

01 The importance of saving

How could saving help you to reach your hopes and dreams?

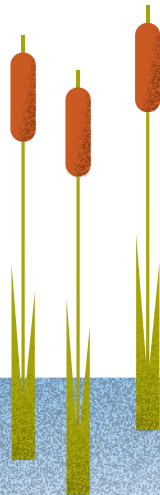
Think about at least one thing you can do right away to start saving and get closer to your dream. Could you make more money and save it? Could you spend less to build more savings?



This worksheet will help you to think through your reasons to save.

Write them down. You can even draw pictures of your hopes and dreams! This can be a helpful first step in making plans.

The great blue heron is found across Canada. It adapts to its environment by eating a variety of food and migrating to different locations depending on the climate. Like the herons' journey, everyone's savings journey may look different. The most important thing is to take the steps that are best for you.



My reasons to save

There are many reasons to save, and each person has their own reasons. What are yours?

Here are some examples of why people save:



A new hobby



An emergency or
'rainy day' fund



Medical expenses



Education



Retirement



A big-ticket item like
owning a car or home

What are some things you would like to save for in the next month?

What are some things you would like to save for in the next year?

Hopes and dreams

Think further into the future. What hopes and dreams do you have? Think about what you wish for your life, work, education, and family.

Draw a picture, use symbols, or write down your ideas.

What job do I want?

Where do I want to be in two years?

Who are the people I want to be around?

What home will I be living in?

Review often

Keep track of how much you have saved. Life changes all the time, so adjust your saving if you have to. It is okay to have set-backs, as long as you are still checking your savings progress.

How often will you check your savings? _____

What savings habits are working well for you so far? _____

What would you like to change? _____

Look at what you have achieved

Celebrate successes

Keep track of all the steps you are making toward your goal. Celebrate them! Find a way to share and celebrate your successes, no matter how small.

When will you know that you have finished a step in your plan? Write down how you will celebrate this success:

Add to what you have achieved

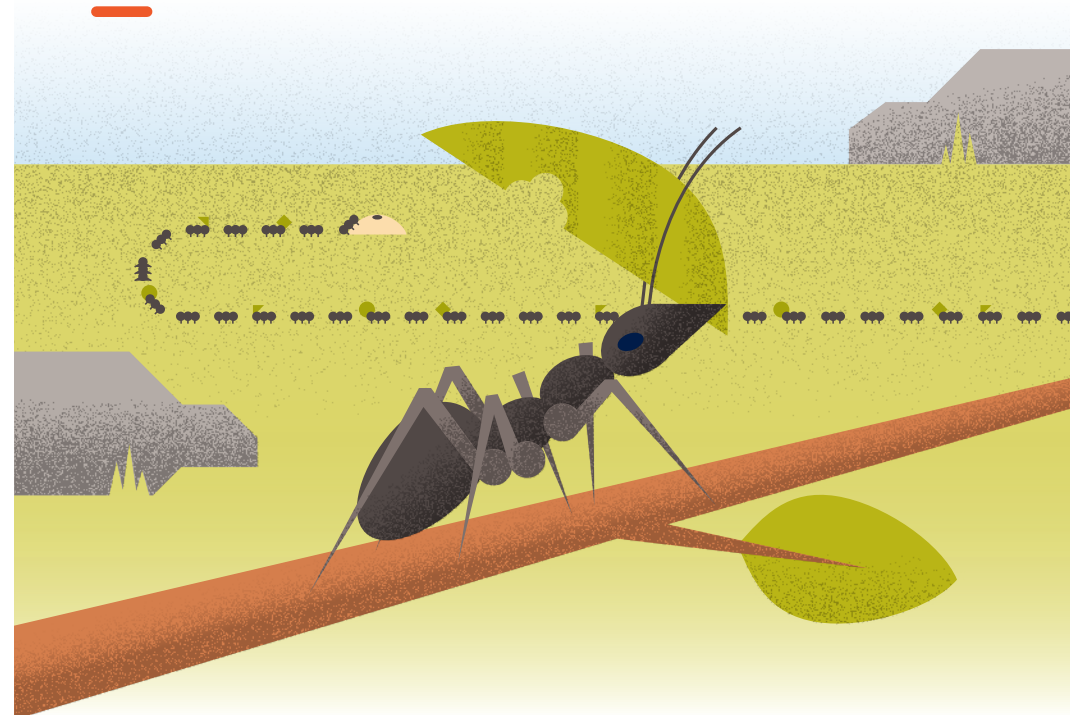
Once you have reached your goal, keep going!

