Tips for savvy holiday-season spending

Stretching your holiday budget doesn’t mean you’ll be giving lumps of coal as gifts this holiday season. Smart shoppers have always known that the holiday season doesn’t have to cost a lot in order to be fun. **Family gift giving**



For families that exchange gifts among members, you might consider setting spending limits or participating in family lotteries. But if you must give presents or entertain, here are a few rules to follow:

Determine the total amount you can spend and don’t go over budget.

Simplify gift giving. Ask people what they want and need. You'll be able to choose more wisely from their lists than your perceptions.

Go to a nearby shopping mall with your shopping list in hand. Don't succumb to impulse buying.

Make holiday dinners a potluck. Have family members bring their own special dishes.

Give a family gift all can enjoy, such as subscribing to a high-quality magazine everyone will read.

- If someone gives you a gift you don’t like or need, save it to give as a gift later on. Ensure that you don’t accidentally give it back to that person.
- Ask family members to set a price limit on gifts. Insist everyone stick to the agreement.
- If you're stuck for ideas or cash, consider giving your time as a gift, including free babysitting, house cleaning or lunch out every few months. Elders in your family would be especially appreciative of help around the home.
- Consider giving gifts to children only, eliminating adults on your list, or give adults inexpensive gifts such as a box of chocolates.

Credit card planning tips

There are many ways to use your credit card more wisely during the holiday season. Here are some suggestions:

- Make up a budget and don’t spend more than you can afford to pay back within one month.
- Buy your holiday gifts all year round. It saves you spending more than you have to in December.
- Shop early for the best price and selection and to avoid hefty January bills. Some retailers raise their prices closer to the season and others may be out of what you want. This is especially true of children’s toys.
- Pay bills ahead of time or add an additional 20 per cent to each bill a few months before the holidays. You'll be grateful for the decreased financial pressure when December arrives.
- When the credit card bills come in, pay off the maximum you can afford, not just the minimum.

Tips for online shopping

When checking out Internet shopping sites, be careful. Many operate in American funds and charge hefty

shipping and handling fees. And don’t forget that Canada Customs duty will be levied at the border, along with both GST and provincial sales tax. Plus, Canada Post may charge an additional $5 for delivery of international packages over and above the shipping charges you've already paid the vendor.

When placing any online holiday order, be sure to take into consideration the estimated date of delivery, to ensure the recipient receives the item by your desired date. Also, look into the seller’s return and exchange policy, in the event your recipient has an issue with the item.

Get creative

If you’re looking to give more innovative gifts this year, consider some of the following suggestions:

- Make your own personalized gifts—jam, gourmet vinegar or wardrobe sachets are easy and don’t take too much time—or visit craft fairs.
- Give donations in a family member or friend’s name to a charity of their choice.
- Shop at thrift or discount stores, garage and yard sales for holiday gifts, decorations and craft materials.
- Entertain at home or hire a caterer instead of going to a restaurant.
- Stock up on non-perishable food items—don’t forget the food bank—to avoid holiday mark-ups.

Although holiday gift giving has the potential to leave a dent in your wallet, consider the cost-saving and alternative gift-giving solutions outlined in this article before your next spending spree. Be sure to discuss the issue with your family and friends; it might help if everyone reaches a gift-giving agreement before the holidays.