

The time to start a saving plan is now

Jim and Jerry! They've been lifelong friends, both went to university together, graduated from the same engineering course, found similar jobs (which paid quite well), married, bought homes, raised families, etc.

But this year both reached the age of 65 and their respective companies have a policy of retiring employees at that age. Jim is looking forward to retirement. Jerry is dreading it.

Why?

Both had the same comparative lifestyles, both had saved the same amount of their income, (but by different methods), but one was wealthy (Jim) and the other had just enough to keep the wolf from the door (Jerry).

What made the difference?

Jim started saving from the first day that he started working. Jerry started saving (heavily)

later in life, after he had put his children through school, and after his house was paid for.

Jim decided to save 10% of what he earned from day one. Admittedly, he was only earning \$2,000 per year (so was Jerry) 40 years ago, but that was an average income then. So he saved \$200 the first year, and he continued to save 10% of what he earned, all through those 40 years, even when he was paying off his house and educating his children.

In order to do some mathematics for our fictional friends, let's assume that their average income was \$20,000 for all those years. Based on this average let's look at what the results would be.

Jim would have saved 10% of that \$20,000 per year, or \$2,000 per year. Sure it was hard, especially



IT'S YOUR MONEY

Paul J. Rockel

when he was paying off his house, but he took a 25-year amortization to keep his payment lower and to be able to save. Jerry, on the other hand, took a 15-year mortgage, with higher payments, because he wanted to clear the mortgage in a hurry, and then start to save.

Jim put his savings into mutual funds, (some of the good funds have averaged 15% average annual return over the long term). At \$2,000 per year, Jim would have saved \$80,000 in the 40 years. At an average return of

15% his value at retirement would be \$3,558,180. No wonder he's looking forward to retirement!

Jerry, on the other hand, was busy making heavier payments on his mortgage, and paying for his children's education, (Jim paid for his kids education too). He was 50-years-old when everything was cleared, and then he really concentrated on building his future retirement funds.

Jerry started saving \$5,333.33 a year for the next 15 years. This amount totalled \$80,000. That's the same amount that Jim saved. But, Jerry's value at age 65 was \$253,762. Jim had well over \$3 million more.

What a difference!

Jerry had fallen prey to the "I'll start saving when everything is paid off" syndrome, and thereby had lost the

most valuable asset of all in building wealth, namely time. Jim had started saving when he started working at the age of 25.

Each day that you or I do not save that \$1 or \$2, is lost, and even if we save double that amount the next day (or later, as Jerry did), there is no way that we can buy yesterday back.

That's why we say, start saving the day you start work, or the day that you read this article, no matter what your age. Put time to work for you.

Don't be another Jerry!

For more information on savings plans, contact Peter C. Masson, M.B.A., Regal Capital Planners Ltd., 10 Fagan Drive, Georgetown, Ontario, or phone 877-7216.

Paul J. Rockel is the author of the best seller "Why I Invest in Mutual Funds," and President of Regal Capital Planners Ltd.

OFFICE MAGIC
877-2300
FOR ALL YOUR OFFICE & STATIONERY NEEDS
138C Guelph St., Georgetown

Elizabeths Fashions
Bridal Boutique
77 Main Street South
Downtown Georgetown
873-1470

\$4,000⁰⁰
SHOPPING SPREE
VALUE STORE

BANFF
Your Banff Ski Vacation includes:
• Airfare • Coach transfers from Calgary airport to Banff • Selected hotel accommodation • 5 day pass for 1 week package • Additional ski passes purchased locally • Tri area lift tickets are valid at Sunshine, Mt. Norquay and Lake Louise • One free night skiing ticket for Mt. Norquay • Welcome Reception
from **\$615⁰⁰**
CANADA COAST-TO-COAST
ROUND TRIP FROM \$339.00
AIRFARE CALL FOR DETAILS
Goliger's Travel
SINCE 1955
235 GUELPH STREET
GEORGETOWN
877-0103



\$4,000⁰⁰
SHOPPING SPREE
VALUE STORE

WATCH For A NEW FLYER SOON To Be Delivered To Your Home

SPECIAL WE'VE HOOKED A BARGAIN FOR YOU!
SHRIMP RING
Thaw & Eat
\$11.99
Approx. 40 Shrimp
STOCK UP FOR CHRISTMAS

877-0721
STEAK EXPRESS
Delrex Blvd. & Guelph St.,
Knolcrest Centre, Georgetown



ONE DAY, ONE TIME ONLY
ONE LOCATION
ACHILLES MAZDA

HUGE MAZDA CLEARANCE
SATURDAY,
NOVEMBER 17TH
9 A.M. - 6 P.M.

Everything will be priced to sell!

BRING A FRIEND
TELL A FRIEND

You cannot afford to miss this one!

Guaranteed you have not seen anything like this before!

WE WELCOME ALL TRADE-INS

Achilles Motors Ltd.
357 Queen St. East
Halton Hills
ACTON
Ontario

(519) 853-0200 (416) 453-8965

