

KIT: Consumer Rights - Collection Agencies

Legal Rights Literacy Kits

This is one of nine kits designed for Literacy and Basic Skills (LBS) programs in Ontario. The kits provide ready-made materials for LBS practitioners to help learners improve their literacy skills while learning about legal rights.

The kits were developed by CLEO, adapting content created by the Community Law School (Sarnia-Lambton). They relate to three areas: Workplace Rights, Tenant Rights, and Consumer Rights. Each kit includes learning activities and tasks that can be used to facilitate learning, and to demonstrate, track and document learners' progress towards completion of their goal path.

Contents

Introduction to the Kit	1
Learning Activities	
Practitioner Notes	4
Pre-reading Discussion	5
Vocabulary Development.....	6
Previewing Steps to Justice	7
Task Set 1	8
Task Set 1: Answer Key	10
Task Set 2	11
Task Set 2: Answer Key	13
OALCF Cover Sheet.....	14
Task Performance Indicators	15

Legal Rights Literacy Kits for LBS

KIT: The Steps to Justice Website

Employment Rights

KIT: Workplace Posters

KIT: Wages

KIT: Injuries at Work

Consumer Rights

KIT: Payday Loans

KIT: Collection Agencies

This KIT!

Tenant Rights

KIT: Paying Rent

KIT: Maintenance and Repair, Part 1

KIT: Maintenance and Repair, Part 2

Introduction to the Kit

This kit includes learning activities and task sets related to collection agencies.



Task Sets

This kit includes two task sets. The task sets involve locating information on the Steps to Justice website, and identifying information about rights related to collection agencies, and the steps consumers can take if a collection agency is not following the rules.

Steps to Justice (stepstojustice.ca) gives clear reliable information on common legal problems for people in Ontario.

You may choose one or more task sets to demonstrate, track and document learner progress towards completion of their goal path. Success criteria is indicated on the task sets answer sheets.



OALCF Cover Sheet and Task Performance Indicators

These learning materials are aligned to the Ontario Adult Literacy Curriculum Framework (OALCF). If you choose to use the task sets in this kit to demonstrate learner progress towards goal completion, then complete the cover sheet and scoring rubric on the final pages of this kit. Include them in the learner file, along with other assessment items, such as Initial Assessment results, Milestones and Culminating Tasks.

The task sets in this kit are offered as examples; feel free to modify the task questions, OALCF cover page and rubric to suit learner needs. Please note that if you adapt the task questions, they may not comply with the level and complexity of the original scoring rubric.

Ongoing Assessment: If you choose to use a task set for ongoing assessment purposes, learners should attempt it independently.



Background Information on Legal Rights

It is a good idea to introduce learners to the key concepts related to debt collection, such as:

- whether you owe money or not, a collection agency cannot harass you and must follow strict rules under the law
- how collection agencies should contact you
- what you can do if you owe money
- when to file a complaint
- how to file a complaint

Introduction to the Kit, *continued*

You can find information about the rules collection agencies must follow on Step to Justice, within the Debt and Consumer Rights topic, with answers to the following questions about [Collection agencies](#):

- A collection agency called me. Do I have to talk to them?
- A collection agency called about a debt I don't owe. What can I do?
- What rules do collection agencies have to follow and what are my rights?
- How do I complain to the Ministry of Public and Business Service Delivery?

Additional information can be found on the following website:

- Stop collection agency calls, Ontario Ministry of Public and Business Service Delivery:
<https://www.ontario.ca/page/stop-collection-agency-calls>



Literacy Skills

It's a good idea to review and provide practice with literacy skills and strategies related to the OALCF Competencies and related task groups addressed in this Kit.

