

Teaching Your Kids About Financial Wellbeing

Teaching your children about financial wellbeing early on is a great way to set them up for healthy spending and saving habits into the future. Here are some ways to help your children develop their own sense of financial wellbeing:

- 1. If you give your children an allowance, give it to them in cash.** In our cashless world, it can be difficult for children to understand what things cost, and that money is not an unlimited resource.
- 2. Set goals with them.** If you are able to give them an allowance, help them to determine some savings goals. Write out a plan and encourage them to stick to it. If you do not give them an allowance, try and involve them in the savings goals you have for the household and encourage them to consider what is realistic given your income and expenses.
- 3. Talk to them about money whenever the opportunity arises.** When you are at the supermarket, explain that some things are more expensive than others and encourage them to participate in choosing which things to buy. When you are paying bills, explain how many hours of work you had to do to earn the money required to pay for it. If you write a weekly or monthly budget, involve your children in this process. This will give them realistic insight into what it is like to manage spending and understand where money needs to go.

What to teach at what age?

Preschool age:

- You need to buy things
- Money includes notes and coins that have different values
- You earn money by going to work
- There is a difference between things that you need and things that you want

Primary School age:

- Comparing prices and shopping around before you buy something
- Be careful when shopping online, do not share your personal information
- You need to be patient when saving up, you can make choices about how to spend your money

High School age:

- It is better to use cash than credit
- It is good to have savings in case of a money emergency
- If you work, you need to check your payslip to see that you are receiving the correct amount and that you are paying tax
- Keep track of mobile data and expenses to make sure you don't run out of credit or get stuck with a huge bill
- Bank accounts can help you track and keep your money, as well as earn interest
- Doing a budget helps you work out how you should spend your money



If you would like further advice on this topic, contact us toll-free on [1300 369 072](tel:1300369072) or email us at mail@working-life.net

ABN 21 073 697 300

Phone +61 8 9321 5066 | Fax +61 8 9485 1438 | Toll free +61 1300 369 072
Suite 3/1010 Wellington Street, West Perth, WA / PO BOX 587 Leederville, WA 6007