

SMART SAVINGS

 Your answers to these questions can help you see why the ability to save is so important.

What are some big purchases you anticipate coming up in the future?

What might happen unexpectedly, like a medical emergency or an unanticipated repair at home, that you would need money for?

When you are ready to retire (leave a full-time job or not be employed at all) how comfortably will you be able to live on your savings, investment income, retirement, or disability pay?

While there are pluses and minuses about using credit, there are only pluses for saving. When you are able to put some money in a savings account every month

- ✦ your account earns interest so your money grows;
- ✦ you are prepared if something breaks down and needs repair or replacing, or if you or a family member has a medical emergency;
- ✦ you can pay for something without going into debt and paying more than it's worth;
- ✦ you'll be able to enjoy retirement and work only if you want to.

These are very big pluses! If you don't have savings to pay for something, the other option is usually to borrow the money, pay interest, and pay more in the long run. Getting in the habit of saving instead of borrowing can be very worthwhile.