

*Try this out on welfare case workers
and a couple of other groups.*

SPEECH

LOW INCOME GROUPS

We're here to talk about money. We all have different ways of earning money and we all earn different amounts of money. But, when it comes to wanting more money, we are all the same. All of us want more money.

The sad truth is that we only have a certain amount of money. So, we have to learn how to do more with what we have. This is what we are going to talk about today.

The secret to doing more with our money is this: we have to plan how we are going to spend our money before we really spend it. If we do this, we will know exactly how much we are going to spend on everything we need and we will know how much we will have left over to buy a little something extra.

Let's figure out what we have to pay for. Well, we have to eat to stay alive. And we have to have a place to live. We have to wear clothes. These are the main things. So, what we have to do is pay for these things first, before we spend money on anything else. They are the most important things.

What are some other things we have to pay for? Well, we have to get to work somehow, or just get around town. We can walk, ride the bus, take a cab, get a car, join a car pool or hitch a ride with friends. You have to figure out which one will be best for you.

Other things we have to pay for include electricity, oil, gas and water, to name just a few. And maybe some of us have more bills. It seems there just isn't enough money to pay for everything.

Let's try a new system. Many people are using their money this way and finding out that they don't have as many troubles. This is called "budgeting" your money, or planning how you are going to spend it. You can budget by the week, by the month or any way that suits you best.

Let's pretend you have decided to budget by the week. Take the blank budgeting sheet which I have given you and under the column marked "Cash in Envelope", write down your weekly take-home pay. Remember that this must be the amount you have after taxes.

Now, look at the other sheet I have given you. This is a sheet that tells you how much other people with your same income and size family spend for things. Here is how to use it:

The names across the top of the sheet are all things we have to pay for--food, shelter, clothing and so forth. Look down the left-hand side of the page until you find a figure closest to your weekly take-home pay. Now, look under this take-home pay to find the number of people in your family. Put a circle around that number once you find it so that you can get back to it again without any trouble. All of the numbers that are in a straight line across from this circle are your own budget figures. Let's

envelope - your take

example rather than working their own salaries

draw a pencil line above this group of numbers. Let's also draw a pencil line below it. Now we can find our budget figures more easily.

The first column next to your circle is your budget for food. Next is your budget for household operation. This includes things like electricity, telephone, gas, coal or oil. Next is your budget for shelter. This means rent or, if you are buying a house, the part of your payment that goes to interest. You can read the rest of them yourself.

What we are going to do with them is to write them down on our budget sheet. Let's do that right now. Write them in as I say them: food...household operation...shelter...clothing...transportation...personal advancement...savings, insurance and contributions. Every column should have a number now. If your take-home pay is a little higher or lower, be sure to adjust your own plan.

Do you know how much you spend each week for these things? Most of us don't know. Under our new plan, we will know. All of these columns together should not add up to more than you have in your envelope. If they do, you are in trouble. You will not have enough money to pay. Let's add them up to see what we get, but first: look at the Shelter column. Do you pay more than this for rent each week? If you do, maybe you're paying too much. If you pay more rent than this, erase the number you have written

and put down what you actually pay for rent.

Now, let's add up the columns.

What do you get? Is it more than what you have in the envelope? If so, you know that you have to cut down on your spending. We can't spend more than we have, can we? But, by figuring it out this way, we can tell ahead of time that we are not going to have enough money to pay for everything. We have to plan to spend less.

There are many ways to cut down on spending. You have to make the final choices. Let me just give you some ideas on ways to save.

First, maybe you have too many payments such as car payments, house payments, furniture store payments and others. These can run us into trouble if we have too many of them. What happens when we buy something on the installment plan? We end up paying more than the item is worth. This is because we do not have the cash ready. The longer we take to pay, the more the item is going to cost. Then, too, that bill each week or month really cuts your take-home pay--and most of us need more pay, not cuts. So, too much installment buying is not good.

What about buying on credit--charging things at a store? Too many of us charge what we want with the idea that we can pay for it later. The question is: can we really pay for it later? Will we have the money to pay the bill? The answer is

yes if we have planned for it--if it is in our budget. The answer is no if we have not planned for it. No matter how you work it, you can't spend more than is in the envelope.

So much for payments. The second thing is, are you paying too much for shelter, or rent? If the amount that you are paying is way over the amount suggested on the sheet, maybe you would want to move into a less expensive place, or take in a boarder to help pay the rent. Of course, this is up to you. Maybe you want to do without some other things so that you can pay more for rent.

How about transportation? You have written down how much other people pay for transportation. Now, you have to figure out how much you pay for it. If you ride the bus, total up how many times you take the bus in a week. Then, multiply it by how much you have to pay each time you ride. Is it more or less than the amount in the column? If it is less, good for you! You have saved yourself some money in this column. If it is more, you will have to borrow from the other columns to pay for it. The same is true if you have a car. Add up your weekly part of the car payment plus the amount you spend on gas, oil and repairs in a week. Is it more or less than the figure in the column? If it is a lot more, maybe you are spending too much on transportation. Maybe you should sell your car and ride the bus, which is usually cheaper. Maybe you should get an older car--or even walk. You have to

decide this. Figure out how much you would spend in a week if you rode the bus. If it is a lot less than you spend on your car in a week, you would be able to save some money in this column. And, let me say a word about taxi cabs. This is a very expensive means of transportation. If you take cabs often, you should figure out how much you spend on them. I bet the total will surprise you!

Remember: if you put too much money in one column, it will mean that there will be less money in the other columns. You decide what is important. Too much money spent on transportation, for example, might mean less money in the food column.

