

Children and Money

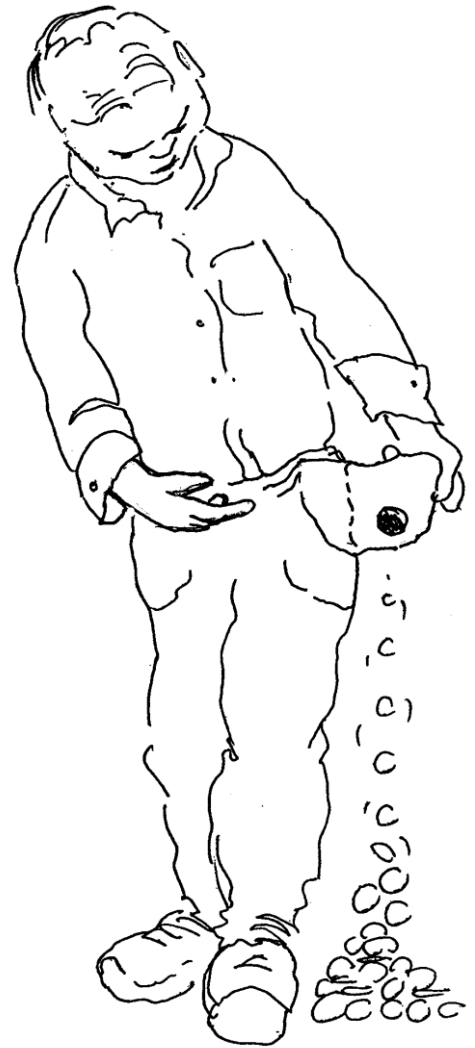
Suggestions that work.

Teaching children the skills to use money properly

1. Pocket money is a means to teach responsibility with money. If it is misused an opportunity arises to talk with the child so that he or she learns from his mistake and possibly a degree of fiscal control is required for a time.
2. Teach children to think, 'Do I really need this?' Teach them to take time to consider a purchase, not just to rush in.
3. Have a plan for supermarket shopping: take different children, have children put back onto the shelf things that they sneak into the trolley, talk about the best value for money.
4. Don't encourage the expectation that money will always be available for any desired purchase.
5. Reinforce the concept of waste with children.
6. Have family practices that reduce whim choices...two or three cereals are sufficient, etc.
7. Bank accounts can help in educating children in the world of interest rates, investments, filling in forms, etc.

Teaching virtues through the use of money

1. Self Control: explain the purpose of money and motivate the child to use the money wisely; through example show that parents are not attached to money; encourage them to have longer term goals; teach self control by planning ahead and not spending on whim; don't let children have too much money in their pockets.
2. Sound judgement: saving money for a future purchase helps children realise the value of money.
3. Responsibility: encourage children, without making a big issue out of it, to give money for a specific purpose e.g. on the church plate; plan to give money to a certain charity hence educating children in the use of money to do good to others.
4. Generosity: use money found to help others...gifts, contribution to charity, direct to topical appeal (e.g. Caritas, Médecins Sans Frontières), have a family discussion to decide which charity should be helped.



**Wow! That money has burnt
a hole in my pocket.**

How parents can give better example

1. Let children assist with grocery shopping so that they see their parents obtain value for money rather than selecting the most popular brands.
2. Let children see that joy can be derived from simple rather than expensive things.
3. Have children do without things until their birthday or Christmas. Then the gift is more appreciated.
4. Look after things so that they last rather than have to be replaced.
5. 'The best is not always the shiny item.'
6. Teach good times don't equal expensive times. Have creative initiatives in family life...lunch in the park, etc.
7. Explain the truth to children: "We can't afford it."
8. Sometimes buy second-hand in order to make the point with the children.

Coping with advertising

1. Help children see that advertising works on emotions and feelings rather than allowing rational decision making. Talk about ads with children. Discuss sophisticated marketing techniques. Explain mark ups.
2. Show that non advertised items may be cheaper. Teach children to compare items which have expensive packaging and advertising campaigns with the cheaper alternatives.
3. Show children that television ads can create a whole range of artificial and frivolous 'needs'. Consider a family response to television ads and policy on use of television: use of DVD to eliminate ads, etc.

Coping with teenage culture

1. Give reasons for certain values and dress standards, before it becomes an issue.
2. Do your homework. Foresee possible problems.
3. Be tolerant, don't overreact. But always say 'No' if there is physical or moral danger involved. Explain your reasons.
4. Expect that teens pay their own mobile phone bills.

On teaching children to be responsible with money they earn themselves

1. The saving habit needs to be instilled long before children are earning money themselves.
2. Teach that responsibility with money is not just in saving it, but also in spending it wisely.
3. Consider having children contribute to the family a proportion of what they earn.
4. Teach that family is more important than money: jobs should not invade family times, and Sundays.

Source: Suggestions submitted from parents' working groups.

One mum's style



Before we leave home we plan together what we are going to shop for. This directs our focus when we're at the shops.



I encourage my daughter to try to build up enough pocket money to buy a gift card from Target/BigW/Coles so that she feels she has a 'bank account' to call on to buy birthday presents for her friends when invited to parties.



She receives so much joy in giving money to beggars or homeless people, that I never refuse her request for some coins. I always remind her to include a 'God bless you' with it.



If she sees something she really wants, she has to work out how long it's going to take her to save up for it using her pocket money.



One day I will get her a money box, but if we can make one, all the better. The Commonwealth Bank used to have tin ones which I used to mosaic with colourful glass tiles as a practical house ornament.