



Teaching children about money

By Amy Fitzgerald

The way we teach children about money has changed over the years. Learning about money used to mean focussing on the value and exchange of coins and notes. Whilst that remains an important part of learning about money, our children also need to learn about managing electronic funds through tools such as EFTPOS and PayWave, as well as skills such as budgeting.



Here are four key concepts to keep in mind when teaching your child about money.

Understanding money begins with solid numeracy skills

Money can be a difficult concept to teach and can take time to master. When young learners have a good numeracy foundation, they will find it easier to develop concepts about money and its uses.

A good numeracy checklist to support an understanding of money would include:

- Recognition of numbers
- Knowing how to add small numbers and count on
- Counting in 2s, 5s, 10s
- Rounding numbers up and down
- Understanding place value to 100
- Using a calculator.

Coins and Notes

One of the positives with coins and notes is that they are real life objects, which can make understanding the concept of exchanging them for goods and services easier.

However, coins and notes also come with their own challenges. Consider the confusing notion that when it comes to Australian coins, larger coins don't mean an increase in value, in fact our largest coin is only worth 50 cents and one of our smallest is worth the most at \$2.00!

Children and young people will need lots of practice understanding the differences between each note and coin and what their value is.

These are some practical ways to teach your child about money:

- Match coins to the same coins
- Putting coins and notes in order of value
- Find amounts of coins to add, to make a value or cost for an item
- When teaching about money use realistic values to the associated items. For example, match pictures of items with written word card money values on separate cards to be paired with correct item. This could be a cup of coffee = \$4, or a pair of running shoes = \$90.

- Coins can be placed onto a number line and matched to numerals
- Have a money wall chart on display to help children remember money values
- \$1 and \$2 coins can be saved and exchanged for \$5 and \$10 notes before spending
- Play shops
- Using apps such as *Learning Money Australia* to learn about notes and coins.

Electronic funds

We now have a variety of ways to pay for our goods and services such as online banking apps, PayWave, Tap and Go and EFTPOS. As well as the use of coins and notes, learners need to understand how electronic funds work too.

One way to help learners develop their knowledge is to provide simple explanations of the process. Explain that with tools like tap and pay, when you tap your card, it's using the money you're made by working and saving and that each time you tap, you'll have less money in your account.

Some practical ways to develop understandings of electronic funds can include:

- Using an ATM in real life
- Using role play
- Develop and use social stories/social scripts around the use of electronic funds
- Practice with an app such as *ATM Bank Teller*.

Budgeting

Along with our understanding of what money is and how we can access and use it, learners also need to develop their knowledge about budgeting.

Discussing the difference between needs and wants can also help children and young people to think before they spend their money.

Young people should have experience in handling real money by helping to pay for items and have their own money to spend. They will learn to be more responsible with money if they are handling it.





Some practical suggestions:

- Discuss where money comes from and where it goes using a visual chart. For example, your pocket money, gifts or wages goes into a bank account and then it goes when we take money out to buy things we want or need. We can take it out as cash or by using a card linked to our account.
- Using websites to show the cost of items online
- Discussing bills and payments
- Adding up the cost of things on a calculator
- Pocket money
- Using apps like *Bankaroo* to help teach budgeting skills.

Exposure to real life experiences with money is a powerful learning tool. Involving your child in everyday money and budgeting experiences will support their learning and provide a solid context for their own understandings about the use of money and the development of these very important skills.

And lastly, some great advice from *Voice in Brief* Editor Stephanie Papaleo, which was passed onto her by her father, is “to be careful with your money and only to buy things you need.”

Something we all need to be reminded about!

Learn more about teaching your child about money:

Effective education for children with Down syndrome in school, Presentation 4: Developing number and math skill: <https://learning.down-syndrome.org/courses/take/effective-education-school/lessons/10986372-presentation-4-developing-number-and-math-skills>

‘Functional mathematics in a digital age: What do we really need to teach?’, *Voice*: https://www.downsyndrome.org.au/wp-content/uploads/2020/02/VOICE_Mar_2017_Functional_mathmatics.pdf

Moneysmart 2021, ‘Teaching kids about money’: <https://moneysmart.gov.au/teaching-kids-about-money>