Think about what went well while you were working towards your goal. What was difficult? What habits would you like to keep? What might change as you continue your savings journey?

Most important, think about how good you felt when you met your savings target. You have what it takes to make a difference in your future.

Now, set a new goal for yourself and keep building your savings!

02 Create a savings goal



To create a plan for reaching your hopes and dreams, you need to set goals. Do not worry if you can only plan to save a little bit at first. The important thing is to get started. Then you will develop a good saving habit.

This worksheet will help you to plan out your savings goal. If you are saving for the first time, begin with a small goal that you can achieve in the next month. Reaching this goal will give you the confidence to keep saving. As time goes on, your goals can get bigger and longer-term.

Ants use their super strength and problem-solving skills to build complex nests, one grain of soil at a time. Even small steps will bring you closer to your savings goal.

Setting a savings goal

Be realistic

Think about just one goal you want to achieve.

How much do you want to save for this goal? _____

How long can you save for it? When do you want to use the money?

Now think about how realistic this goal is for you right now. Can you achieve it? If not, can you make some changes to make it more realistic?

Write down your savings goal here: _____

Connect to your values

When our goals match up with what we believe in, we set ourselves up for success.

Why is your savings goal important for you? How does it reflect your values and beliefs?

Break it up

When we have a big goal, it can mean saving for a long time. That can be hard to think about. Try thinking about a big, long-term goal as a series of smaller and shorter goals.

For instance, how much will you need to save in a year? _____

Divide that number by 50. This is about how much you will need to save each week:

Set yourself up for success

Look ahead. What are the challenges?

Write down some challenges that may get in the way of your savings goal:

What are some things you can do now to help prepare for those challenges?

Make it automatic

Deciding to set aside money for savings each week takes a lot of energy. Many people find that it is easier to just make the saving automatic.

For instance, some people ask the bank to set up an automatic transfer. This puts a small part of each paycheck into a savings account. Some people use an automatic round-up debit card. When they buy something, the card rounds the amount up. The spare change gets automatically transferred to their savings account.

What are some things you can do to make saving automatic?

Find a buddy

A friend or a support person can encourage you and help keep your saving on track. Talk with others who have similar goals. You can share tips and experiences.

Who is someone you trust to share your goals with?

Professional support

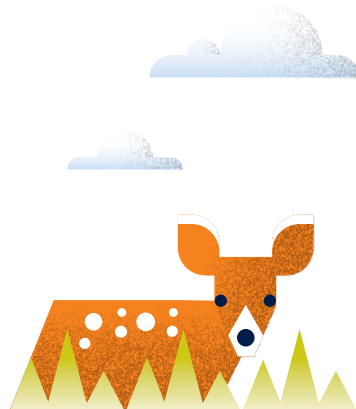
There are times when you may need professional help to manage your finances. Check the non-profit organizations around you. Some offer free financial programs and support.

A professional counsellor can help if your need for support is urgent. For instance, if you are having trouble paying back debt or paying the bills, you may wish to speak with a **credit counsellor**.

