















This topic is about saving money and how it can help you plan ahead. It helps your client understand how to start a savings plan, how much money to save (even if a small amount) and ways to save money every day.

| Section: content for the worker and resources   |  Key messages   |
|---|--|
| <p><b>A: Introducing saving money</b></p> <p> <b>Level 1</b></p> <p> <b>Level 1</b></p> <p> Factsheet</p>  | <ul style="list-style-type: none"> <li>▶ Saving money is putting some money away to use in the future.</li> <li>▶ Saving money helps you pay for things that cost a lot of money.</li> <li>▶ Having money saved helps you when you have sudden or unexpected <b>expenses</b>.</li> </ul> |
| <p><b>B: Saving money as a family and saving money by yourself</b></p> <p> <b>Level 2:</b> <i>Jun and Ming save for a car</i></p> <p> <b>Level 3:</b> <i>Angele sends money home to her family</i></p> <p> Factsheet</p>  | <ul style="list-style-type: none"> <li>▶ Saving money helps you plan.</li> <li>▶ Try to save money as often as you can.</li> </ul>   |
| <p><b>C: Create a savings plan</b></p> <p> <b>Level 2:</b> <i>Decide what to save for</i></p> <p> <b>Level 3:</b> <i>Create a savings plan</i></p> <p> Factsheet</p>   | <ul style="list-style-type: none"> <li>▶ A <b>savings plan</b> will help you know how often you can save.</li> <li>▶ Save your money in a safe place like a <b>bank</b>, <b>credit union</b> or <b>building society</b>.</li> <li>▶ Save money for something you want to buy.</li> </ul> |
| <p><b>D: Saving money for emergencies</b></p> <p> <b>Level 2:</b> <i>Match the words to their meaning</i></p> <p> <b>Level 2:</b> <i>Rasheed uses emergency money</i></p> <p> <b>Level 3:</b> <i>Fran starts saving for emergencies</i></p> <p> Factsheet</p> | <ul style="list-style-type: none"> <li>▶ Saving money for <b>emergencies</b> means you are prepared for things you did not plan for.</li> </ul>  |

## 2: Saving money

# Financial literacy levels



**Ask these types of questions to check your client's level of understanding and knowledge**

- ▶ Why is it a good idea to save money?
- ▶ Have you saved money for something before? If so, how did you do this?
- ▶ How often is it good to save money?

After your client answers your questions, determine what information they need based on their level of knowledge. You can do this using this table.

| Your client has this level of knowledge            | Description   |
|--|---|
| <b>Level 1:</b><br>No or a limited understanding   | <p>If your client cannot answer any of your questions or can only answer them a bit, they have no or a limited understanding.</p> <p>You can help them understand more by showing them the photo story in their translated language to introduce the topic.</p> <p>You can also listen to the audio story.</p> <p>After using the photo and/or audio stories, see if your client has developed some understanding of the topic, by asking them to answer the questions again.</p> <p>At the end of the section, you can give your client the factsheet in their translated language to take home with them, so they can look at it later.</p> |
| <b>Level 2:</b><br>Some level of understanding     | <p>If your client answers one or more of your questions, but not in a lot of detail, they have some level of understanding.</p> <p>You can show them the photo story to review the topic.</p> <p>You can also go through the <b>Level 2</b> activities and stories in the kit as these are for clients with some level of understanding.</p> <p>At the end of the section, you can give your client the factsheet in their translated language to take home with them, so they can look at it later.</p>  |
| <b>Level 3:</b><br>A higher level of understanding | <p>If your client answers your questions in detail they have a higher level of understanding.</p> <p>For example, if you ask your client 'Do you know how to save money for emergencies?', and they say 'yes' and can explain what it is, you do not need to show them the photo story. Instead, you can look at the more advanced activities in the kit with them, labelled as <b>Level 3</b>.</p> <p>At the end of the section, you can give your client the factsheet in their translated language to take home with them, so they can look at it later.</p>   |

# A: Introducing saving money



## Key messages

- ▶ Saving money is putting some money away to use in the future.
- ▶ Saving money helps you pay for things that cost a lot of money.
- ▶ Having money saved helps you when you have sudden or unexpected expenses.

## Content for the worker

This section introduces your client to the concept of saving money. To do this, show your client the photo story and/or play the audio story.