When you decide upon your budget, remember that the total of all the columns must not be greater than the amount of money you have in the envelope. If you figure it out in advance and subtract from the proper column each time you spend money, you will always know exactly how much money you have left in the envelope. You won't run out of money because you will have planned your spending.

I want to talk for a few minutes about a very important area of your budget--the food column. Those of you who grow some of your own food have an advantage. You won't have to buy as much. When it comes to paying for food, we have to be extra smart. We only have a certain amount of money in the food column and we have to be sure we use it well. We also have to be sure that the money will last all week. How can we be sure? Like everything

*mention food
We have to be smart*

This is true also for people who are entitled to donated corn

else, we plan it that way.

First, we have to know what foods to buy and how to prepare them. This is the most important thing we can learn in regard to food. We have to eat to stay alive, but we also have to eat the right things. What good is being alive if we are sick or much too fat and don't feel well? We want to be healthy and the best thing you can do for your health is to eat the right things.

What are the right things? I am going to tell you what they are and they are listed on your menu sheet so that you can remember them after you leave here. They are:

* (1) Meat. This does not mean bacon and fatback.

This means beef, chicken, fish and other lean meats. The meats to stay away from are the fatty ones. If there is extra fat on the beef you buy, cut it off. The fat is not what we need to be healthy. We need lean meat.

(2) Fruit. The fruit that is best for your health is fresh, but you can also get good fruit in cans. Don't buy fruit that is packed in thick, sugary syrup. This is more fattening than healthful. One of the best ways to get good fruit is by buying un-sweetened fruit juice, fresh, frozen or canned.

(3) Vegetables. These also come fresh, frozen and canned. The most healthful vegetables are colored green or yellow. For example, lettuce, green beans, cabbage, peas, celery, green pepper and cucumber are all green. Corn and squash are yellow.

You may think of others. You should have a variety of vegetables, not just turnip greens, okra and collards. Use a lot of the others. And, I want to mention one thing while I am talking about vegetables. The health that is in vegetables can be cooked out of them. Never overcook vegetables and don't use too much water. Put the vegetables in a small amount of water and cook them just until they are tender. Every family should own a cookbook that tells the right amount of time to cook everything. This is very important.

(4) Milk. Milk is vital to everyone. It contains healthful vitamins that people of all ages need. You can buy milk in many forms--fresh milk, canned milk and powdered milk. They are all healthful. I think you'll find that powdered milk has the lowest price, so you might want to use mainly powdered and have a quart of fresh milk now and then. Or, you could mix powdered and fresh if you want to get the flavor of fresh milk for a lower price.

(5) Bread and cereal. These are the grains we need for health--wheat, rice, oats and others. These are important to include in our daily diet, but we must beware of eating too much. Bread and cereal can be fattening if we overdo them.

And, while I am talking about bread, let me also include pies, cakes, cookies, biscuits, rolls and such. Too many sweet, bread-like foods simply make us fat. They do not make us healthy. In fact, they make us unhealthy. Watch out for extra sugar in everything. This means use only a very little bit of

of them 1/2 lb for weight

desserts such as candy, ice cream, whipped cream and the ones I have just mentioned--pies, cakes and so forth. Don't reach for a bottle of soda pop, reach for a glass of milk or fruit juice instead. Too much sugar is very bad. And this goes double for children. I am not thinking just of their teeth. Children must have the right foods to be healthy all over. They are growing very quickly and need the right things to eat. If you feed them the wrong things, or don't feed them enough, you may hurt them. They may be weak or fat or sickly and have trouble learning in school. The brains of young children can be damaged not only by lack of enough food but by lack of proper foods. So, be good to your children by saying "NO" when they want to eat the wrong foods or drink too much soda pop. They don't know any better, but you do. As of today, you have the power to make your family healthier.

Now that we know the right things to eat, where do we buy them, and how much do we pay for them?

Eating on our new budget requires some advance planning. You've got to think about what you need before you need it. This means making a weekly menu. The menu sheet I have given you has space to write exactly what you and your family are going to eat every meal for one week. After you use this sheet, you can draw another one just like it on plain paper. By planning what you are going to have, you make sure you are going to give your family the right foods. And, by writing a shopping list, you make

*pack a lunch ~
three meals a day*

*men
shopping food*

sure you are not going to buy any expensive extras when you go to the store. Make a rule for yourself. Don't buy anything that isn't on the list. This way, you will buy all that you need, but no more.

Having a weekly menu requires a lot of thought but it will save you money. It may also save you time. You will say to yourself, "We are having hamburgers tonight. It is on the menu. I must take the ground meat out of the freezer to thaw."

You see, with this plan you will try to shop only once a week. Shopping every day usually makes your food bill go up. So, you make another rule for yourself: I shop only once a week and buy enough for all week. This way, I save money.

Where do we shop? Remember, we are only shopping once a week. You probably have some grocery stores in your neighborhood that open very early in the morning and stay open until very late at night. These have rather high prices. Other stores may have lower prices. Try to shop once a week at the store with the lowest price. This is called "Comparative Shopping" and is the smart way to buy. And, don't forget to take your shopping list with you.

One more thing: be careful not to buy too much of each item. This wastes money because the food is spoiled before we can eat it and we have to throw it away. This is like throwing money away. And, always use leftover foods. When you throw away leftovers, you are throwing away money, too.

There is a lot to learn about each item on your budget sheet--Shelter, Transportation, Clothing, Household Operation and others. We have only talked about food. You can get more information on food and other things by contacting those sources listed on the sheet marked "More Information."

There are a lot of people who want to help you with your budgeting. You are not alone in your money problems. All you have to do to get the answers to your questions is ASK.

Let's start right now.