



Budgeting Tips

If you have to cope on a low income (because you have no job or can get only part-time work) you absolutely must work to a budget—a very tight one. Here are some ideas to help you:

Getting Started

The first thing you should do is sit down and allot set amounts of money to every household expense:

- telephone;
- Internet connection;
- electric power;
- gas;
- rates or rent;
- water rates;
- house and/or contents insurance;
- car expenses, including insurance, registration and certificate/warrant of fitness;
- health insurance;
- food;
- miscellaneous items such as dog licenses, annual dog/cat vaccinations;
- anything else peculiar to your household that's not on this list.

If you are paid weekly, multiply any set monthly payments by 12 and divide the result by 52 to find out how much you need to put away each week. For payments that differ each month (such as power) you'll need to average out a year's expenditure. You might also want to allocate something for clothing; it's up to you.

Food Shopping Tips

1. Find the cheapest supermarket within a reasonable distance from your home and shop there for all your food. It will probably not have the variety of other supermarkets and may even look depressingly like a barn, but these factors are actually beneficial to people on low incomes: there is less temptation to overspend.
2. Always work to a shopping list. The list should contain only items that you need and you should stick to it. Cut out such items as sweets, cakes and other baked goodies, magazines, convenience foods that you can make yourself (pies, pizzas, casseroles, etc). Before you list each item, ask yourself if it's absolutely

necessary to your family's survival. If it is, but is something you yourself can make, leave it off your list.

3. Compare brand and size prices for the best buy. If your family absolutely hates the cheapest brand, however, don't buy it; you can't afford waste.
4. Learn the layout of the supermarket so you can write your shopping list in the right order. It saves you having to go back for forgotten items.
5. Shop less frequently. Try twice a month instead of weekly if at all possible. Limiting the use of your car can save you money. *Never* go back to the supermarket for forgotten items; do without them until next shopping time.
6. Don't succumb to buying something you don't absolutely need just because it's "only a few dollars". Every dollar counts when your income is considerably below the average wage. There really is truth in the old adage "Look after the pennies and the dollars will look after themselves".

Other Shopping Tips

1. Always wait to buy new clothing at sales.
2. Look for good bargains at the second-hand clothing shops.
3. If there is something that you feel you need, but it comes under the heading of luxury items, try cutting out a picture of it and keep it for at least six months. If you still want it then and have managed to save enough for it, buy it. Chances are you will find you don't need it as much as you thought you did.

Food Tips

1. Don't eat out or buy takeaways. You can eat so much cheaper by cooking at home.
2. Plant a vegetable garden and look around for neighbors/friends/relatives with whom you can swap vegetables (or other food) and from whom you can get gardening advice. Don't forget there's a lot of advice available free on the Internet.
3. If you live in the country the possible ways of stretching your budget are even greater. Small farmers will be only too glad to give you jobs in exchange for food items. Even dairy farmers keep beef cattle and/or sheep for their own freezers. If a farmer has enough work (pulling out and/or spraying weeds, for instance) you may even be able to barter a full side of beef in return for labor. If you live in a dairy farming community a farmer may be willing to teach you how to milk cows, enabling you to stand in for farmers who need a break. Small farmers are usually very generous with help and/or advice. If you're a good worker the news will soon spread!
4. Make your own bread, especially if you own a bread-maker. If you bake a cake, use your oven to its capacity by doubling the recipe and freezing the second cake.
5. Have an occasional "scratch" meal. Your family's health won't suffer with beans on toast (or something similar) once a week. If they're still hungry they can fill up on bartered or home-grown fruit.

6. Freeze any vegetables from your garden that you can't use at once or haven't been able to barter for something else. Tomatoes can be turned into pickle or chutney.
7. Bottle or freeze any oversupply of fruit, or turn it into jam.
8. When expensive vegetables that freeze well (are on special, buy plenty, as long as your family likes them. Just make sure you freeze them on the day you buy them.

Tips for Saving Power

1. If you live in a relatively temperate climate and don't have a fireplace, you can help keep power spent on heating down to a minimum by wearing good thick thermals (top and bottom) under a tracksuit with a fleecy brushed lining. If you use electricity to heat your house in the evening, make sure your heater has a thermostat.
2. If you are elderly and therefore need your home warmer than is comfortable for younger people, there are ways you can keep warm without having the thermostat so high.
 - Wear really heavy thermals, both tops and bottoms. This means if you are a woman and usually wear skirts you will need to switch to trousers. However, pants are much warmer than skirts and they also help to protect your legs as your skin becomes more delicate. Make sure the top is a snug, but not tight fit. If it's loose it will be nowhere near as warm as it should be. This type of underwear is expensive but well worth the money. It is also absolute luxury for delicate skin.
 - Wear a thermal hat on your head and thermal gloves of the type with the fingertips missing.
 - Your socks should be thermal and your slippers should preferably have a woolly lining or also be special thermal types.
 - When sitting, tuck a lightweight thermal rug (or something like a down-filled duvet) over your knees and around your legs.
 - Put a hot water bottle on your lap under the rug. You will be surprised how much warmer this makes you. It will, of course, need to be refilled as it gets cool.
 - And of course you don't need to be elderly to use these tips!
3. Turn off lights not in use. Change to fluorescent lights in your kitchen or workshop, if possible.
4. Make sure your hot water pipes and hot water cylinder are well lagged.
5. Take showers instead of baths, if possible, and stay under the water for only as long as you absolutely need.
6. Change your shower head to one that saves water. After all, you don't need a deluge to clean yourself.

