



Ontario Home Economics Association

Ask a Professional Home Economist

For Immediate Release

Money ~ Save Some, Give Some, Spend Some

by Patricia White, P.H.Ec.

Three basic principles can make a huge difference financially - save some, give some and spend some. Saving enables us to reach our financial goals for a down payment on our dream home, for retirement or just being prepared for emergencies.

Canadian savings rates are well below the recommended level - 10% of net income.

Statistics Canada reports rates for the third quarter of 2011 at 3.5% - down 0.8% from the previous year.

Why do Canadians have trouble saving?

One reason may be that we never learned that saving comes first. When we first received an allowance as a youngster or earned our first pay cheque, many of us did not learn to put some of our money away, right off the top.

Tips to get you back on track and perhaps help your children get a head start:

- Spend less than you make. Remember spending comes after saving and giving;
- Make saving a habit – even if things are tight, start with a small amount now;
- Increase the amount every few months – you won't miss it; Deduct savings from your income before everything else – it is like paying yourself first;
- Save money easily through deductions at work or automatically where you bank; Put savings into a separate account that isn't easily accessible;
- Build an emergency fund of at least three months of living expenses;
- Use RRSP, RESP, TFSA and other savings options get the most out of your savings to accomplish your financial goals;
- Make saving a family affair and teach your kids (even 4 - 5 years old) to save.

Develop a beneficial life habit of saving, first. The principles of giving and spending will be much easier to adopt.

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The Ontario Home Economics Association, a self-regulated body of Professional Home Economists, promotes high professional standards among its members so that they may assist families and individuals to achieve and maintain a desirable quality of life.

For further information or to speak to a Professional Home Economist, please contact:

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