



My Weekly Savings Plan

- Cutting grass
- Cleaning the room
- Putting rubbish out
- Getting homework right
- Washing daddy's car

CHILDREN LEARN BY DOING. GIVE THEM AS MANY OPPORTUNITIES TO EARN MONEY, SPEND MONEY & SAVE MONEY

Encourage Goal setting

- Children always have something special that they want. Make them write a list of what they want and how much it costs. Encourage them to save a portion of their allowance each week for an item on their list.
- Give them a reward by matching their savings from time to time to help them reach their savings target faster, otherwise saving a small portion of their allowance might seem like it will take forever to get what they want.

Budget

- Have your children take time to analyze his or her spending habits by creating a budget.
- Have your children write down what they plan to buy during the week and how much each item costs. Then write down their weekly income (allowances + money earned). If their expenses are higher than their income, they'll have to prioritise their needs and their wants and identify where they can reduce their expenses.

For more information, contact the
Financial System Development Group at:

Reserve Bank of Fiji

Private Mail Bag, Suva, Fiji

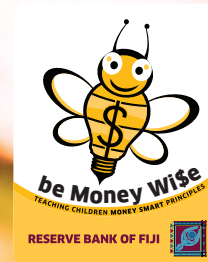
Telephone: (679) 331 3611 Facsimile: (679) 330 2094

Email: info@rbf.gov.fj Website: www.rbf.gov.fj

RESERVE BANK OF FIJI



RAISING MONEY SMART CHILDREN



Teaching your children about money management skills is a critical part of their future. If you begin teaching them while they are still young, their behavior should result in healthy spending and saving patterns as adults.



Why raising money smart children is a must?



Build a solid foundation in life

Teaching your children the basics of money management at an early age enables them to know how to manage their finances and enjoy financial security in the future.

Money doesn't grow on trees

Some children believe that money is easy to come by and that the ATM is a constant supply of cash. They naturally go through stages where they want things constantly but do not know that money has to be earned and prioritised.

Instill Discipline

It takes discipline to put aside your hard earned money into a savings account or a simple money

box. As our children learn the difference between needs and wants and start saving their money, they will acquire the discipline to live within their means and reduce unnecessary spending.

Become Charitable Adults

Money management not only involves learning how to save, spend and invest wisely, it also involves giving back to society. By practicing charitable action from a young age, your children will eventually become compassionate adults who know that their actions can have a positive impact to less fortunate people and their surroundings.

Some Simple Steps to Raising Money Smart Children

Get children interested in money early

- When your children are very young, preferably 3 or 4 years old, show them how to recognise money by teaching them how to tell different coins apart.
- Then give them a money box or empty jar to store up their change. Money boxes or jars are a tangible place to keep their money safe, and they can see, hear, and feel how it fills up.

Children should have access to money

- Children should be given small amounts of money in the form of an allowance so they can begin learning how to manage money.
- Give your children enough independence to be unsuccessful: By having familiarity with making disappointing purchases with small amounts of money, they will learn this lesson based on their own experiences, not from advice someone may have given them.

Encourage earning money

- Making children earn their money gives them a sense of satisfaction and teaches them that money has to be earned and isn't as easy to come by as they may originally have thought.
- To earn money beyond their weekly allowance, suggest that they find creative ways to make money such as doing household chores.

Differentiate between needs and wants

- Identifying the difference between needs and wants is essential for developing good money management skills. Without this foundation, kids may have trouble controlling their spending as adults.
- Involve your children in a discussion and make a list of everything they cannot live without and can live without. This will give them a good idea about what they must spend their income on first and will help them see what is essential and extra in their own lives.

Make saving a habit

- Help make savings visible and real by having your child build up savings in a money box or empty jar.
- Once they have enough saved to open a bank account, help them open up a bank savings account. Many banks offer no-fee and no minimum balance accounts for children.
- Visit the bank often with your children and make it a habit to deposit money into their account regularly.

