

40 simple ways to put money in your back pocket

Save money with these tricks. You could save as much as \$15,000.

By Anne Bokma



When we were getting ready to have our first child, my husband, Jeff, and I sat down to take a good hard look at our finances and figure out if we could afford an 18-month unpaid parental leave. The reality that confronted us was more sobering than the prospect of two years' worth of dirty diapers and very little sleep.

There we were, both working full time, earning a combined income in excess of \$100,000 and never thinking twice about buying what we wanted (OK, so we drew the line on driving a Mercedes-Benz and taking four-star European romps). We didn't realize just how sloppy our spending habits had become until we began tracking every cent for three months (see [4 easy steps to creating a budget that really works](#)). Talk about a wake-up call.

So we took a red pencil to our expenses and started mercilessly slashing them. Simply eliminating our daily coffee purchases saved us \$120 a month, or \$1,440 a year -- more of a jolt than the pricey java we'd been drinking. Other changes included eating out less often, dropping Jeff's rarely used squash club membership, getting a library card to sign out books instead of buying them, switching to a cheaper phone company, [paring back on new clothing purchases](#) (OK, that one hurt a bit) and dropping cable TV.

Incredibly, we were able to stash away an extra \$800 a month, or almost \$10,000 a year.

Not only did the savings finance the year-and-a-half parental leave, but we also both decided to go back to a shorter workweek. Because we had forced ourselves to be more frugal, we could actually work less and live more. What a concept. The experience taught us there are plenty of ways to cut back without resorting to a nuts-and-berries existence. Here's how you can save thousands -- and not feel a pinch.

1. Pay off the plastic. Are you making only the minimum payment on your credit card every month? If so, you could still be paying for that silk blouse long after it's faded and frayed. The average Canadian owes \$1,269 to credit card companies. At 18 per cent interest, that's about \$230 a year you could save if you paid your balance off each month.

2. Swap credit cards. If you tend to carry a balance on your credit card, you would be better off [switching to a low-interest card](#) to ease your payment pain. There are no-frills cards that charge as little as 10 per cent versus the average 18 per cent. On a balance of \$1,000, that eight per cent difference adds up to \$80 over 12 months.

3. Get money for nothing (and your cheques for free). Drive right on by any ATM machine that's not hooked up to your bank. You'll save \$1.50 every time. And run from those generic cash machines you see at convenience stores. They charge an additional \$1.50 or more on top of regular transaction fees, which means you could pay \$3 just to take out \$20. If you avoid ATM fees eight times a month all year long, you'll have an extra \$144 in your pocket.

4. Be your own designer. You may not have the style savvy of the experts on "Trading Spaces," but that doesn't mean you can't try your hand at hanging wallpaper or laying linoleum. Instead of hiring a pro at \$30 an hour for eight hours, paint that bedroom yourself and save at least \$240.

5. Watch how your garden grows. Annual bedding plants can soak up a wad of cash; you can easily spend \$60 on a few trays of annuals that will wither before winter. You can save another \$60 on perennials by swapping plants with friends and neighbours instead of going to the garden centre. Next spring forget the annuals, exchange favourite perennials with friends and grow \$120 in the bank, instead.

6. Don't ring up phone charges. Stick to basic service and ditch extra services you don't really need, such as call waiting (\$6 a month), call display (\$8) busy call return (\$5) and inside wire-care maintenance insurance (\$5). You'll save \$288 a year.

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