

# Ten ways

## to improve your finances in 2020



If you feel that your finances need first aid, you're not alone. **Over half of Canadians** are living paycheque to paycheque and over a third of them have no retirement savings.

In Saskatchewan the situation is even worse: **56% of people** carry \$20,000 worth of non-mortgage debt, much higher than the national average of 40%. A third of people in Saskatchewan feel overwhelmed by debt.

## You can quickly improve your finances, however, if you follow these steps;

### → Discover the issue

Work out what's wrong with your finances. Are your outgoings more than your income? Are you carrying too much debt? Are you struggling to save for retirement? Once you have that clear in your mind, it's time for step two.

### → Make a budget

Technology has made budgeting and financial planning really easy. There are budgeting apps that can help you to take back control of your finances and come up with a solid plan of action. It helps to set realistic, short-, mid- and long-term goals, whether they are to reduce debt, get a grip on your spending or increase your savings.

### → Monitor your spending closely

Setting up a budget is not enough. You need to monitor your spending every week, so you know exactly where all your money is going. You may be amazed (and horrified) to discover how much you spend on coffee or eating out every month.

### → Lower your outgoings

Your financial plan may require that you cut back on spending. As well as reducing unnecessary extras, contact cellphone, cable, internet and insurance providers and try to negotiate better rates. Threatening to go elsewhere can bring considerable reductions.

### → Reduce your debt

Once you know where your money's going, you can plan to spend less on unnecessary items and put more into paying off debt. A good tactic is to pay off debts one at a time, starting with the debt with the highest interest rate. Consider taking out a low-interest debt consolidation loan.



## → Start an emergency savings account

The best budgets in the world can be derailed by a broken boiler or leaky roof. By building up emergency savings, through automatic instalments every paycheque, you can ensure your budget stays on track.

## → Find out your credit score

You can find out your credit score by contacting either **Equifax** or **TransUnion Canada**. A good credit score can lead to loans and mortgages at much better rates. A consolidation loan at a low rate can help you to reduce your debt much faster – but you need a good credit score to get one. Monitor your score every six months as mistakes do happen and they can limit the loans or interest rates available to you.

## → Pay your bills on time

This goes hand in hand with your credit score. Paying bills late will lower your credit score and a low credit score reduces your financial options.

## → Put a pause on purchases

Impulse-buying is another way to derail any budget. Avoid temptation by always having a shopping list and resolve to never stray from it, no matter how great that bargain is.

## → Boost your income

If your outgoings are more than your income, you need to increase it. Ask for a raise or extra shifts, work on getting a promotion, look for a better-paid job, or take on a part-time job that can help you to get your finances back on track.



Fixing your finances by yourself can be a daunting task, so **ask for help**. The experts at Cornerstone Credit Union can help you to improve your financial situation.



Call us at  
**1.855.875.2255**  
to set up a meeting  
and let's fix your  
finances.