When showing the photo story, remember to pause and check if your client is following the story in the right sequence.

A factsheet on this topic is also available for your client. You can photocopy and give the factsheet to your client in their translated language to take home.



After using the photo and audio stories, you can check your client's level of understanding and knowledge by asking questions such as:

- ▶ What does it mean to save money?
- ▶ What can you remember about the steps to saving money?
- ▶ How can saving money help you with unexpected expenses?

Does your client understand the key points from today?

If they do not, you can go through the information again at another time.

If they do you can proceed to the next level, the next time you meet your client – from **Level 1** to **Level 2** or from **Level 2** to **Level 3**.

## Resources



**Level 1:** Saving money photo story



**Level 1:** Saving money audio story



Saving money factsheets. These can be found at the end of the topic in the following languages:

- 1 English
- 2 Arabic
- 3 Assyrian
- 4 Burmese
- 5 Chin Hakka
- 6 Dari
- 7 Dinka
- 8 Farsi
- 9 Hazaragi
- 10 Karen
- 11 Kirundi
- 12 Nepalese
- 13 Nuer
- 14 Sudanese Arabic
- 15 Swahili
- 16 Tamil

## 2: Saving money

# B: Saving money as a family and saving money by yourself



### Key messages

- ▶ Saving money helps you plan.
- ▶ Try to save money as often as you can.

### Content for the worker

Saving money can help you pay for the things you want to buy. Some people decide they want to save to buy a car, a computer or to send some money home to their family.

It helps to decide what you want to save for. This is called your **savings goal**. Your savings goal is the amount of money you need to save to buy the things you want that you do not have the money for right now. So you need to save money to buy what you want.

### Saving money as a family

Saving money as a family is a good idea if everyone wants to buy the same thing, such as a computer or television that everyone can use. If everyone in your family saves money you will have more money more quickly.

Saving money as a family can be hard if everyone wants to save for different things. So it is important to sit together and talk about what is important for the whole family. If the family agrees on what they want to save for, then you can find out how much it will cost to buy what you want and then start saving.



To save as a family you need to:

- ▶ decide together what your savings goal is (for example, a car)
- ▶ find out how much the item costs (look at how much the item costs in different places that have it for sale)
- ▶ work out how much money you can save from the income your family makes and then how long it will take to save the amount you need (to reach your savings goal)
- ▶ save when you can, as often as you can, even if it is a small amount.

### Saving money by yourself

Saving money by yourself is a good idea, for many reasons. Saved money helps you when you have sudden or unexpected expenses. It can also help you if there is something you want to buy.

It can be easier to save money when you have something you would like to buy because you have a savings goal. It is important to work out what you want to save for and how much the item costs to buy.

To save money by yourself:

- ▶ decide what your savings goal is (for example, a mobile phone)
- ▶ find out how much the item costs (look at how much the item costs in different places that have it for sale)
- ▶ work out how much money you can save from your income and then how long it will take to save this amount (to reach your savings goal)
- ▶ save when you can, as often as you can, even if it is a small amount.



You can tell your client to visit the MoneySmart website, [www.moneysmart.gov.au](http://www.moneysmart.gov.au), and complete the MoneySmart savings goal calculator.

### Activities and stories



**Level 2:** *Jun and Ming save for a car*  
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**Level 3:** *Angele sends money home to her family*  
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## 2: Saving money

# C: Create a savings plan



### Key messages

- ▶ A savings plan will help you know how often you can save.
- ▶ Save your money in a safe place like a bank, credit union or building society.
- ▶ Save money for something you want to buy.

### Content for the worker

You can help your client understand they can create a savings plan for something they want to buy but do not have the money to buy now.

You might want to save money to buy an item for the whole family, such as a new fridge, a car or sending money home to your family. Or you might want to buy an item for yourself, like a mobile phone, a laptop computer or some clothes.

The benefits of using a savings plan is that you know what you are saving for, where the money you are saving comes from, how much you can save and where to keep your savings.

You can explain to your client that there are three steps to creating a savings plan – these are explained below.

#### Step 1 Deciding what to save for

You can write down what you are saving for or cut out a picture of it from a magazine or brochure. You can put this in a place where you will see it often – for example, on the fridge door – to remind you of what you are saving for. This is your savings goal.

