

Teaching Kids About Money at Home

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Parents have opportunities to teach kids some valuable, real-life lessons about money at home – especially when it comes to topics like budgeting and household finances.

Here are a few everyday (and entertaining) activities and games with money lessons my family has used for our seven-year old, as well as other ideas that may work well for younger kids and teens alike.

Personal Finance Lessons for Kids:

1. Family Game Time

As Janet Gray, an Ottawa-based certified financial planner with Money Coaches Canada explains, certain board games can be great tools for teaching kids important lessons on the relationship between earning, saving or spending money, as well as preparing for financial obstacles.

In my family's case, we played the Game of Life – which gave my son the chance to choose his career path, earn a salary, pay taxes and make his way through the financial ups and downs of the game board until his eventual retirement. Monopoly is another popular choice — we used the Toy Story version to explore the concepts of earning, spending, addition, subtraction and financial decision-making.

If you're interested in a more digital approach, Gray says websites like **Talk With Our Kids About Money**, run by the **Canadian Foundation for Economic Education**, provide a number of savings and budgeting-focused games, activities and resources, grouped by age range.

2. Money Management Through Play

Like many kids, mine is fascinated by the idea of earning a small allowance, saving it up for weeks and eventually spending it on a sought-after toy. We decided play this by opening our own little "store" at home. Using leftover stickers from a garage sale, my son priced a few of his own toys and art supplies and set up his kid cash register.

The game was a huge hit. He and I took turns being shopkeeper and customer, walking through the concept of shopping within a budget. The game allowed him to

practice adding up the totals and counting out change, building on what he's already learned at school about the different values of coins.

Meal planning is another way parents often illustrate the idea of budgeting to kids of all ages. "Go to the pantry and say 'okay, here's what we're planning to have for dinner and here's what I seem to remember I paid for it,' and then say 'here's \$25 — could you buy this for \$25 if that's all you had for food?'" Gray says.

3. Get Crafty

When it comes to illustrating financial goals and planning with younger kids, it may be time to get out the paint and glitter, says Gray. One fun family activity, she suggests, is to decorate mason jars for saving, spending, donating and investing, and give kids \$10 in loonies, to be split between the jars (for example, 50% to spend, 20% for short-term savings, 20% for investing or longer-term savings and 10% for donations).

4. Make Real-Life Connections

For older kids, the budgeting conversation can move to the next level, says Gray. Be honest with teens about the reality of household bills, and the work required to earn the money to pay them. The idea is to help them make the association between how much they earn and how much it costs to live in the house.

"Just say 'here's a hydro bill — does anyone have any idea, anytime a light is on, anytime the dryer's on, the dishwasher's on, for a month of hydro, it's \$100. Well, you know, I need to work for x hours to pay for that \$100 hydro bill' — just have the connection," says Gray.