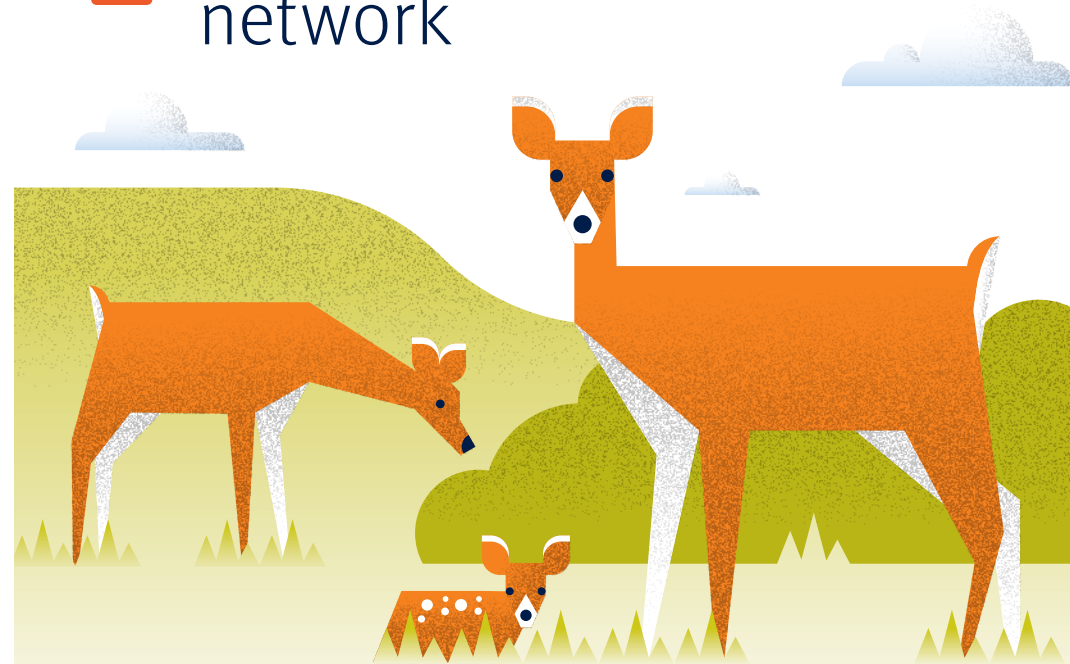
Community agencies have trained professionals who can help. They can give you information on saving and other financial literacy resources. Some have case workers who can meet with you if you need help managing money, applying for benefits or finding a job. For help finding a community social service near you, go to the **211 website** or dial 2-1-1 on your telephone. You can also find a list of financial empowerment organizations using the Prosper Canada **Financial Empowerment Directory** at learninghub.prospercanada.org.

A financial coach can help you with your financial goals. The coach works with you to identify and think through the challenges that you are facing. They can help you create an action plan. They can coach you as you practise your money management skills.

A social assistance case worker is an important person to speak to if you are receiving social assistance. It is possible to save money when you are on social assistance, but there may be rules about how much you can save. You may also be allowed to save in some types of accounts but not others. Every province or territory has its own rules. It is important to follow the rules if you do not want your payments to be affected.



03 Savings support network



Setting and reaching a goal can be challenging sometimes. It is normal to have setbacks. It is okay to ask for help. One of the keys to success is to prepare for challenges. Another is to know where to look for help.

This worksheet will help you think about how a support network can help you achieve your savings goals. Think about the people and resources around you and in your community. What information and help can they provide?

White-tailed deer have amazing senses of smell, sight, and hearing. They use these senses to alert other deer nearby. We all have times when we need to turn to others for help. A support network can help you succeed in your savings goals.

What kind of support might you need?

Think back to something you are proud of. You did it, but who supported you along the way? What type of help did they give?

If you did not get all the support you needed, what would have helped?

Here are some things you may need to achieve your savings goal:



Information about financial products, such as tools for making your savings grow



Help to create or manage a budget



Someone to help check if you are on track



A trusted person to talk with about the challenges



Someone who will encourage and motivate you if you get off track



Check in with yourself to make sure you're getting the right help

What I need for success

Think about the things you need for success with your savings goal. Then, think of someone in your support network who can help you with it.

Things I need for success	Who can help me with this

Your community has people and programs that can help you. They can help you free up some money in your budget so that you have more to save. There may be savings programs or other financial empowerment programs available. Try your local libraries, food banks, community health service centres, life skills workshops and employment, entrepreneurship, and asset-building programs.

Do a little research and write down some resources offered where you live. How might they help you?

