



MONEY & THE WORLD OF WORK



When you start earning a salary, **budget from your nett salary not your gross salary.**

From your gross salary, there are **various deductions** these include:

B.

Compulsory deductions – these deductions are **often group benefits, like pension funds or disability funds.** They will include **YOUR contribution to the medical cover and retirement savings** as well. The employer might also contribute towards these.



Government deductions – these include things like **tax and UIF.** Every person who is **formally employed pays 1%** (i.e. one Rand for every hundred they earn) **to the UIF.** This is a fund that acts as a safety net if you lose your job; (i.e. retrenched). **UIF contributions can also be used for maternity leave in certain cases.** **PAYE (or tax) is paid over to the government.** Everyone that earns more than a certain amount pays tax. **This helps pay for things like government schools, roads, and government hospitals and clinics and police services** throughout the country.

C.

Voluntary deductions – these are deductions that **YOU have agreed may come off your salary.**

Union subscriptions fall into this category.



D.

Contractual Deductions – these are **deductions that the employer has been asked to make, often by a court order.** These might include **maintenance payments, or garnishee orders.**



NB: Garnishee orders are now called **emolument attachment orders.**

Review your bank statement regularly this will help in the following ways:



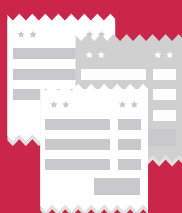
Reviewing your bank statement will help you track what is coming in and what is going out of your bank account.



It will help you track what you are spending money on - are you spending a lot on take-away's and eating out?

Are you spending a lot on movies and entertainment?

Going through your bank statement will help you track the debit and or stop orders that are going off on your account. This can **also help you track any fraudulent activity** on your account **such as unauthorised debit orders.** You can also **notice if debit orders are still going off for accounts that have been long paid up.**



Going through your bank statement will help you understand the bank charges you are paying. This can help you **adjust in future and avoid high-fee transactions such as drawing money from inside the bank at a bank teller.**

When you start earning a salary communicate with your family regularly and plan together. This maybe hard at first but **work at it being mindful that you listen, show respect, see the other person's perspective and clearly state your perspective.**