Skills/Strategies related to OALCF Competency A: Find and Use Information

- **Skimming for gist:** Direct learners to glance at the table of contents, pay attention to the headings and glance at parts of the document. Inform them that this helps them determine what the document is about, and whether it applies to them. Encourage learners to predict what information the document contains, and when they may need it.
- **Questioning:** Engage learners in posing questions that they want answered by the text. This helps them read for a purpose.
- **Scanning for specific information:** When searching for details, guide learners in first determining where to search, by locating the relevant section in the table of contents, or heading within the text, then looking over the information for key words.
- **Using layout:** Encourage learners to notice how the document/website is organized and the visual layout (e.g., table, chart, headings, hyperlink, navigation bar, dropped down menus), and to use the layout to locate information.
- **Using pictures:** Draw learner attention to images, logos or icons and their meaning.

- **Using features of lists and tables:** Guide learners in using the features (e.g., titles, headings, bullets and numbering, row or column headings) to find information and understand purpose.
- **Identifying the source of information:** Guide learners in locating the source of information and the date it was written. This will help them determine whether the information is trustworthy.
- **Retelling or Summarizing:** Encourage learners to retell the information in their own words.
- **Vocabulary Development:** Encourage learners to identify words or phrases they are unfamiliar with. Guide them in predicting what they mean based on the surrounding text. Learners can look up words in an online dictionary (e.g., dictionary.com) to confirm their predictions.



Digital Technology Skills

Skill/Strategies related to OALCF Competency D: Use Digital Technology:

- **Searching on a web browser:** Encourage learners to use key words and the town/province name (e.g., Ontario). Direct them to look closely at the search results, and identify the source of information (e.g., an advertisement, a government website).
- **Searching within a website:** Guide learners in distinguishing between a site search box and a browser search box and using a site search box to search for information within a website.
- **Navigating between webpages:** Teach navigation strategies, such as using a breadcrumb trail to navigate between webpages within a website, using window tabs, using the back button/arrow on a web browser.
- **Following hyperlinks:** Teach strategies for recognizing hyperlinks, determining when to follow hyperlinks, and getting back to the original webpage after following a hyperlink

Learning Activities: Practitioner Notes

Facilitate learning activities prior to having learners attempt the task set, so that learners can improve their literacy skills. This can involve providing background information on laws and legal problems related to debt and collection agencies, and practise with reading comprehension strategies. Use the ideas below and on the following pages.

- **Pre-reading Discussion (p. 4):** Engage learners in a pre-reading discussion about debt and collection agencies to activate their existing knowledge, and spark interest in the topic. They can brainstorm questions they have related to collection agencies, share personal experiences, or set learning goals. These discussions will help you determine their need for information, and help them read for a purpose.
- **Previewing Steps to Justice (p. 5):** Prior to learners completing the Task Sets, have them explore the [Steps to Justice website](#). For example, they should understand that information is organized around typical questions and answers related to a legal topic. This will help them find specific information. The kit titled Steps to Justice provides a more in-depth introduction to the Steps to Justice website.
- **Vocabulary Development (p. 6):** Ensure learners understand basic terms and concepts related to debt and collection agencies, with activities such as this one. Encourage them to add unfamiliar terms and definitions to their notes. If appropriate, learners can check the definitions by finding the terms on the **Step to Justice** website (stepstojustice.ca), under the legal topic *Debt and Consumer Rights*, [Collection Agencies](#). Key words are highlighted; when the word is selected, a definition appears.

Learning Activity: Pre-Reading Discussion

In small groups, or as a class, discuss what you know about payday loans. You can talk about your experience or the experience of someone you know. The questions below can guide your discussion.



One in three Canadians say that they don't make enough money to cover their bills and debts at some point in their life.

Source: www.ipsos.com/en-ca/one-three-31-canadians-dont-make-enough-cover-their-bills-5-points-early-year

- Discuss the statistic above. Do you think this is true?
- What do you think are some of the consequences of not paying a bill on time?
- When might a bill be handed over to a collection agency?
- What is a collection agency?
- What are the responsibilities of collection agencies?
- Can you suggest steps a person can take before a debt gets turned over to a collection agency?
- Discuss one or two experiences (of yourself, or someone you know) of a collection agency. What happened?