#### Step 2 Deciding where the money being saved will come from

You have to decide where the money being saved will come from by looking at your income and expenses. Write down how much money you can save after you use your income

to pay for all of your expenses, such as food, rent and other bills. You can even save a small amount. You might be able to save \$10 a week from your income, or perhaps more.

#### Step 3 Deciding where to keep your savings

Putting your savings in a bank, credit union or building society account is a safe way to save your money. You will be less likely to spend it while you are saving because it is not as easy to get it straightaway.

Banks, credit unions and building societies have special accounts to help you save even more. They give a higher **interest rate** because they are not expecting clients to access their money every day.



You can tell your client to visit the MoneySmart website, [www.moneysmart.gov.au](http://www.moneysmart.gov.au), and complete the MoneySmart savings goal calculator.

### Activities and stories



**Level 2:** *Decide what to save for*  
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**Level 3:** *Create a savings plan*  
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## D: Saving money for emergencies



### Key messages

- ▶ Saving money for emergencies means you are prepared for things you did not plan for.

### Content for the worker

An emergency is when something unplanned happens that needs attention straightaway. It can happen at any time and can mean you have to spend money even though you did not expect to – for example fixing your car if it breaks down, paying for medical bills if you get sick or fixing something that breaks down in your home. So saving money for emergencies is a good idea.

To work out how much money you can save for emergencies, you can prepare a budget. To do this you need to work out how much your income is and how much your expenses are, to find out how much money you have left. Income is money coming in, for example, from wages. An expense is money going out, for example, on bills and food.



For more information on preparing a budget, see Topic 1 on Household budgets.



For more information about planning and keeping track of a budget, and how to increase savings, you can tell your client to visit the MoneySmart website, [www.moneysmart.gov.au](http://www.moneysmart.gov.au), or call a Centrelink Financial Information Service Officer on 13 23 00.

### Activities and stories



**Level 2:** Match the words to their meaning  
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**Level 2:** Rasheed uses emergency money  
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**Level 3:** Fran starts saving for emergencies  
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## 2: Saving money

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# Activities and stories

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## 2: Saving money

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## B: Saving money as a family and saving money by yourself

## Jun and Ming save for a car

 Level 2

Jun and Ming do not have a car so they have to catch public transport everywhere with their two young children. Sometimes they have to catch a bus and a train on the same day. They decide they do not want to do this anymore as it takes them a long time to get to places and sometimes they have to wait in the cold for public transport.

Jun and Ming want a car for the family if they can afford one. To decide if they can afford one they talk about what the car would cost. They talk about all of the costs involved, including the price of the car but also the registration and insurance they need before they could drive it.

Jun and Ming looked at different cars and found one they like. Then Jun found out how much registration would cost and he telephoned the insurance company to find out how much car insurance would cost.

After adding all of the costs together Jun and Ming decided the car would cost them \$3,500 in total.



**?** Why is it important for Jun and Ming to think about all of the costs, not just the price of the car?

Jun and Ming get together as a family and decide they can put \$80 a week into their **savings account** to buy the car. They can find the extra \$80 a week by making their lunch at home instead of buying it at work every day.

**?** How long will it take Jun and Ming to save \$3,500 if they save \$80 a week?

Jun and Ming work out how long it will take them to save for the car by dividing the total cost of the car (\$3,500) by the amount they can save each week (\$80) to get 44. This means it will take them 44 weeks (around 11 months) to have enough money to buy the car if they save every week. If they cannot save for a week, it will take them a bit longer.

**?** What would happen if an **unexpected expense** came up, such as needing to buy medicine for one of their children?

After 11 months, Jun and Ming buy a car for the family and now drive the children to school and drive themselves to work.

**?** Is there any way Jun and Ming could save money more quickly? What could they do?

## 2: Saving money

### B: Saving money as a family and saving money by yourself



#### End of level 2: check in with your client

Does your client understand the key points from today?





If they do not, you can go through the information again at another time.

If they do you can proceed to **Level 3** the next time you get together.



You can give your client the factsheet in their translated language to take home. Repetition is part of learning.

