

The SOLUTION source

Thunder Bay Counselling Newsletter
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For You & Your Family

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A BETTER FUTURE

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TEACHING YOUR KIDS ABOUT MONEY CAN SET THEM UP FOR A BETTER FINANCIAL FUTURE.

While strides have been made towards incorporating financial literacy in education into curriculums in Ontario, the majority of learning about money happens at home. That leads to the question, as a parent or caregiver, where do you even start?

Children learn by watching, this includes how to handle money. The best way to teach kids about money is to set a good example in your household. It is not to say you must be perfect but showing them the importance of understanding your money and working on your finances is a great start.

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LEARNING VS LEANING ON

The key idea is to teach kids that finances are a part of life. Getting support for this can also be a part of the lesson. It's important to keep that balance of helping your kids understand money while not unloading your financial worry onto them.

Draw the line of when and where it's appropriate to include your children in financial decisions. For example, when finances are difficult, include your children in shopping, showing how to budget and why it's important to cut costs, however, don't unload your stress and worry on your children about making your payments. Keep in mind no one is perfect, not even parents. Having financial strain doesn't mean teaching your children about finances is out the window but an opportunity to show them how to work through and address difficult situations. ■

HOUSEHOLD EXPENSES

GROCERIES:

- Plan meals in advance, cook more from scratch
- Make a list and stick to it
- Limit food shopping to once or twice a week
- Have rules for getting your kids past the snack section in stores
- Take advantage of seasonal specials
- Pack a lunch as much as possible
- Make eating out an occasional treat

CLOTHING:

- Mend and remodel clothing
- Pass along used pieces and buy second hand
- Hang clothing on a clothesline to dry
- Use detergent that works well in cool and warm water
- Organize laundry so that a minimum number of loads are run

RECREATION & ENTERTAINMENT:

- Use the public library
- Spend time not money: look at free family events around town, use public parks and picnic areas
- Limit the number of activities your child participates in. They can try new activities and hobbies but don't need to do everything at once

HOUSING:

- Turn off/unplug things when not in use
- Lower thermostat temperature at night
- Learn to do simple repairs
- Improvise furniture and shop second hand

PHONE, CABLE & INTERNET:

- Check to make sure you are using what you are paying for (data, channels, minutes, etc.) and, if not, make needed changes to your packages.
- Consider your options: do your kids need a cellphone yet? Can they pay for part? Can you manage without data and just use wifi? Is there a cheaper plan somewhere else?

GIFTS:

- Ask your children to write a prioritized list of things they are interested in or items they would like as gifts for birthdays etc.
- Make gifts, cards and wrappings for gifts instead of buying or reuse old ones
- Set a budget for gifts
- Consider giving experiences over items

SAVINGS:

- Keep your loose change for savings
- Make saving a family affair
- Determine your saving goals
- Save on a regular basis. ■



MONEY TOPICS BY AGE

AGES 3-5

- Identify what money looks like
- Play pretend, buying and selling
- What does spending and saving mean
- Start to learn where money goes when you spend it and where it comes from (work, government, other)

AGES 6-8

- Start making choices with their own money – what to spend, what wasting could look like, what saving looks like
- Counting money, mixing amounts, build confidence in coin equivalence
- Make a list of possible choices to spend money on, read tags, understand amounts for items
- Start to understand banking, open savings account
- Recognize marketing and that TV commercials aren't real
- Save towards a short-term goal

AGES 9-11

- Estimating costs, start to understand tax, checking for the correct change
- Compare prices when shopping, “help me decide what to buy” and look at the value of a product
- Cooperate with family efforts to save
- Look at facts in advertising, be aware of peer pressure in making decisions
- Longer periods of saving, save small amounts each week, borrow money for a purchase then work to repay it

AGES 12-14

- Look at a spending plan, fixed and variable expenses
- Understanding how credit cards and interest work
- Be comfortable asking questions when considering a purchase, recognize advertising techniques and buyer beware
- Learn the cost of a home: rent, food, phone, hydro, maintenance etc.
- Start to dream and plan of what to do with money in the future

AGES 15-17

- Understanding paychecks
- Financial goal setting, budgeting, future planning, cost for future plans such as schooling
- Understand filing taxes, basic contracts (memberships, cellphones etc.), cost of credit
- Costs of independence: Paying for their own things, insurance, transportation, future rent, food prices, activities

AGES 18+

- Start a small credit card and learn to use it appropriately
- Understand what co-signing is and the risks
- Learn about building credit, student loans, repayment - not all debt is bad
- Saving vs. investing
- Benefits of starting to save early for retirement
- Be comfortable in resolving customer service issues. ■



GETTING SUPPORT IS FOR EVERYONE

One of the biggest lessons to teach your children about money is when they don't understand something or feel overwhelmed, ask for help. This includes getting support to learn more and better understand their money from a reputable source. Understanding where you are at with your finances is the first step to making any financial decision. Getting support does not mean you are failing rather taking a first step to set yourself up for success in the future.

Ontario Registration
#4138616



We know these are difficult time for everyone, you are not alone. Get the information and support you need to make informed decisions about your finances.

Our Financial Counsellors are keeping up to date with ongoing COVID-19 changes. They can help you:

- Understand and access COVID-19 supports
- Navigate loan, utility, and other payment relief options
- Work with you to adjust your budget when needed



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