



Lesson One

Making Spending Decisions



websites for making spending decisions

The internet is probably the most extensive and dynamic source of information in our society. The following websites can provide students and others with current information, assistance, and data related to this lesson. Web addresses ending in “.com.nz” are commercial; “.org.nz” are nonprofit; and “.govt.nz” are government.

Sorted

www.sorted.org.nz/

Money Week

www.moneyweek.co.nz

Commission for Financial Literacy
and Retirement Income

www.cflri.org.nz/financial-literacy

making spending decisions

overview

From birth, a child has choices. At first parents make the decisions, but before the end of the first year, children are capable of making some simple selections. If children are allowed to make easy choices as toddlers, then making decisions for themselves as they grow becomes less difficult.

This lesson introduces guided, money-related, decision-making activities for children from preschool to year two.

Guiding young children in simple choices now will give them the experience and confidence to make their own decisions as they grow. Making decisions teaches children responsibility and enhances their ability to function successfully in their teen and adult years. Confidence in decision-making enhances children's control over their lives and gives them power.

Very young children are able to analyse and choose between two equally positive alternatives without major negative consequences. As children grow older, they become able to select the best from among a greater number of alternatives.

goals

Introduce structured spending decisions to assist young children in making choices. Help children recognise that money comes in limited amounts.

lesson objectives

- Gain self-confidence in making decisions.
- Analyse simple alternatives.
- Develop rational behaviour patterns.
- Practice making decisions in structured situations.

student activities

1-1 Grocery Shopping

Related Worksheet: Identifying Coins

- Using playtime or maths time, ask children to spend play money for play food items.
- Talk about buying only one or two items for themselves when they go grocery shopping.

1-2 Toy Shopping

Related Worksheet: Identifying Notes

- Help children learn that money is exchanged for toys they want.

1-3 Snack Time Decisions

Related Worksheet: Identifying Coins

- Provide a time to role-play exchanging money for snack food.

making spending decisions lesson outline

1-4 Lesson One Quiz

- Colouring Activity
- Young Reader - Answer Key

making spending decisions target audiences

role-play grocery shopping

Set up a pretend grocery shop in the classroom.

- Provide empty food containers for shopping choices. If necessary, students can contribute to the empty boxes and cans. [Note: Soft-sided containers, such as bread wrappers, can be stuffed with crumpled tissue paper to hold their shape.]
- Pictures of various nutritious snack foods cut from magazines can be glued on the front of boxes to represent food choices for fresh fruits and vegetables or foods for which you cannot find empty containers.
- Mark prices on each pretend item. Price the food in 10 cent increments (for example: 20¢, 30¢, 40¢). For older children (ages five to seven), the prices could be in five-cent increments. Brightly coloured stickers are great for placing the prices on items.
- Give each child in the class play money coins equal to \$1.00.
- Set the ground rules. Tell them they may purchase only one or two items with their money.
- Let children pay for their pretend grocery shop purchases with their play money.
- Help one child be the cashier who takes the money. Children can take turns being the cashier.
- Let children carry their purchases away from the shop using small paper bags.

discussion



student activity



toy shopping

Provide a pretend toy shopping experience for the children.

- Label prices on brightly coloured stickers and place them on the toys that are part of the children's playtime.
- Let the children use play money to purchase toys for playtime.
- Make the prices proportional to the real price of the toys, but keep the prices all under \$1.00. (For example, put higher prices on the more expensive toys and lower prices on the less expensive toys.) For older children, the total price could go up to \$2.00 to \$5.00 each.

discussion



student activity



making spending decisions teaching notes

toy shopping (continued)

- Tell the children that for that day they are the caretakers for the toys they purchased.
- The children can share their purchases with the other children.
- At the end of playtime, the purchasers return the toys to the storage area.

snack time purchase decisions

Use snack time in the classroom as a shopping decision activity.

- Have two food choices for snack time (for example, two types of cake or two types of fruit)
- Give each child 50 cents in play money. Tell the children that they are shopping for their food snacks today.
- Have each child select one snack and pay for it with his or her play money.
- Collect the price of the snack from each child.

For variety, different snacks could be different prices. For example, carrot cake could be less than chocolate, or apples less than oranges.

lesson one quiz

discussion



student activity



coloring activity



young reader 1 key





lesson 1 quiz: what costs money

circle the correct answer for each question.

1. Do you need money to buy snacks at the grocery shop?

- Yes
 No

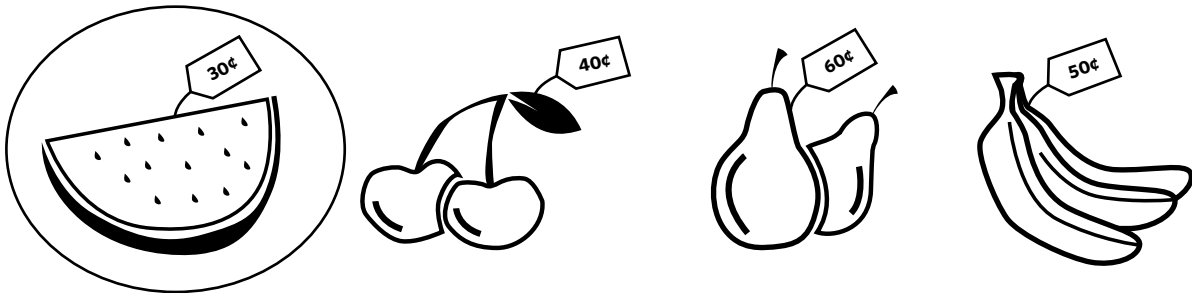
2. Do you need money to buy toys?

- Yes
 No

3. Do you need money to buy things at the shops?

- Yes
 No

4. I have three ten cent coins. I can buy:



5. I have \$1.00. I can buy:

