

Knowing your way around credit and debt

DID YOU KNOW

One in five people have had to cut back on essentials like food due to a Buy Now Pay Later debt.

One in seven people have taken out another loan to pay for Buy Now Pay Later arrangements.

Source: ASIC Report 672, November 2020.

Credit is money that is loaned to you to buy things, with the promise you will pay the money back later. In exchange for the loan, credit users are charged extra money, known as interest.

TYPES OF CREDIT

- Credit cards
- Personal loans
- Home loans
- Buy now, pay later

WHAT IS BUY NOW PAY LATER?

You may have heard of Afterpay, ZipPay or Humm. These services let customers buy something and pay back the money they owe in regular installments, such as over four weeks.

WHAT TO DO IF YOU CAN'T PAY BACK THE MONEY YOU OWE

A free financial counsellor can help you to come up with a plan. You can speak to one on **1800 007 007**.

Visit TomorrowMoney.co to learn more