How to Save $1,000 Quickly

Description

Let's face it: for many Canadians, savings $1,000 takes discipline.

Forgoing things you want. Saying no to friends and family when they ask you to go out. Avoiding your favourite stores and self-enforcing a block on Amazon.

It's hard work. But resisting the urge to spend now means empowering yourself to make bigger purchases later. [Buying a house](), building an emergency fund, savings up for a car. They all start with that first $1,000. And to help you amass it quickly, here are ten savings tactics you can start doing.

1. Embrace the millionaire mindset

Contrary to what most people think, the majority of millionaires live a frugal life. They don't drive luxury cars, or dine out in five-star restaurants, or even watch sunsets from their infinity pool in a Mediterranean villa. No. They wear secondhand clothes. They drive used cars. And they dine-out when their budgets permit it.

In short, the majority of millionaires don't care about appearing wealthy. And you shouldn't either.

Take a look around you. Do you live a life well above your means? Are your living costs above 30% of your take-home pay? Are you stuck paying off a luxury car you can't afford? Or blowing your money on a high-roller life that's entirely fake?

Or maybe it's the small things. Maybe you spend too much on online shopping. Maybe you have a bad habit of trying expensive hobbies that end up amassing dust in the garage. Or, on the flip side, maybe you have a hobby that's just too expensive for you right now.

Look at your life through the millionaire mindset. In what areas could you be more frugal? This thriftiness could help you save $1,000, but if you adopt it as your natural attitude toward money, you might save even more. You might save $2,000, $10,000, or, eventually, $1 million.

2. Create a budget

Oh no, you might think, not the budget talk.

Don't worry. We're not going to beat you over the head with another budget lecture. But we'd be foolish (in the bad sense) to skip this essential savings step.

Hear us out. When you create a budget, you can build it around a savings goal, like $1,000. If, for example, you want a $1,000 in six months, you just need to cut enough spending from your budget to squeeze out around $175 a month. That's not so bad, and it's much easier when you're looking at a full list of expenses.

3. Automate your savings contributions

Most of us save money by the law of leftovers: we spend money over the month, then put what's "leftover" in a savings account.

Seems logical. After all, you should take care of your expenses first, right? In reality, when you don't move money into your savings account immediately, you'll feel more tempted to spend it.

Enter automation. By automating your savings contributions, you withdraw money from your checking account immediately when you get paid. You could even ask your employer to send a portion of your paycheque to a separate savings account. This keeps you from impulse spending when you get paid, as well as helps you contribute consistently to your savings.

4. Start small

A $1,000 may seem steep, but what about $3 a day? What about $42 every two weeks, or $84 a month?

In 365 days, any one of these options would put you over $1,000. Of course, saving a $1,000 in a year may not be your goal. But whatever your timeline, the point is the same: break a large amount into smaller, manageable goals. If $1,000 seems too high, start with $100. Surely, you can find some room in your budget for that.

5. Find a side hustle

The gig economy has never been stronger in Canada, which is good news for you. If your current employment isn't helping you save, maybe it's time to pick up a side hustle (or two). Delivering groceries, teaching English online, putting your car in the ride-share economy, even taking care of peoples' pets can help you amass enough extra money to put you well over $1,000.

No car? No problem. You don't even need to leave your couch. You can fill out surveys, proofread business reports, become a virtual assistant, or even rent out a spare bedroom.

It doesn't have to last forever. That's the beauty of the gig economy: you can work until you've hit your savings goal, then take a break.

6. Cut your food bill

Often food takes up a hefty amount of space in our budgets. Fortunately, unlike other major expenses, like rent or mortgage payments, food is a variable expense, meaning you have control over how much you spend in this category.

Cutting restaurants and take-out from your budget could easily give you more room for savings. But if you're not ready to become that frugal, you could change how you dine. Ordering water instead of pop and alcohol, for instance, could save you $10. If you did that once a week, that'd be $40 monthly, almost $500 (half your goal) in a year.

It's the *little* things (as you're probably learning, that's the theme here). Groceries are an easy target because you can nearly always find little ways to save. Buying groceries at discount stores, swapping brand names for stock brands, cutting out higher priced items — a close scrutiny of your grocery shopping habits could be all you need to save that $1,000.

7. Take a hard look at your subscriptions

These days we have a subscription for everything. Grocery deliveries. Streaming services. Hot sauce of the month. Hit your subscriptions with that millionaire mindset (and a little delayed gratification) and see if you can't cut out what's essentially a luxury.

8. Be strategic about credit cards

Yes, as counterintuitive as it sounds, debt can help you save money. Instead of using any old piece of plastic, pick the right credit card to reap reward points, travel miles, and cash back rewards.

Think about where you frequently shop. Most retail stores have cards that give you around 5% back for in-store purchases. If you spend $200 on groceries per week, for instance, a 5% card at your grocery store could give you $40 a month, or $480 annually. Put another way: by just paying with a credit card, you could get two weeks of groceries for free. And with the money saved, you could be nearly half way to that $1,000 goal.

9. Refinance your mortgage

A long-term savings strategy — with short-term implications — is locking into a lower interest rate with a mortgage refinancing.

This won't work for everyone, however. First off, you have to pay closing costs on a new mortgage to even get the lower interest rate. Then, you'll need to stay in the house long enough to offset those extra costs.

For example, a mortgage refinancing might lower your interest rate from 5% to 4.3%, helping you save $100 every month. But, if closing costs were $6,000, you'd have to wait five years before your savings offset the costs.

Do the math regardless. You might save *way* more than $100, while paying less in closing costs.

10. Shop for new insurance policies

Contrary to what you might think, insurance premiums aren't set in stone: with a little adjusting to your policy, you might save yourself a lot of money.

Look at your deductible first. Your deductible is what you agree to pay before you insurance policy kicks in. In general, the higher your deductible, the less your premium will cost you. So, if you have a $100 deductible, consider bringing it up to $250, $500, or even $1,000. As long as you can afford your deductible, you can raise it to a reasonable limit.

Another option is hiring an independent insurance agent. Unlike captive agents, who work for insurance companies, independent agents have access to dozens, sometimes hundreds, of insurance rates. They can scan the market, find the best rate for your coverage, and help you buy the policy.

Don't Stop at $1,000

Look, a $1,000 is a great starting goal. But most Canadians will need much more than that over the long-term. The best thing to do is make saving money a monthly habit. Prioritize saving over spending, and you'll amass enough wealth to retire comfortably.

PP NOTIFY USER

1. tmfkopp

Date
2025/08/15
Date Created
2021/05/12
Author
sporrello

Footer Tagline