

Reasons to save



Emergency savings

Unexpected expenses can and will happen. If you have some emergency savings, you can avoid using credit cards or high interest loans to pay for something unexpected. One way to start building emergency savings is to set up automatic payments to a savings account each month. The money will be there for you when you need it.



Education savings

Putting aside money for your children's education can start as soon as they are born or any time. It is never too early or too late to start! The Registered Education Savings Plan (RESP) is a saving tool for exactly this purpose. Some of the money you put in is matched by saving grants from the government. If your income is low, you may receive a grant called the Canada Learning Bond for your child. Find out more from your bank or credit union.



Home ownership or home needs

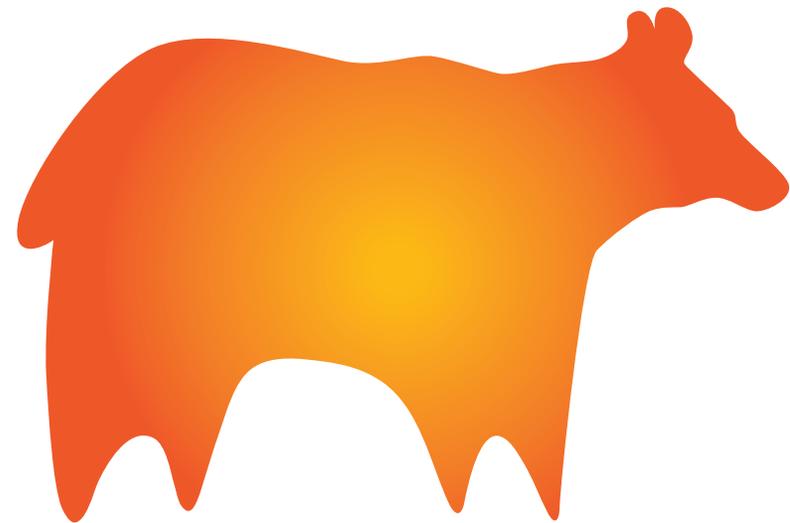
Your long term goal may involve buying or building a home, finding a better rental, or improving your living space. These goals mean saving larger amounts. Setting up automatic payments to a savings account makes sense for these goals too.



Retirement planning

Planning for retirement helps you achieve financial health and wellness for you and your family in the long term. You will likely need personal savings for retirement in addition to any public benefits or employer pension you receive. There are different savings plans you can use that will work best for your income situation, goals and comfort with risk. Some options are a Tax Free Savings Account (TFSA) or a Registered Retirement Savings Plan (RRSP).

06 Setting a savings goal



Savings goals say something about what is important to you and your family.

Setting a savings goal means that you have decided how much money you can put away, and what you are going to save for.

This activity can help you write down some money goals and when you would like to achieve them. You can build savings by putting aside small amounts on a regular basis.

Getting to your goal might involve cutting some expenses so you can save a bit more money each week.

What you will need:

- Know how much money you have available to save in a given time period, such as each month. If you don't know, use the monthly budgeting worksheet in this series to make a budget.
- Know what your goals are, both short term (in the next few months or a year) and long term (more than a year away).

Many of us struggle with setting goals. It is something you can practise by 'starting small' and then moving on to bigger goals.

The bear is the head of the animal world. The bear teaches us the importance of keeping healthy and well. Although the bear is large it walks softly on the land.

Goal setting steps



1. On the chart below, write down one or more goals.
2. Write down how much money you will need to reach each goal.
3. Under "Time frame," decide if this is a goal for the short term (this year) or longer term (more than a year). When do you want to achieve the goal?
4. Figure out how much money you will have to save each month to meet that time frame.
5. Think about whether the amount you need and your timeframe are realistic – if not, make some adjustments. For instance, you might need to increase your time frame or work on only one goal at a time. Talk it over with your family.

Goal	Amount needed (\$)	Time frame needed	Monthly savings amount needed (\$)
I will save this much each month towards my goal(s)			\$

6. Write down why you are committing to your goal:

I am committing to these goals because:

7. What might get in the way of saving? Possible solutions

What might get in the way of saving?	Possible solutions