

A Money Matters

GETTING STARTED MONEY MATTERS

Managing your money could be your biggest challenge once you leave prison. Even if you have a house and family support, it can still be a struggle.

Until you get a job you will have to live on a government benefit. This will be tough, especially with all the things you will need to buy or spend money on to set up your life.

You may have a lot of one-off expenses in your first month such as bond, rent in advance, identification, furniture, appliances, clothes, shoes and more.

Ask around to see how you can get things cheaper or for free. See the **Getting Started B: Emergency Relief**. A Health Care Card or Pension Card will give you discounts for some activities.

If you have been inside for a while you may find that life has gotten a lot more expensive. Some things go down in price but all the basics go up. The cost of groceries, rent, beer and cigarettes can jump up a lot over the year.

Separate what you need from what you want. It is understandable if you want to splurge when you get out. But you have to learn to control what you spend.

Making a budget

A budget is a spending plan. It looks at all the items you need to buy and the amount of money you have to spend. See **Getting Started 1: The First Week** for a budget planner.

Keep the receipts from everything you buy for one week. Go through them at the end of the week to see how you spent your money.

It's surprising how easily you can waste your money on things that you don't really need.

Tips to stay on budget:

- Avoid shopping in convenience stores like 7eleven
- Always look for the cheapest brands
- Buy second hand goods if possible, especially for clothes and furniture
- Eat at home as much as you can (avoid take away)
- Avoid impulse buying – think carefully about everything you buy
- Put off buying things that you can live without
- Don't buy anything from a door-to-door salesperson

Clothes Shopping

The best value clothes are found at op shops. For new clothes Kmart and Big W sell cheap and decent clothes. When you buy brand name clothes you pay more for the same quality. If you want to buy brands, look for them in the factory outlets and discount stores. Try Smith Street Collingwood, Bridge Road Richmond and Sydney Road Coburg. There are also DFOs (direct factory outlets) at South Wharf, Moorabbin and Essendon.

Mobile phones

Avoid mobile phones plans. They may seem like a good deal but they will end up costing a lot more. A basic prepaid phone can be bought for around \$50 dollars or less.

Buy prepaid caps if you are going to make a lot of calls. Try not to recharge more than once a month. You may want to try a few different caps to work out which one lasts the longest.

Try to make your credit last longer. Texting is often cheaper than calling. Not all free call (1800) numbers are free from your mobile. If you are calling for a support service on a mobile, ask if they would mind calling you back.

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Transport

The cheapest transport is walking or riding a bike. Cars are the most expensive option. Even a cheap small car costs over \$100 a week once you pay for registration, insurance, repairs, services, and petrol.

Public Transport

Trains, trams and buses are cheaper than cars but still expensive. Get a concession card (such as a Health Care Card). Buy the 10 x 2hr tickets if you use transport occasionally and the weekly or monthly tickets if you are on transport 6 or 7 days per week.

Banking

Banks can have a lot of hidden fees. Most accounts have monthly fees of around \$5. Avoid using ATMs from a different bank as you will be charged about \$2 each time. Find out from the bank what transactions are free and what you will be charged for.

Discounts

Get a Health Care Card or Pension Card if you are eligible. These cards will give you concessions on a lot of items.

Discounts apply for transport, medicine, doctor appointments, entry to movies or football games and many other places. Ask for one from Centrelink as soon as possible.

Gambling

Gambling can be a tempting pastime, but it is addictive and costly. It will never be a quick solution to your money problems. If you are going to gamble make sure you budget for it. Never spend more than you plan and leave your bank and credit cards at home. If you are worried about your gambling habits, call the Gambler's Helpline for advice

Gambler's Helpline 1800 858 858

(toll free)

By going on the Self Exclusion Program you can ask to be barred from gambling venues. Phone **(03) 9654 3491** for more information.

Bills

Put money aside for bills each week. If you can't afford to pay a bill, call the company and explain. You may be able to get the cost spread out over a longer time. Be aware that if you keep putting expenses off you will get further into debt.

Energy Watch can tell you about the cheapest utility companies in your area **1300 855 604**.

If you are on Centrelink, think about paying your bills through Centrepay.

Budgets and Families

Families can put extra stress on your budget. If you have children there are ways to get financial and other help. Speak to Centrelink about the extra payments available.

Local community organisations may have schemes to help with school and other costs for children.

Fines and Debts

Avoid unnecessary fines. Parking and transport fines can be expensive. Speed cameras and parking inspectors are everywhere. If you don't pay them by the due date extra costs will be added. Contact the organisation before they are due to set up a repayment plan. Speak to a free legal service for advice if you owe lots of money in fines.

Debts are the best way to stay poor.

Avoid buying things on credit even if the interest free period sounds like a good offer. If you do have debts that you are struggling with, talk to a financial counsellor about the best way to pay them back.

Financial Counselling

Financial counselling can provide you with information and strategies for keeping track of your money and making it go further. They can also give you advice about other financial problems. For free financial advice call Credit Helpline on **1800 803 800** (toll free).