You can also consider Mike's experience, below:



When Mike started college, his parents gave him a credit card for emergencies. Mike used it for purchases, such as new clothes, restaurants, and things for his apartment. He ran up a large credit card balance and has not been able to make any payments for the last six months. Mike has ignored numerous letters from the credit card company. He has not told his parents he's in financial trouble.

What do you think Mike should do?

Learning Activity: Vocabulary Development

You will read about rights related to collection agencies. Before you read, think about what the words below mean. Match the terms and their meanings by writing the correct letter beside each term.

- | | |
|---------------------------------|---|
| 1. _____ Creditor | A. A percentage or number that is based on your credit history. It tells a creditor how likely you are to pay back your debts. |
| 2. _____ Credit | B. Money that a person owes (e.g., a mortgage, line of credit, or car loan) |
| 3. _____ Collection agency | C. Information, such as name, social insurance number, birth date, and address |
| 4. _____ Credit rating/score | D. A person or business you owe money to (e.g., a bank, credit card company, landlord) |
| 5. _____ Guarantor or co-debtor | E. A business that tries to collect unpaid debts for creditors. |
| 6. _____ Debit | F. A fee (that is expressed as a rate or percentage of your debt) that you pay to a creditor in exchange for the money they lend. |
| 7. _____ Personal information | G. A person or business who agrees to pay your debt if you do not pay it. |
| 8. _____ Interest | H. Getting money, goods, or services now in exchange for your promise to pay it back at a later date. |



Answers: 1. D, 2. H, 3. E, 4. A, 5. G, 6. B, 7. C, 8. F

Learning Activity: Previewing Steps to Justice

Watch this video on how to locate and use the **Steps to Justice** website:

<https://vimeo.com/448907424/4645a8a934>

Then go to the [Steps to Justice](#) website. Answer the following questions.



1. Look at the homepage. What are **two** ways you can find information about a legal topic?

2. Select the legal topic: **Debt and Consumer Rights** from the list of legal topics. Then select **Collection Agencies**. How many questions are there? Copy two of the questions.

3. Select the question: *A collection agency called about a debt I don't owe. What can I do?* Fill in the blanks below.

a) This question has an answer and _____ to follow.

b) List three steps you can take to help solve this situation.

Task Set 1

TITLE: Locate and identify information on the Steps to Justice website to identify rules Collection Agencies must follow.

Read the following situation. Then go to the **Steps to Justice** website (stepstojustice.ca). Select the topic Debt and Consumer Rights, then select Collection Agencies, then select the question “What rules do collection agencies have to follow and what are my rights?” Answer the questions.



Your brother, Mark, was injured at work. He cannot work, and receives a small disability pension. He is behind on his rent and utility payments. Both the landlord and utility company have turned the accounts over to Prudence Pays Collection Agency. Mark’s life has been a nightmare ever since.

Eleanor from Prudence Pays calls him at all hours of the day and night, even on holidays. In one week, Eleanor called Mark seven times. When Mark called Prudence Pays to complain about Eleanor’s phone calls, a Prudence Pays employee called him, “just another lazy deadbeat”. The last straw for Mark was when Prudence Pays called his mother and demanded that she pay Mark’s debt or “be hauled into court”.

Mark is upset and has asked for your advice. You promised you would find out about his rights and the rules collection agencies must follow.

Task 1. On the **Steps to Justice** website, you found out that collection agencies are supposed to send out a written notice before they contact a person. List four things a written notice must include.

Task Set 1, *continued*

- Task 2.** Collection agency staff are supposed to follow certain rules when contacting someone. List 3 rules The Prudence Pays agency broke when dealing with Mark.

- Task 3.** Mark wants to call the collection agency to complain about how much they contact him. What two pieces of advice would you give Mark about talking to the collection agency?

