Kids and Money

BY KELLEY KEEHN

As if young people didn’t have enough stacked against them already: crippling student debt, an increasingly unaffordable housing market and a rapidly changing workplace making education, training, and career choices more challenging. Then cue a global pandemic and rolling business shutdowns. Summer jobs disappeared and the fall/winter prospects aren’t much rosier. A record number of millennials are either remaining at *their family home or moving back*, putting further pressure on their parents’ efforts to pay down their own debt and save for retirement.

It’s always been vital to talk to your kids about money, but to help them weather the crisis, it’s critical! And no one in Canada has been educating youth on finance longer that Gary Rabbior, President of the Canadian Foundation for Economic Education (CFEE).

**Are kids making a passing financial grade?**

There’s not a parent that wouldn’t agree that more financial literacy skills should be taught in the school system. So how are we doing? Gary says, “We’re improving. As the international PISA (The Programme for International Student Assessment) results show, Canada came in second of the 18 countries participating in the global assessment of financial literacy. But we can’t sit on those laurels. There’s much more to be done – and that we can do - to develop financial capability at home and in school. Importantly we know that youth want to learn about money. CFEE surveyed over 6,000 youth and they couldn’t have made it more clear – they want to learn about money and how to manage their financial futures. Having learners who want to learn makes a huge difference.”

Gary points again to the CFEE survey. “We asked youth the question “Where do you want to learn about money?” and gave them the option of including other sources such as TV, games, the Internet, etc. It was again very clear; the number one source from which they want to learn about money is their parents. And a close second is at school. All others lagged far behind. They want to learn from trusted sources.”

**Resources can help parents and kids**

But if most parent’s financial literacy skills need some work themselves, then how able are they to provide financial help and advice to their kids? Since kids want to learn about money, Gary says all it takes is desire and willingness on the part of parents. “There is a ton of material out there to support parents and assist them in getting money talks started. Once you open the door to the topic, the talks will happen naturally – and often. And starting the talks at an early age will make it so much easier later in life when the topics become more serious – and they will welcome your advice.”

To be sure, parents have made financial mistakes. We all have! Armed with those lessons, they can assist their children avoid them. Mistakes are learning opportunities and teachable moments.

So how do you teach them how to avoid financial mishaps and give them a solid foundation? Gary points to CFEE’s successful, *Talk With Our Kids About Money* program which “aims to provide help to parents to make it easier, make it fun, provide starting points and catalysts to discussions. Parents can go to the site – [www.talkwithourkidsaboutmoney.com](http://www.talkwithourkidsaboutmoney.com) and search for resources according the age of their child(ren). The activities are fun and let parents be parents, not teachers. There are

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[www.thewomenscollection.ca](http://www.thewomenscollection.ca)
books to read, movies to watch, activities, crafts, local trips, and more. All age appropriate and all free – thanks to support from Scotiabank – and especially timely for these times of at-home learning.”

Managing the fall out of the pandemic

It’s been estimated that young adults have been hurt the most by the pandemic. They haven’t had the time to be in the workforce at all or long enough to create a robust emergency account. Gary knows that they’re “less able to make ends meet if they’re already out on their own and are facing significant financial stress which is impacting their mental health as well. It’s difficult for them to look into their futures now since things are so murky.”

Parents can help in creating a hopeful future

“Youth should be relishing a future of unlimited potential” says Gary. “All the good things they can imagine, all the things they can aspire to, and want to achieve. But right now, there are dark clouds over much of that future, with a huge impact on the mental health and well-being of our youth. And, similarly on the prospects for their future financial health. Parents, organisations, government and our financial institutions need to do all we can to help our youth through this period for the health of their financial futures, their mental health and future well-being. And, you can do your part by talking to the youth in your life and help them to develop the financial knowledge and skills to build a successful future.”

Kelley Keehn is a Personal Finance Educator, best-selling author, keynote speaker and media personality with over 20 years in the Canadian finance industry. Her tenth book, Talk Money to Me, published by Simon and Schuster, is available in bookstores across Canada now. She’s the Consumer Advocate for FP Canada and serves on many other prominent financial committees and boards. Over the last four years alone, she has conducted over 1,000 television, radio and print interviews on a multitude of financial literacy topics. Her mission is to help Canadians feel good about their money.