7. Don't shower every day if you can get away with it. A "sponge bath" between showers cleans you surprisingly well.
8. Stop using your clothes drier if you have one. If (in winter) you can't get your clothes dry in time without it, try putting up a temporary clothes line in a garden shed or somewhere similar.
9. For small amounts of hot water (say, to wash a few dishes) boil your jug or kettle rather than taking water from your hot water cylinder.
10. Use your dishwasher, if you have one, only when it's full. Set it to use cold water, if possible. An added advantage here is that your machine will last longer.
 11. Wash your clothes in cold water, using a special detergent for cold washes. Treat stains with a special stain remover for cold water, and leave the load to soak overnight for a cleaner wash. Turn the machine on only when you have a full load; it costs almost as much in power to wash a part load as it does a full one. Your machine will also last longer.
12. Lower the temperature of your hot water cylinder if it's too high. If you can't do this yourself, your electricity supply company should be able to help you. Take full advantage of any other economy tips they have available while you're about it.
13. A log fire that has a wetback installed in it is very useful in winter. If your present fire doesn't have a wetback, see if you can get one installed.
14. If you live in the country chances are you can get free firewood from farmers clearing parts of their land. Small farmers can be very generous and, although they won't have time to chainsaw the felled trees for you, they may even deliver the wood if you don't have a suitable vehicle.
15. There is always a lot of wood left in forests after logging. The forest owners would probably let you take it free. It's worth asking them anyway.
16. If there are only two in your household, a small counter-top oven is more economical than a full oven. If you have one, use it.
17. Likewise, make as much use of your microwave as you can. Borrow some microwave books from the library if necessary to learn all the wonderful things your microwave can do.
18. If you have a pressure cooker, there's no better way to make soup stocks quickly and economically. Home made soups are not just cheaper than bought; they're also tastier and more nutritious. There are many other things a pressure cooker can do, too.
19. If you have a Crock-Pot (slow cooker) it turns the toughest meat into tender, delicious casseroles using far less power than your oven. On low it uses no more power than a 60W light bulb. You can also steam puddings in it (and I believe you can even bake cakes) and, as long as you use the low setting, you can be sure your baked custard won't overcook.
20. If your oven is electric, turn it off five minutes or so before the end of cooking time.
21. When cooking yeast-raised products in your oven don't turn on the oven until you put the dough in to cook. After all, this is how the bread-makers work!

22. Don't use saucepans that are too small for the element or gas burner, and once the water is boiling set the heat only high enough to keep it simmering.

Money Tips

1. Don't keep money in your purse/wallet (or anywhere in the house) if you can help it. If you don't have it, nobody can take it from you!
2. Use your cash card (*not* your credit card) for all purchases and take careful account of how much you spend and what you spend it on.
3. Use your credit card only when you already have the money (or at least most of it) for the item you want. Nothing puts people on low incomes into debt as easily as incorrect use of a credit card. You need to be able to pay off the debt *without paying any interest*, which means the whole amount needs to be paid as soon as it's due. If you have problems using a credit card so that you don't pay any interest on it, the only solution might be to cut up the card and throw it away.

Miscellaneous Tips

1. Preferably cut out long-distance phone calls and ask family and friends to call *you*. If you can't, at least cut down on the number you make. Try to make all such calls one after another when your phone company has a special "bulk" deal that you know you can afford.
2. Don't gamble, even on weekly lottery tickets. If you spend \$5 a week on your country's big lottery, that amounts to \$260 a year. You're unlikely to recoup this in the small wins that are all you can expect. If you have serious trouble doing without your weekly flutter, you need help. Try Gamblers Anonymous.
3. If you smoke, make a determined (and this time successful!) effort to give it up. This is very hard but it's well worth the trouble: you'll feel better for it and you'll start being able to taste your food again. There's a lot of help available. Seek it if you need it.
4. Cut out alcohol. If this is any sort of problem for you, you're in real trouble because it means you're addicted. Seek immediate help from Alcoholics Anonymous.
5. Concerts, plays, films, video rentals, etc, are also off budget. Remember, if it's not necessary to survival. Get acquainted with your local library. You can check out videos there for free.

I do hope at least some of these tips help you. They may even lead you to some ideas of your own to save money.

Check out more money-saving tips on BetterBudgeting.com.

Finally, good luck with both your new budget.