- Task 4.** If Mark tries complaining to the staff at the collection agency and they continue to break the rules, who can he complain to?

Task Set 1: Answer Sheet

TASK TITLE: Locate information on the **Steps to Justice** website to identify the rules Collection Agencies must follow.

1. On the Steps to Justice website, you found out that collection agencies are supposed to send out a written notice before they contact a person by phone, text or email. List 4 things a written notice must include. **(4 points)**

*NOTE: On Steps to Justice, the answer is located in the question "[What rules do collection agencies have to follow and what are my rights when dealing with them](#)," Step 2. Responses do not have to be in complete sentences, but must include **four** of the following:*

- the name of the person or business who says you owe them money
- the type of debt you owe, for example, a credit card debt or unpaid loan
- the amount you originally owed and the amount you currently owe, if different
- a statement with a breakdown of how much you owe, if you ask for it
- the name and contact information of the collection agency

2. Collection agency staff are supposed to follow certain rules when contacting a person. List 3 rules The Prudence Pays agency broke when dealing with Mark. **(3 points)**

Responses do not have to be in complete sentences, but must include ideas from at least 3 of:

- it doesn't appear they sent Mark a letter/email outlining the required information about his debt
- they called outside of the allowed hours under the law (called on a holiday)
- they called Mark more than 3 times in a week
- they harassed Mark and tried to intimidate him (called him a lazy deadbeat)
- they called his mother and asked for more information than they are allowed under the law (only allowed to ask for contact information)
- they threatened his mother (told her if she doesn't pay his bills, she will end up in court)

3. Mark wants to call the collection agency to complain about how much they contact him. What two pieces of advice would you give Mark about complaining to the collection agency? **(2 points)**

Responses do not have to be in complete sentences, but must include ideas from at least two of:

- Try calling the collection agency to see if you can fix the problem without making a complaint.
- If they still contact you after you sent them a registered letter asking them not to, tell them you'll make a complaint.
- Try speaking to the director of the collection agency
- Tell them that you know your rights. For example, if they call you at times they're not supposed to, tell them that you know they're breaking the law. This might make them stop.

4. If Mark tries complaining to the collection agency staff, but they continue to break the rules, who can he complain to? **(1 point)**

Ministry of Public and Business Service Delivery.

Success: at least 7 out of 10 points

Task Set 2

TASK TITLE: Locate information on the **Steps to Justice** website to identify how to deal with collection agencies.

Read the following situation. Then go to the [Steps to Justice](#) website. Select the topic Debt and Consumer Rights, then select Collection Agencies, then select the question “A collection agency called me. Do I have to talk to them?” Answer the questions.



Your daughter Julie attends college full-time. She owes about \$5000 on her credit card. She has not made a payment for the past 7 months because she is not working.

Two weeks ago, Julie received a letter from a collection agency informing her that they were taking over the collection of the balance owing on her credit card. Three days ago, she got a phone message from a collection agency asking her to call them back.

Julie has not responded to the letter or the phone call because she is busy with studying for final exams. She plans to call the collection agency back next month, after her school term is finished.

She explained the situation to you yesterday and didn't seem to be worried about it. You, however, are very concerned.

Task 1. What are two possible consequences of Julie *not* calling the collection agency back right away?

Task 2. What would you say to convince Julie to call the collection agency right away?

Task Set 2, *continued*

Task 3. There are people who **say** they work for a collection agency, but they don't. It's a scam. They might ask for your personal information and demand you send money to pay off your debt.

List at least two things Julie can do to make sure the caller *really* works for a collection agency.

Task 4. Julie might talk to a non-profit credit counsellor. List 3 ways a credit counsellor can help her deal with the collection agency.

Task Set 2: Answer Sheet

TITLE: Locate information on the **Steps to Justice** website to identify how to deal with collection agencies.