#### Has your client got a better understanding?

| Result   | Next steps  |
|--|---|
| Your client has a higher level of understanding – completely understands the concept of saving money and has demonstrated their understanding. |  Great work!<br> You can give your client a copy of the translated factsheet in their language to take home. |
| Your client has some level of understanding of the concept of saving money.  |  You can help your client work through the <b>Level 2</b> activities and stories again.  |
| Your client has no or limited understanding of the concept of saving money.  |  You can watch the photo story and listen to the audio story again with your client.   |

#### More information for your client



For more information about how to plan to save, you can tell your client to visit the MoneySmart website, [www.moneysmart.gov.au](http://www.moneysmart.gov.au), or call a Centrelink Financial Information Service Officer on 13 23 00.

#### Reflection questions for workers

- ▶ What worked well today?  
What did not work well?
- ▶ Did your client understand the key messages?
- ▶ How could the session have been more effective?
- ▶ Did the activities engage your client in the topic?
- ▶ What questions unexpectedly emerged and how did you handle them?
- ▶ What might you do differently next time?

*B: Saving money as a family and saving money by yourself*

## Angele sends money home to her family

 **Level 3**

Angele moved to Australia from Burundi 3 years ago. She has not been back to Burundi and misses her family very much. To help her family, she decides to save and send some money back home.

Angele is working and has a regular income. She works out a budget to see how much money she can save for her family. When she has completed her budget she knows what her expenses are and what her income is. Angele works out she can save \$500 in 6 months. This will buy food for her parents and for the animals on the farm for 6 months. This means her family can make money from the farm so they have their own income and Angele works this out to be about 645,000 Burundian francs.

Angele decides to open an account at the bank. This is the safest place to keep her money while she is saving. She also has to think about how she will send the money home. After speaking with the bank teller, Angele is told it will cost her \$10 to send the money overseas.



**?** How much will Angele need to save each week out of her pay so she can reach her goal? How long will it take her?

Angele needs to save \$20 a week for the next 6 months to save \$500.

After 6 months of saving, Angele is excited and rings her parents to tell them she is sending money to them. Her parents are happy because it has not rained in Burundi for some time and this money will help them with food and the animals.

Angele was very happy she could help her parents and decided to continue saving \$20 a week out of her income so she can continue to send \$500 to her family every 6 months.





**?** Can you think of something you might like to save for?

**?** How would you go about saving for it?

## 2: Saving money

### B: Saving money as a family and saving money by yourself

#### Has your client got a better understanding?

| Result   | Next steps   |
|--|--|
| Your client has a higher level of understanding – completely understands the concept of saving money and has demonstrated their understanding. |  Great work!<br> You can give your client a copy of the translated factsheet in their language to take home. |
| Your client has some level of understanding of the concept of saving money.  |  You can help your client work through the <b>Level 2</b> activities and stories again.   |
| Your client has no or limited understanding of the concept of saving money.  |  You can watch the photo story and listen to the audio story again with your client.  |

#### More information for your client



For more information about how to plan to save, you can tell your client to visit the MoneySmart website, [www.moneysmart.gov.au](http://www.moneysmart.gov.au), or call a Centrelink Financial Information Service Officer on 13 23 00.

#### Reflection questions for workers

- ▶ What worked well today?  
What did not work well?
- ▶ Did your client understand the key messages?
- ▶ How could the session have been more effective?
- ▶ Did the activities engage your client in the topic?
- ▶ What questions unexpectedly emerged and how did you handle them?
- ▶ What might you do differently next time?

### C: Create a savings plan

#### Decide what to save for

 **Activity Level 2**

You can use this activity to help your client decide if they want to save for something and how to go about it.

You can discuss with your client what they would like to save for by looking at these pictures as examples. Your client can also choose to save for something that is not in the pictures.

You can then discuss how to create a savings plan, working out what your client's current budget is and how much they might be able to save.



## 2: Saving money

### C: Create a savings plan



#### End of level 2: check in with your client

Does your client understand the key points from today?





If they do not, you can go through the information again at another time.

If they do you can proceed to **Level 3** the next time you get together.



You can give your client the factsheet in their translated language to take home. Repetition is part of learning.

#### Has your client got a better understanding?

| Result   | Next steps  |
|--|---|
| Your client has a higher level of understanding – completely understands the concept of saving money and has demonstrated their understanding. |  Great work!<br> You can give your client a copy of the translated factsheet in their language to take home. |
| Your client has some level of understanding of the concept of saving money.  |  You can help your client work through the <b>Level 2</b> activities and stories again.  |
| Your client has no or limited understanding of the concept of saving money.  |  You can watch the photo story and listen to the audio story again with your client.   |

#### More information for your client



For more information about how to plan to save, you can tell your client to visit the MoneySmart website, [www.moneysmart.gov.au](http://www.moneysmart.gov.au), or call a Centrelink Financial Information Service Officer on 13 23 00.

