

Ways to manage cash flow

A good way to start managing your money is to track what comes in and what goes out. This is called cash flow.

If your income is unstable, cash flow can be an issue. Here are some ideas to help even out your cash flow so that you do not add to your debt.

Look for ways to make the most of your income

- If you do not work the entire year, think about having your employer adjust the tax they withhold on your pay. Your tax refund will be smaller but you will have more monthly income when you are earning. Just make sure that you do not end up owing tax money at the end of the year.
- You can also set your budget to match your low-earning times. Then, save any extra money you make during your higher-earning times.

Look for ways to make expenses more regular

- Do you have bills you pay yearly, such as insurance? Try to split lump-sum payments into smaller, more frequent, payments. It makes them easier to manage.
- Consider switching utility rates such as heating to a fixed rate so that you pay the same amount every month.
- Set a budget for expenses like food and cell phone use, which can vary from month to month. It helps to place a limit on how much you will spend.
- Plan to pay your bills on the same day each month.

Match up your payments with the timing of money coming in

- You can try to arrange a new due date for some bills. Try to pick a due date that falls right after pay day. This can help you pay your bills on time and avoid late fees.
- Set up automatic payments with your bank to help you make payments on time.

05 Saving for unstable income



Saving is a good habit to have no matter what your financial situation is.

Saving becomes even more important if your income is unstable. Unexpected expenses and emergencies can be especially hard if they happen when money is low.

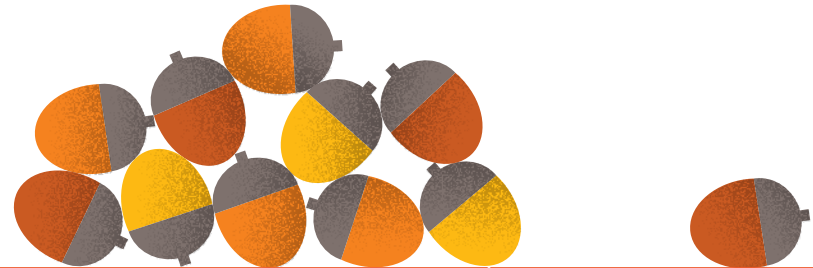
Plan to save more when more money is coming in. Find ways to trim your spending when money is tight. This worksheet will help you think that through.

Squirrels gather and store nuts for the winter. Saving when times are more plentiful can help you prepare for the leaner times.

When will you have money that you can set aside?

Think about the times when you have more money coming in. For instance, some people do seasonal work and have more money then. Some people receive benefit payments once a month. Some people get a tax refund or government rebate once a year.

Use the table below to map out when you expect to receive money, how much you receive, and how much you can set aside for savings



Source of income	When I expect to receive the income	Amount I expect to receive	Amount I can set aside for saving
<i>Example: Tax refund</i>	<i>June 1</i>	<i>\$1,000</i>	<i>\$100</i>
Employment		\$	\$
Self employment		\$	\$
Government benefits such as Canada Child Benefit, GST/HST credit		\$	\$
Disability benefits		\$	\$
Tax refund		\$	\$
Other:		\$	\$
Other:		\$	\$
Total amount I can put aside for saving:			\$