

BUSINESS VANCOUVER

B.C. records drop in bankruptcies but spike in proposal filings: report



By Sean Kolenko Tue May 28, 2013 12:01am PST

B.C. recorded a 4.6% drop in consumer bankruptcies as a method of debt settlement from 2011-12, according to a new report.

Over the same period, consumer proposal filings rose by more than 16%.

The report, which was compiled by Sands and Associates, a firm specializing in bankruptcy and consumer proposals, highlighted insolvency rates from 17 regions across the province.

The data comes from 2011-12 and is culled from all the personal bankruptcy and consumer proposal filings from each region.

The regions that show a marked decrease in bankruptcy filings are:

- White Rock: -21.93%
- East Vancouver: -18.42%
- Burnaby: -16.15%

The regions that illustrated a jump in consumer proposal filings are:

- White Rock: 48.72%
- New Westminster/South Burnaby: 48.72%
- Langley: 31.97%

The jump in personal proposal rates, according to Sands and Associates, means consumer debt is still a problem, it's just being handled before bankruptcy, a last-resort option for consumers. In B.C., the average non-mortgage debt is currently \$37,244.

"There's a big push to build awareness around consumer debt in the province. As people become more educated on their options and on debt in general, it is leading them to take action sooner," said Blair Mantin, vice-president of Sands and Associates.

In 2011-12, personal bankruptcies fell by more than 16% and consumer proposal filings rose by nearly 24%.

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