Task 1. What are two possible consequences of Julie not calling the collection agency back right away? **(2 points)**

If you ignore them, serious things can happen:

- *your credit rating could drop*
- *you might get sued in court*

Task 2. What would you say to convince Julie to call the collection agency right away? **(2 points)**

If you try to speak with them as soon as you can,

- *you may be able to make a plan to pay off the debt in a way that you can afford.*
- *they might be able to reduce the effect that the debt has on your credit score*

Task 3. There are people who say they work for a collection agency, but they don't. It's a scam. They might ask for your personal information and demand you send money to pay off your debt. What can Julie do to make sure the caller *really* works for a collection agency? **(3 points)**

Responses do not have to be in complete sentences, but must include ideas from at least three of:

- *Make sure you are dealing with a real collection agency*
- *Check to see if the collection agency is registered with the government of Ontario*
- *If someone calls about a debt, don't give them money or personal information if you didn't first get a written notice from them or if you don't think you have a debt.*
- *Look for information about the collection company online*
- *Call the collection agency and ask if they have been hired to collect your debt*
- *A real collection agency will already have address, name, and other personal information. The person you owe money to must give the collection agency this information so they can collect the money from you. If the person asks for this information, it's probably a scam.*

Task 4. Julie may talk to a non-profit credit counsellor. List 3 ways a credit counsellor can help her deal with the collection agency. **(3 points)**

- *They can tell the collection agency that they're helping you make a plan to pay back your debt.*

Sometimes they can convince the collection agency to:

- *let you pay back less money than they're asking you for*
- *lower the interest rate that you're paying on the money you owe*
- *give you more time to pay back your debt*

Success: at least 7 out of 10 points

OALCF Task Cover Sheet

TITLE: ☐ Task Set 1: Locate information on the Steps to Justice website about Debt and Consumer Rights to identify the rules Collection Agencies must follow. ☐ Task Set 2: Locate information on the Steps to Justice website about Debt and Consumer Rights, to identify how to deal with collection agencies.		
Learner Name: _____		
Date started: _____		Date completed: _____
Successful Completion: ☐ YES ☐ NO		
Goal Path: ☐ Employment ☐ Apprenticeship ☐ Secondary School ☐ Post Secondary ☐ Independence		
Competency	Task Group	Level Indicator
A: Find and Use Information	A1: Read continuous text	A1.2: Read texts to locate and connect ideas and information
	A2: Interpret documents	A2.2 Interpret simple documents to locate and connect information
D. Use Digital Technology	n/a	D.2 Perform well-defined, multi-step digital tasks
For Performance Descriptors for each Level Indicator, see Task Performance form, on next page		
Materials Required: ☐ Pen and task sheet/s ☐ Digital device with internet connectivity		

Task Performance Form

TITLE: Choose a task set:

- ☐ Task Set 1: Locate information on the **Steps to Justice** website about Debt and Consumer Rights to identify the rules Collection Agencies must follow.
- ☐ Task Set 2: Locate information on the **Steps to Justice** website about Debt and Consumer Rights, to identify how to deal with collection agencies.

Performance indicators:

For Task Set 1 and 2

- | | Needs Work | Completes task with support from practitioner | Completes task independently |
|---|--------------------------|---|------------------------------|
| A1.2 • Makes connections between sentences and between paragraphs in a single text | ☐ | ☐ | ☐ |
| • Scans text to locate information | ☐ | ☐ | ☐ |
| • Locates multiple pieces of information in simple texts | ☐ | ☐ | ☐ |
| • Makes low-level inferences | ☐ | ☐ | ☐ |
| • Obtains information from detailed reading | ☐ | ☐ | ☐ |
| D2 • Selects and follows appropriate steps to complete tasks | ☐ | ☐ | ☐ |
| • Locates and recognizes functions and commands | ☐ | ☐ | ☐ |

This task: ☐ was successfully completed ☐ needs to be tried again

Learner Comments:

Instructor (print)

Learner signature