

**You can do it
BE IN CONTROL OF YOUR MONEY AND NOT THE OTHER
WAY AROUND!**

New Years Eve is still in fresh memory and you are probably still up for the challenge with your resolutions. Often it is about weight, health and economy. The first two is not my scene, however economy and finance is.

In a way weight and debts have something in common; both of them are so easy to gain but so difficult to get rid of.

So you did over spend this Christmas too. I know Christmas only comes around once a year, but wow does the debt stay longer. Sometimes I wonder if there is not another way of showing our loved ones our caring than spending money, but I leave that for another column.

Well, here we are in January. Santa is gone and the champagne has run out as well as your cash in your wallet. So what to do?

Basically, there is only two ways to a better economy; cut your costs or increase your income. I know it's very basic, but it's true. Sometimes we need to do both to get out of the situation. Let's look in more detail about our options.

To increase our income, usually means work more and earn more money. For many people that is not an option. However, there is an option for all of us to cut our costs.

The biggest cost is often our accommodation. In the short term it may not be possible to change that, so I will leave that for the moment, but there are several costs related to accommodation that we can adjust, for instance:

- Foxtel etc. varies between \$72 to \$88 per month, more or less \$20 dollars a week. If your plan is running out, do NOT extend it.
- Telephone, there is a lot of competition out there so take your time in selecting your provider. www.phonechoice.com.au
- Broadband. There is a great selection out there, so take your time in comparing different companies. It is cheaper to bundle your telephone and broadband to one provider. Also maybe you can agree with your neighbour to share the same internet, if you are living close. If you not use internet a lot or maybe you can use it at your work then internet cafes is also an alternative. Saving about \$40 per month. For more information: www.comparebroadband.com.au

- Mobile. If you are not using the phone a lot you may benefit to pre-pay. If you are calling for more than 40 dollars a month you are better off on a plan.

Negotiate the best deal with one provider for your landline, mobile and broadband. You can actually negotiate. Often they will give you a better price than they have on their price list if you say that you have found a cheaper provider.

- Electricity. I know we need it, but you can cut your cost. The usual way turn off the lamps you don't need, don't use the dryer, turn off the power point not just switch off the television for instance, and insulate windows, doors and roof. The government's is giving a \$ 1200 ceiling insulation rebate. It covers the cost of an average home. www.environment.gov.au Also change to more environmental globes. It doesn't cost anything, Solar heating is another way. Make sure that the fridge is about 4 degrees and the freezer about minus 18. Every degree away from that will cost you about 10 dollars per year. When using the washing machine or dish washer – fill it up!

The highest cost after accommodation is usually the car. Swap around for the cheapest insurance. If your car is old, you might pay more than the car is actually worth. If you can, pay your premium up front since it is more expensive to pay it monthly, usually 5-8 percent. For the moment it is cheapest to fill up your car on a Thursday. It used to be Tuesdays, but for some reason it has changed. Remember that too little air in your tyres increase the petrol consumption as well as heavy weight in the car, so maybe it's time to take out that stuff from the boot. Of course using your car less is an even better way to cut costs.

Food is another high cost. Families with many children especially know about this. So here you need to be creative. I will write more about this on my homepage, but the fact is that you can cut your costs with 50 percent! Let's talk more about that next time!

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