

Case Study 3 (Teachers Notes)

John



My name is John.

I'm 25 and unfortunately unemployed. I'm looking for work but while I'm doing that I'm claiming the dole. I had to go to the Social Welfare office and get means tested for my payments. I get a dole payment of €188 each week.

I live with my brother who only charges me €40 rent a week and this covers all the bills too. I usually spend about €50 a week on food for the house and take-aways after the pub.

I'm single and don't have any kids, so I don't really have too many expenses. All the same, my money doesn't seem to go too far.

I drive a Subaru Impreza WRX, which is expensive to run. My tax is about €600 a year and my insurance is €900. The insurance has come down over the last few years but it's still really expensive. My mate told me I should trade my car in for something less powerful and get cheaper insurance but I don't want to, I love my car! I don't know how I'll afford the insurance this year though.

The Subaru uses a lot of petrol. I don't drive it much because of that but I'm still spending €40 a week on petrol.

I do have a bank account but I don't really use it, there's not a lot in it!

When I got laid off, I still had some savings left but I thought I could do with a holiday so most of it went on that. I didn't expect to be out of work so long. I haven't any savings left now. I'm trying to save some of the dole but I usually spend most of what's left on going out and on clothes. I tried to work it out and I think I'm spending at least €125 a month on going out and clothes.

A local pizza shop offered me some work delivering pizza. They offered me 15 hours a week at the minimum wage €8.65 an hour but I don't want my car to smell of pizza. I do need to earn more money so I really need to think about the offer. I can work a couple of days a week without it affecting my dole too much.

I feel like I'm stuck in a rut. The car insurance is costing a fortune. I'd really like to head to Australia to work in a year or so. I'd say the ticket would cost about €2,500 and I'd need at least €2,000 for when I get there. I'm going to start saving for that but I'm not sure it's going to work on the money I'm getting off the dole.

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John's budget:

John's annual available cash	John's annual expenses
Unemployment benefit (Dole) @ €188 x 52 weeks = €9,776	Rent @ €40 x 52 weeks = €2,080
Potential earnings 15 hours @ €8.65 x 52 weeks = €6,747	Food @ €50 x 52 weeks = €2,600
	Petrol @ €40 x 52 weeks = €2,080
	Motor insurance = €900
	Motor Tax = €600
	Clothes and going out @ €125 x 12 months = €1,500 approx
Total = €9,776 or €16,523	Total = €9,760

John's goals:

- 1 Wants to make cutbacks to make his money go further;
- 2 Wants to increase his income; and
- 3 Wants to save €4,500 to go to Australia and have some living costs when he arrives.