#### Reflection questions for workers

- ▶ What worked well today? What did not work well?
- ▶ Did your client understand the key messages?
- ▶ How could the session have been more effective?
- ▶ Did the activities engage your client in the topic?
- ▶ What questions unexpectedly emerged and how did you handle them?
- ▶ What might you do differently next time?



## C: Create a savings plan

## Create a savings plan


**Activity Level 3**

You can use this activity to explain to your client that there are three steps to creating a savings plan – deciding what to save for; deciding where the money being saved will come from; and deciding where to keep your savings. Then review each step.

You can also make a copy of this activity if you or your client want to write in the box below. Or you can have a blank piece of paper ready.

**Step 1****Deciding what to save for – this is your savings goal**

You can write down what you are saving for or cut out a picture of it from a magazine or brochure. You can put this in a place where you will see it often – for example, on the fridge door – to remind you of what you are saving for. This is your savings goal.

**Step 2****Deciding where the money being saved will come from**

Decide where the money being saved will come from by looking at your income and expenses. Write down how much money you can save after you use your income to pay for all of your expenses, such as food, rent and other bills.

You can even save a small amount. You might be able to save \$10 a week from your income, or perhaps more.

**Step 3****Deciding where to keep your savings**

You can choose to save money by keeping it at home if you want to. But putting your savings in a bank, credit union or building society account is a safe way to save your money. You will be less likely to spend it while you are saving because it is not as easy to get it straightaway.

Banks, credit unions and building societies have special accounts to help you save even more. They give a higher **interest rate** because they are not expecting clients to access their money every day.







If your client already has an understanding of savings, banks and the Internet, you can talk to them about high interest savings accounts in more detail, especially those that are online.

## 2: Saving money

### C: Create a savings plan

#### Has your client got a better understanding?

| Result   | Next steps   |
|--|--|
| Your client has a higher level of understanding – completely understands the concept of saving money and has demonstrated their understanding. |  Great work!<br> You can give your client a copy of the translated factsheet in their language to take home. |
| Your client has some level of understanding of the concept of saving money.  |  You can help your client work through the <b>Level 2</b> activities and stories again.   |
| Your client has no or limited understanding of the concept of saving money.  |  You can watch the photo story and listen to the audio story again with your client.  |

#### More information for your client



For more information about how to plan to save, you can tell your client to visit the MoneySmart website, [www.moneysmart.gov.au](http://www.moneysmart.gov.au), or call a Centrelink Financial Information Service Officer on 13 23 00.

#### Reflection questions for workers

- ▶ What worked well today?  
What did not work well?
- ▶ Did your client understand the key messages?
- ▶ How could the session have been more effective?
- ▶ Did the activities engage your client in the topic?
- ▶ What questions unexpectedly emerged and how did you handle them?
- ▶ What might you do differently next time?

## D: Saving money for emergencies

## Match the words to their meaning


**Activity Level 2**





You can use this activity to check your client's understanding of saving money for emergencies. Go through each word and the options for meanings. Ask your client which meaning is right or wrong. Afterwards, discuss which words your client got right and which ones they did not get right. Then show your client the correct meaning. The answers are on the next page.

Use the glossary at the end of the topic to help you with the correct definitions.

An emergency is when something unplanned happens that needs attention straightaway. It can happen at any time and can result in you having to spend money even though you did not expect to – for example fixing your car if it breaks down, paying for medical bills if you get sick or fixing something that breaks down in your home. So saving money for emergencies is a good idea.

A savings plan helps you save. The benefits of using a savings plan is that you know how much money you can save (even if a small amount), where the money being saved comes from and where to keep your savings.

To work out how much money you can save, prepare a budget to help you work out how you spend your income and what your expenses are. Income is money coming in, for example, from wages. An expense is money going out, for example, on bills and food.

