Governments are part of the problem and it is about time for politicians to provide leadership into better fiscal management of our country.

Stop worrying about the consumer and get your own house in order.

For individuals to have financial prosperity, we have to properly manage our money.

Our task is to earn money, manage our debt and invest, so we can achieve our financial objectives.

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