Things I need for success	Who can help me with this

Where to keep your emergency fund

Try not to touch your emergency fund unless you really need it. Think about setting it aside in an account that is separate from your chequing account that you use for every-day spending. This way you will be less tempted to use the money for other things.

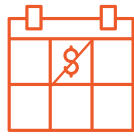
Most banks and credit unions call this a savings account. They have many benefits:



They are safe places to put your money.



You can earn interest.



There are usually no monthly fees.



There is usually no minimum amount you need to keep in the account.

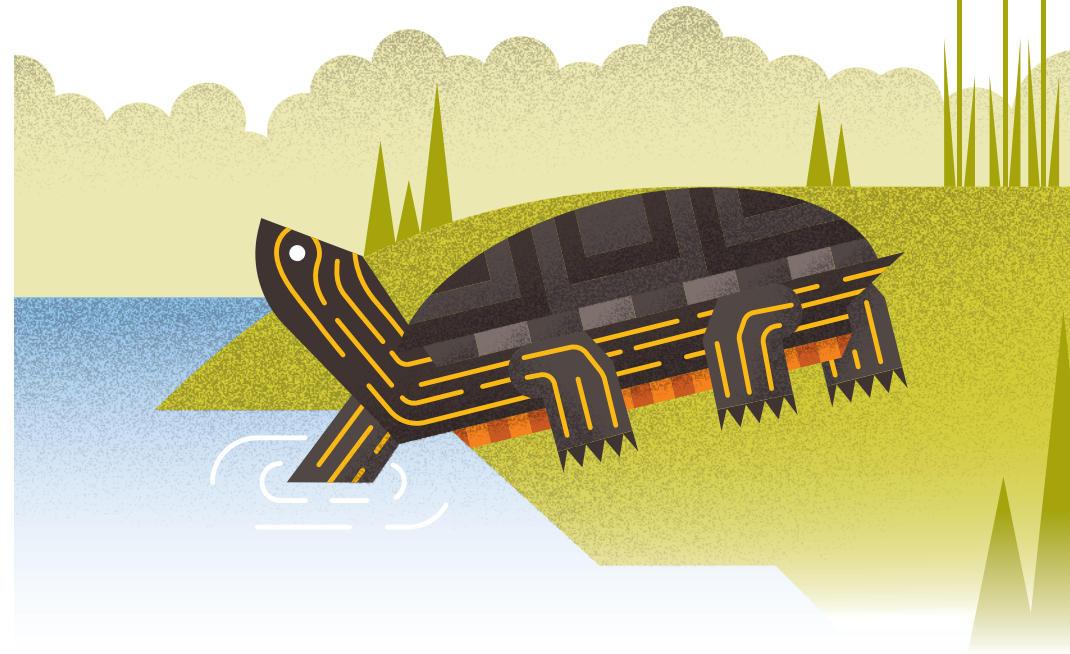


Most allow you to set up an automatic deposit from a chequing account.

You can open a savings account at any bank or credit union. Different places will offer accounts with different features and interest rates. **Compare different accounts** to choose the right one for you.

Earmark emergency savings for unexpected expenses. Even if you do not have emergencies, keep on saving. Turn that fund into even larger savings.

04 Saving for emergencies



Emergencies happen to everyone and they often come with unexpected costs.

A monthly bill might suddenly increase. An urgent home repair might come up. Someone in the family might get sick and need extra support. We cannot predict what the emergency might be.

But we can be ready for it if we put aside some savings in an emergency fund. Even \$500 can protect you from taking on more debt. That saves you money in the long run.

This worksheet will help you prepare for unexpected expenses.

A turtle defends itself with its shell that it carries everywhere. We can build our own, every-day protection by putting aside some savings for emergencies.

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☐ Change in family situation

☐ Emergency childcare

☐ Household repairs

☐ Medical expenses

Transportation

☐ Fines and fees

Unexpected expense	Cost
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
Total amount I will need to save:	\$

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.