- |                 |   |  |
|-----------------|---|--|
| 1. Income       |  | <ul style="list-style-type: none"> <li>a. money that you receive from working or from Centrelink</li> <li>b. money that you receive from a bank</li> </ul>   |
| 2. Emergency    |  | <ul style="list-style-type: none"> <li>a. an expected expense, such as bill for electricity</li> <li>b. when something unplanned happens that needs attention straightaway</li> </ul>                                    |
| 3. Expenses     |  | <ul style="list-style-type: none"> <li>a. getting some money from the bank</li> <li>b. things you spend money on, for example bills, food and school fees</li> </ul>   |
| 4. Savings plan |  | <ul style="list-style-type: none"> <li>a. deciding what it is you would like to save money for, creating a savings plan for how to save and then following the plan</li> <li>b. a savings plan is your budget</li> </ul> |

## 2: Saving money

### D: Saving money for emergencies

#### Match the words to their meaning (continued)

#### Answers

1 (a), 2 (b), 3 (b), 4 (a).



#### End of level 2: check in with your client

Does your client understand the key points from today?





If they do not, you can go through the information again at another time.

If they do you can proceed to **Level 3** the next time you get together.



You can give your client the factsheet in their translated language to take home. Repetition is part of learning.

#### Has your client got a better understanding?

| Result   | Next steps   |
|--|--|
| Your client has a higher level of understanding – completely understands the concept of saving money and has demonstrated their understanding. |  Great work!<br> You can give your client a copy of the translated factsheet in their language to take home. |
| Your client has some level of understanding of the concept of saving money.  |  You can help your client work through the <b>Level 2</b> activities and stories again.   |
| Your client has no or limited understanding of the concept of saving money.  |  You can watch the photo story and listen to the audio story again with your client.  |

#### More information for your client



For more information about saving money, you can tell your client to visit the MoneySmart website, [www.moneysmart.gov.au](http://www.moneysmart.gov.au), or call a Centrelink Financial Information Service Officer on 13 23 00.

#### Reflection questions for workers

- ▶ What worked well today?  
What did not work well?
- ▶ Did your client understand the key messages?
- ▶ How could the session have been more effective?
- ▶ Did the activities engage your client in the topic?
- ▶ What questions unexpectedly emerged and how did you handle them?
- ▶ What might you do differently next time?

## D: Saving money for emergencies

## Rasheed uses emergency money



**Level 2**

About 3 months ago, Rasheed prepared his budget by working out what his income is and what his expenses are. He decides it is a good idea to save some money in case he has an emergency or if an unexpected expense comes up. Rasheed thought, for example, that if he got sick one day he could use his emergency money to pay for medical bills. Or he could use his emergency money if something goes wrong with his car or if something needs to be fixed in his home.


Rasheed works out how much his expenses are and how much his income is. He then decides he can save \$10 a week as emergency money.

Rasheed uses his car to get to work each day. He has had his car for 6 years and it is quite old even though he looks after it and cleans it regularly. Rasheed worries that one day something could go wrong with his car and that it will need repairs.

One morning Rasheed was walking to his car and he noticed one tyre was flat. The tyre needed to be fixed and Rasheed had to decide how to get to work.

 What do you think Rasheed did next?

Rasheed was relieved he had emergency money to use. He was able to use \$80 from his emergency money to pay for a new tyre and to get to work that day using a taxi.

 What do you think would have happened if Rasheed did not have emergency money?



## 2: Saving money

### D: Saving money for emergencies



#### End of level 2: check in with your client

Does your client understand the key points from today?





If they do not, you can go through the information again at another time.

If they do you can proceed to **Level 3** the next time you get together.



You can give your client the factsheet in their translated language to take home. Repetition is part of learning.

#### Has your client got a better understanding?

| Result   | Next steps  |
|--|---|
| Your client has a higher level of understanding – completely understands the concept of saving money and has demonstrated their understanding. |  Great work!<br> You can give your client a copy of the translated factsheet in their language to take home. |
| Your client has some level of understanding of the concept of saving money.  |  You can help your client work through the <b>Level 2</b> activities and stories again.  |
| Your client has no or limited understanding of the concept of saving money.  |  You can watch the photo story and listen to the audio story again with your client.   |

#### More information for your client



For more information about saving money, you can tell your client to visit the MoneySmart website, [www.moneysmart.gov.au](http://www.moneysmart.gov.au), or call a Centrelink Financial Information Service Officer on 13 23 00.

