

## Teaching Children about Smart Spending

Source: [Government of Canada](#)

### Know where the money is going

Have children record their spending. This will help them build their budgeting skills.

Children can record the amount they save and spend by:

- adding each amount they save or spend to a colourful chart
- writing it down in a notebook
- entering it into a computer program
- using apps that track saving and spending

### Say no to impulse shopping

Teach your children to shop only when they need a specific item.

Encourage them to avoid impulse shopping by:

- making a list in advance
- not buying an item just because it's on sale
- trying to wait a day before buying the item

### Shop around for the best deal

Encourage your children to compare prices between products and stores. Take them to several stores to comparison shop for the item they want and look at similar items. This will help them get the best value for their money.

Make sure your children understand that spending money on a more expensive item will mean less money for saving or other purchases.

### Talk about advertising

Help children deal with pressure to buy certain goods or services. This pressure may come from advertising or from peers. Talk about how advertisements and marketing campaigns can influence their spending decisions. Help them make informed decisions so they don't buy something they don't need just because of an advertisement.

[Find resources to help you discuss marketing and advertising with your child at Media Smarts.](#)

### Be careful with online shopping and apps

Encourage your children to be careful when shopping online.

They should make sure to:

- avoid sharing their passwords
- research the company they're buying from to make sure it's a reliable company
- fully understand the details of what they're buying
- include the costs of shipping

[Learn about how to get cyber safe.](#)

### **In-app purchases, streaming and downloads**

Make sure children understand what's free and what costs money when:

- playing games online
- using an app
- downloading songs, movies or games
- streaming movies or TV shows

### **In-app purchases**

Paying for extra features when using an app is called an in-app purchase. You pay using a debit, credit or prepaid card number.

Even games for young children have extra features that require payment.

For example, in-app purchases could include:

- new outfits or special abilities for a character in the game
- virtual credits for purchasing items in the game
- the ability to skip a level that might be challenging

Talk to your child about how spending money for an extra feature will mean less money for other items or activities.

Consider online games from public or educational sources that don't require payment for extra features.

### **Protect the financial information on your mobile device**

Make sure the security settings on your mobile device prevent your child from downloading, streaming or making in-app purchases without your permission. Keep your password to any account linked to a debit or credit card secure.

[Learn how to protect your mobile device.](#)