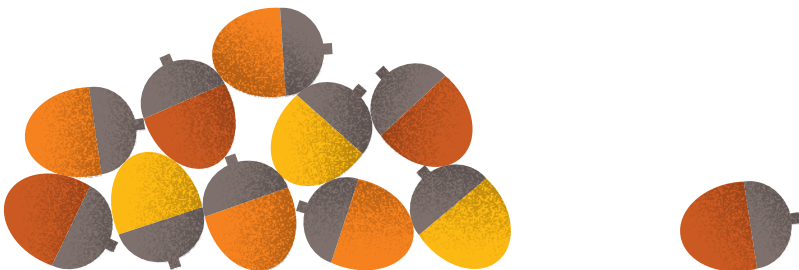
Plan to save more when more money is coming in. Find ways to trim your spending when money is tight. This worksheet will help you think that through.

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
Example: Tax refund	June 1	\$1,000	\$100
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:			\$

06 Saving for education

Government supports for education savings

The **Canada Learning Bond** is a federal government grant. It is a special grant for children from families with low income. You do not need to put any money into the RESP for your child to receive it. All you have to do is open the account.

The **Canada Education Savings Grant**: When you put money into your child's RESP, the government of Canada will match a portion of what you put in each year. Children from all family incomes get the basic grant. Children from families with low- to moderate-income get some more money on top of that.

If you live in Saskatchewan or British Columbia, you may be able to get **support from the provincial government** as well.

Tips

- Call your bank after your RESP is open to make sure they have helped you apply for the CLB and other grants and bonds.
- Choose a financial institution you trust and find convenient. Check [the List of RESP Promoters on the government website](#) to make sure they can help you apply for the government supports you qualify for.
- Grants and bonds are usually deposited into your account once every year. The yearly contribution deadline is in December. You may want to set up yearly meetings with your RESP provider.

Paying for university or college is hard for most people.

It is a good idea to start saving for a child early. Your money has time to grow, and the government of Canada helps you out.

You do this by opening a Registered Education Savings Plan (RESP). Banks and credit unions are RESP providers.

When you put money in, the government puts in some money as well. If you have a low income, you may get more money. Read more about these supports in the section titled "Government supports for education savings".

You can invest the money so that it grows faster. You do not pay taxes on the money earned from interest or investing.

Having an RESP will encourage your child to stay in school because they have money saved up for their education. They will not be so scared about having to borrow and carry a big debt later.

Use this worksheet to plan out the steps to opening an RESP.

Bear cubs stay close to their mother for the first part of their life, learning skills for survival. Saving early for your child's education can increase their chance of staying in school and gaining skills for their future.



My RESP action plan

1. What I need to open an RESP: <ul style="list-style-type: none"><input type="checkbox"/> My Social Insurance Number (SIN)<input type="checkbox"/> My photo ID<input type="checkbox"/> My child's SIN<input type="checkbox"/> My child's birth certificate, Canadian citizenship card, or permanent residence card	2. The plan I want or have: <ul style="list-style-type: none"><input type="checkbox"/> Individual RESP<input type="checkbox"/> Family RESP (if you are saving for more than one child)	3. The grants and bonds I qualify for and how much I should receive: <ul style="list-style-type: none"><input type="checkbox"/> *Canada Learning Bond (CLB) \$ _____<input type="checkbox"/> *Canada Education Savings Grant (CESG) \$ _____ (based on the amount you put in the RESP)<input type="checkbox"/> Provincial grants and bonds: \$ _____	4. Choose a place to open your account: _____ _____ _____ _____ _____ _____ _____
5. How I will set money aside to put in the RESP: _____ _____ _____ _____ _____ _____ _____ Tip: Look at your budget. When do you have money coming in that you could set aside for education savings?	6. How much and how often I will put money in: _____ _____ _____ _____ _____ _____ _____ Tip: With a bank RESP you can put in as much or as little as you want.	7. How I will keep track of how my account is growing: _____ _____ _____ _____ _____ _____ _____ Tip: Make a list of any other questions you want to ask during your visit.	8. Contact information for my RESP provider: _____ _____ _____ _____ Date and time of our meeting: _____ _____ Tip: Make a list of any other questions you want to ask during your visit.

*For more information on the CLB and CESG, see the section titled "Government supports for education savings".