#### Reflection questions for workers

- ▶ What worked well today?  
What did not work well?
- ▶ Did your client understand the key messages?
- ▶ How could the session have been more effective?
- ▶ Did the activities engage your client in the topic?
- ▶ What questions unexpectedly emerged and how did you handle them?
- ▶ What might you do differently next time?

## D: Saving money for emergencies

## Fran starts saving for emergencies

 **Level 3**

Fran is a single mum with two young children. She works part-time as a receptionist in an office. She has enough money in her purse for food and bills but often worries if something needs to be fixed that she might not have enough to pay for it.

**?** How could Fran prepare for unexpected expenses?

Fran decides to prepare a budget. She sits down one night and writes down her income and expenses.

Even though she does not have a lot of money left after paying all her bills, Fran decides she can start to save a small amount. She decides she does not need to buy 3 coffees a week when she works. If she buys only 1 coffee a week it means she can save \$10 a week. Fran thinks this might be hard but she will give it a try.

The first week Fran cut down to 2 coffees, and over the weeks she got used to only buying 1 coffee. Each week Fran could see her savings account grow. This made her happy.



**?** What do you think Fran can do with the \$10 a week if she decides not to spend it on 2 coffees anymore?

Fran decides to put the \$10 a week into her savings account for emergencies. This way, she will have enough money to pay for unexpected expenses, things she has to pay for all of a sudden.





Three months after starting her savings account for emergencies, Fran's car battery stopped working and she needed a new one. In the past, she would not have had enough money to buy a new battery. Now, Fran has \$120 in her savings account for emergencies and could buy a new battery, which cost \$90, right away. She could only do this as she had enough money in her savings account for emergencies.

**?** Why do you think it was a good idea for Fran to do this?

## 2: Saving money

### D: Saving money for emergencies

#### Has your client got a better understanding?

| Result   | Next steps   |
|--|--|
| Your client has a higher level of understanding – completely understands the concept of saving money and has demonstrated their understanding. |  Great work!<br> You can give your client a copy of the translated factsheet in their language to take home. |
| Your client has some level of understanding of the concept of saving money.  |  You can help your client work through the <b>Level 2</b> activities and stories again.   |
| Your client has no or limited understanding of the concept of saving money.  |  You can watch the photo story and listen to the audio story again with your client.  |

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#### Reflection questions for workers

- ▶ What worked well today?  
What did not work well?
- ▶ Did your client understand the key messages?
- ▶ How could the session have been more effective?
- ▶ Did the activities engage your client in the topic?
- ▶ What questions unexpectedly emerged and how did you handle them?
- ▶ What might you do differently next time?



# Glossary

|                           |  |
|---------------------------|--|
| <b>Bank</b>               | An institution for depositing money, lending, exchanging and safeguarding money.   |
| <b>Budget</b>             | A written plan that helps you know how much money you have coming in and what you need to spend it on. A budget helps you keep track of what you are spending.   |
| <b>Building society</b>   | A place that operates like a bank. It is where bank accounts are held and where money is kept safely. It is owned by its members.  |
| <b>Credit union</b>       | A financial cooperative that operates like a bank, but is owned and controlled by people who use its services.   |
| <b>Emergency</b>          | When something unplanned happens that needs attention straightaway. It can happen at any time and can result in you having to spend money even though you did not expect to. So saving money for emergencies is a good idea. |
| <b>Expenses</b>           | Things you are spending money on (for example, on bills, food and school fees). In your budget expenses are usually broken down into categories (such as transport and medical) so they can easily be worked out.            |
| <b>Income</b>             | Money coming in (for example, from wages or from Centrelink).  |
| <b>Interest rate</b>      | The relationship between the amount of money borrowed or lent and the money paid in return for the use of that money. Usually expressed as a percentage per year.  |
| <b>Savings account</b>    | An account at a bank, credit union or building society. You deposit your money into the account to save it.  |
| <b>Savings goal</b>       | The amount of money you need to save to buy something you want that you do not have the money for right now. So you need to save money to buy the item.  |
| <b>Savings plan</b>       | Deciding what you would like to save money for, creating a plan for how to do this and then following this plan.   |
| <b>Unexpected expense</b> | An expense you did not plan for, and were not expecting to pay for. This could include car repairs if your car breaks down, or a medical bill if you get sick.   |

## 2: Saving money

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