

Worried about expensive back-to-school shopping? You're not alone

By Gail Johnson | – Fri, 12 Aug, 2016 2:36 PM EDT

Labour Day will be here before we know it, and while more than 50 per cent of Canadians are looking forward to getting back to a routine, more than one-third say expenses are their top stressor when it comes to back-to-school shopping.

That's according to a recent Ebates.ca poll, which also found that 45 per cent of Canadians spend between \$100 and \$200 per child, and nearly 25 per cent are spending more than that.

Blame the steep costs on the modern era: electronics are at the top of most parents' shopping lists. Today's young learners are plugged in, and it's costing their parents. Twenty-seven per cent of Canadians bought tablets for their kids, while 21 per cent had to cough up money for a computer.

Good old-fashioned items like pens, pencils, erasers and notepads are still must-haves, but unlike decades past so are things like headphones, chargers and USB drives. As a result, back-to-school spending keeps going up and up.

In the U.S., total back to school spending has increased by 55 per cent in the last 10 years, reaching US\$27.3 billion this year.

Shoppers there are spending an average of US\$674 per *household* this year compared with US\$630 last year.

Parents say they will spend an average \$235.39 on clothing, \$204.06 on electronics, \$126.35 on shoes, and \$107.76 on supplies like notebooks, backpacks, and lunchboxes this year.

Compare those figures to a decade ago: \$228.14 on clothing, \$114.38 on electronics, \$98.34 on shoes, and \$86.22 on other supplies.

Spending is so big, in fact, that the back-to-school shopping season is second only to the winter holiday shopping season.

Saving where you can

With so many other demands on parents' pocketbooks, it's a good idea to hit the mall for school supplies with a few strategies to keep costs down.

“Make sure you make a list of what your children need before you go shopping,” says Tina Tehranchian, senior financial planner at Richmond Hill’s Assante Capital Management Ltd. “That way you will not get swayed by their wants and will be able to concentrate on their needs.”

That’s especially true for electronics: while some kids might have all the latest gear and gadgets, laptops may not actually be required. Get the facts from your child’s teacher before you make a big purchase.

“If you have a propensity to overspend and cave in to your children’s demands, take cash with you and don’t use a credit card,” adds Tehranchian. “Have a budget in mind before you head out to the shopping centre and stick to it. Sticking to a budget is much easier with cash than it is with credit card.”

Once you’ve determined an amount you have to work with, get your kids involved in spending and shopping decisions.

“If it's clothes, talk about how much each child has to spend and about what pieces are needed so that you can all stay within the parameters of your allocation,” says Vancouver-based certified money coach Kathryn Mandelcorn. “Look online or check out flyers so you're getting the best deal without driving to several different stores.”

And before you head out, dig around your own home first. Unless your kids are just starting kindergarten, there’s a good chance you’ll have plenty of supplies left over from years past.

Pencils, pens, eraser, binders, paints, markers and crayons don’t have to come in new packages year after year.

For electronics, get siblings to share, and ask around: are any relatives looking to upgrade their computer and willing to donate you their old one or sell it to you for a bargain?

Planning for the future

If all the expenses are causing intense stress, consider starting to plan now for the year ahead.

“Draw a schedule or use a spreadsheet with each of the months of the year and list all the activities, equipment, school fees you anticipate for each child for the year ahead,” Mandelcorn says. “Total it all up and divide by your pay cheque frequency. Set up a free savings account, nickname it ‘Kids Activities’ and setup a recurring transfer to this account every payday.

“If the savings amount doesn’t seem manageable then what can you change?” she says. “Or do you need to do an overall cash flow plan? The Kids Activities account is a great place to start.”