Registered Retirement Savings Plan or Tax-Free Savings Account

Check yes or no to the statements below to help you decide whether to save in an RRSP or TFSA.

I am saving for other goals besides retirement.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
I do not earn an income. or I earn little income.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
I currently pay no income tax. or I currently pay little income tax.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
I expect to receive the Guaranteed Income Supplement (GIS) for low-income seniors when I turn 65.	<input type="checkbox"/> Yes	<input type="checkbox"/> No

If you answered yes to most of the questions above, a TFSA may be the right savings account for you.

If you answered no to most of the questions above, an RRSP may be a good savings plan for you.

If you are not sure where to start, the TFSA is an ideal starting place for any large savings goal, including retirement.

Check off the things you need to do to open a TFSA:

- ☐ Contact your bank, credit union, or insurance company.
- ☐ Give them your Social Insurance Number (SIN) and date of birth.
- ☐ Ask if they need any other supporting documents.
- ☐ Decide how much and how often you want to put money into your account.

07 Saving for retirement



Planning for retirement means thinking about:

- The lifestyle you would like to have later in life
- How much you need to save to live that lifestyle later
- What benefits you get in your retirement years, like Canada Pension and Old Age Security
- How to manage your money after you stop working or when you receive less income.

It is never too late to start saving. But the earlier you begin, the more your money will grow over time. Even small amounts can help to build a future.

Use this sheet to learn more about ways to save for retirement. Then, answer some short statements to decide whether a Registered Retirement Savings Plan (RRSP) or a Tax-Free Savings Account (TFSA) will be better for you.

Robins choose their nesting sites carefully. They will make many trips each day to build their nest with grass and twigs. Their planning and care gives us the term 'nest egg'. Take some time to think about where to put your retirement savings. When it comes to building your nest egg, you need to stick with it.

Ways to save for retirement

Canada Pension Plan (CPP)

If you work in Canada, you can contribute to the Canadian Pension Plan. If you are employed, you and your employer both put money in. If you are self-employed, only you put money in. The government of Canada administers this plan. You must apply for CPP. You can apply as soon as age 60. Or you can delay your application and get more money. Whatever you decide, you must apply.

Workplace savings plans

Some workplaces offer their own pension or savings plans to help their employees save for retirement.

Tax-Free Savings Account (TFSA)

A Tax-Free Savings Account is a good place to put money for retirement savings or any other savings goal. Having a TFSA is very important if you are on a low income. Your money grows tax-free, even when you take it out.

Plus, having a TFSA does not affect the amount of benefits you receive from government programs. You can set one up where you do your banking.

Registered Retirement Savings Plan (RRSP)

This is another kind of savings account for retirement. When you put money into an RRSP account, it reduces the amount of income tax you have to pay. But when you get older and take money out, you have to pay tax on what you have saved and earned.

An RRSP makes sense if you have a steady income and you want to reduce your taxes while you are working. When you retire, your income will shrink, so you will be able to handle the taxes on what you take out.

But if you are living on a low income and getting government benefits, an RRSP may not be the best choice for you. The government might reduce some of your benefits (this is called “claw back”) when you start cashing your RRSP.

Registered Disability Savings Plan (RDSP)

This is a savings plan to help people with a disability to save for the long term. Just like other registered savings plans, it can hold savings and investments. If you qualify, the government will help you save by making payments into the account as well. This is called the **Canada Disability Savings Grant (CDSG) and Canada Disability Savings Bond (CDSB)**.

Investing your money

You can invest money in a TFSA, RRSP or RDSP so that it earns more money than regular interest. But many investments come with higher risk. You might lose some or all of the money you have invested. A financial advisor can help you choose the types of investments that are right for you.

Government benefits for seniors

Old Age Security (OAS) is a government pension for Canadians aged 65 and older. You can receive OAS payments even if you have never worked and even if you are still working. You must live in Canada for at least 10 years since age 18 to qualify for OAS. You must apply to get OAS as soon as you turn 65.

The **Guaranteed Income Supplement (GIS)** is an additional amount you can receive on the OAS pension. It is for seniors who have a low income.

