



RAISING 'MONEY SAVVY' KIDS

Children are never too young to start learning good money habits that will help them become financially savvy individuals.

There are many ways for parents to teach their little ones the basics of spending and saving money that are both fun and practical. By instilling good habits at a young age, you can be confident your child will be ready to take on any financial challenges that may come their way.

1. OPEN A CHILDREN'S BANK ACCOUNT

Opening a bank account for your child is a great way for them to learn how to save and be rewarded for it. Banks generally offer a range of children's bank accounts, so it is advisable to do your research and compare what's on the market.

Make sure you consider any monthly fees, the interest rates, age limits, access requirements, and any incentives. While online banking may be the norm for most adults these days, it might be worth giving your child the 'traditional' banking experience by taking them to a local bank. By having them walk up to the counter and deposit the money themselves, they will gain confidence and learn more about the role of banks.

2. USE DAY TO DAY EXPERIENCES TO TALK ABOUT MONEY

You can teach your children a lot about money through real life situations. When you are withdrawing money from an ATM, you can explain to your child that it is more than just a money dispenser but something that holds the money you have worked hard for and have saved. By taking money out of the ATM, you will have less in the account. Shopping with the children is also a learning opportunity. Talk about how items have a dollar value and there are cheaper and more expensive versions of the same product.

You can also ask your child to help you pick the cheapest item. In addition, you can set them a grocery budget and help them calculate the costs of the grocery shop to see if it comes under your planned spend. If you have a broader family budget, involve your children by explaining to them how the money is spent and the importance of saving.

3. GIVE POCKET MONEY

Giving your children money is a great way to teach them good habits in saving and spending wisely. It up to you as a parent to decide when and how much you give. For starters, weekly payments are a good idea when your child is younger. However, as they get older, it might be worth making your child wait longer for their allowance. Lengthier waits will help your child develop patience and be proactive in budgeting.

Consider using pocket money as a reward for completing household chores such as cleaning up their room, setting the table for dinner, or emptying the bins. You can encourage your children to either save their pocket money in their bank accounts or in physical piggy banks. Piggy banks are a great tactile way for them to be able to count their cash and build confidence when they reach a particular amount.

