



# HE ARATAKI TUATAHI MĀ TE WHĀNAU KATOA

**SMALL STEPS TO MONEY  
CONFIDENCE FOR THE  
WHOLE WHĀNAU**

**TIKAKA HOU,  
ORAKA HOU**  
*Changing habits, changing lives*

**WhaiRawa** NGĀI TAHU

# NAU MAI, HAERE MAI

Welcome to our guide on money confidence!

Gaining money confidence is great for everyone in your whānau. It enables us to make the best financial decisions we can, which can assist us to achieve our short-term and long-term financial goals. We have created this guide to assist you in introducing your whānau including tamariki of all ages to money confidence!

Gaining money confidence does not have to be hard. Try following a few key steps at each age between three and sixteen to help develop a healthy relationship with money for both you and your tamariki.

Remember that these ages are just a guide. Your tamariki might develop their money confidence slightly slower or faster.



**TIP**

Although the world is moving toward a more cashless future, using cash and explaining money basics to your tamariki is important to help them visualise incomings and outgoings.





## HAVE YOU SEEN OUR OTHER GUIDES?

Our guides are all available on our website:  
[www.whairawa.com/tamariki](http://www.whairawa.com/tamariki)



## INTRODUCING MONEY AND MAHI

Introducing the concept of money to your tamariki at a young age may seem daunting, however your tamariki are at an age where they are capable of understanding these concepts.

### KEY IDEAS YOUR TAMARIKI SHOULD LEARN AT THIS AGE:

- » Money exists
- » Money is a limited resource

“

You can't expect tamariki to understand the concepts of money when they are older, if you don't introduce them to it when they are younger.

”







**TIP**

**It is important to use cash as tamariki are very visual learners.**

**When your tamariki are around ages 3-4 you can help with their money confidence by doing the following:**

Talk with your tamariki about your job and other whānau members jobs. Explain that people go to mahi to earn money so they can pay for food and bills for their whānau.

Whānau say “Our mātua/parents go to mahi to make money. We can then buy things and pay for bills.”

Talk about how much things cost when you are buying things while they are around.

You can let them hand the money over the counter when it is time to pay. This can help your tamariki visualise the physical exchange of money.

Help them with counting money: teach the difference between coins and notes.

At the end of this guide there is a pūtea sorting mat which can help your tamariki distinguish between the different forms of cash in Aotearoa.

## MAHI, SPENDING AND SAVING

Your tamariki are now at an age where they are capable of understanding that money can be earned by doing mahi and that this money can be spent on things. It is important for your tamariki to now grow their knowledge on how to spend this money wisely.

### KEY IDEAS YOUR TAMARIKI SHOULD LEARN AT THIS AGE:

- » Mahi earns money
- » Money doesn't need to be spent immediately

### 1 MAHI

Tamariki this age can be taught the core concept of earning money by giving them an allowance for completing jobs or tasks around the home. There is no set age to start giving your tamariki an allowance, so it is up to your whānau to decide what time is best.

Some key steps to follow when giving your tamariki pocket money:

- » Set a weekly allowance for your tamariki (only set an allowance to an amount you know you can afford).
- » Set a list of jobs or tasks which must be completed by the end of the week. For example, taking the rubbish out.
- » Only give your tamariki their allowance once the chores have been completed.

See our Pocket Money Guide for more information!





## 2 SPENDING

Giving your tamariki an allowance for completing chores can help your tamariki use their money more wisely as they have earned it themselves. Remind tamariki that they can spend their money on whatever they want and whatever they buy is theirs.

## 3 SAVING

Some items are worth more than others and tamariki will have to learn to save. Encourage them to put a little of everything aside in a money box or a piggy bank.

### DON'T SPEND IT ALL!

Adults need to budget some of their money for bills and savings, as well as having money to spend on everyday items. Explain to your tamariki that you will often have to spend your money on things that are necessary such as bills (power, rent/mortgage, food), and a portion of everything you make should be saved.

See the three-jar system for a fun way to teach your tamariki about this concept of saving.



TIP

Remember that using a clear jar, money box or pātaka to save their coins into can be very beneficial as it gives them a visual representation of money and they can see their money grow as they save.

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MONEY GUARDIANS

### Three Jar Money System

The three-jar money system is a military way to organise and save your pocket money!

Cut out the labels SPEND, SAVE and SHARE and stick them on three empty jars. Whenever you earn some pocket money talk to your whānau about how to divide up your savings into the three jars. You can:

1. **SPEND** it now
2. **SAVE** it for something special in the future
3. **SHARE** it – whether that be donate to a charity or for a gift to someone you care about.

SPEND

SAVE

SHARE

MORE FUN GAMES & QUIZZES are online now at:  
whairawa.com/tamariki

FIND THIS DOWNLOAD AT:

[www.whairawa.com/tamariki/resources/](http://www.whairawa.com/tamariki/resources/)

## DEVELOPING MORE UNDERSTANDING OF MONEY CONCEPTS

At this age, your tamariki should be capable of understanding more in-depth concepts of money.

### KEY IDEAS YOUR TAMARIKI SHOULD LEARN AT THIS AGE:

- » The opportunity cost of purchases
- » Differences between small and big payments
- » Virtual money



#### OPPORTUNITY COST

Buying one thing means you cannot buy another. Tamariki will have to weigh up the pros and cons of things they want to buy to make a decision on how to spend their pūtea.



#### VIRTUAL MONEY AND EFTPOS

Tamariki of this age are capable of learning about virtual money if they have grasped the core concepts of money in their previous years.

Explain about eftpos cards. The money you make is in your bank account and you can use your card to buy things either in person or online. The balance in your account reduces as you spend using the card.







“

One way we like to help our tamariki budget is to pay them their pocket money fortnightly instead of weekly. This means they must make a budget and stick to it to stretch their allowance over the two weeks.

Whai Rawa member

”

### SMALL VS BIG PAYMENTS

Explain to your tamariki the differences between paying for something of a smaller value vs paying for something with a bigger value.

#### Small Payments



Small payments can be paid immediately with cash or an eftpos card. This is because people usually have enough money on hand to pay for it. Examples include clothes and groceries or toys.

#### Big Payments



Big payments are usually more complicated. For example, buying a house. Not many people have enough money to pay for a house in one transaction, so we have other methods of paying. A bank may lend us the large amount of money required and we must pay the bank back in the future. Repayments are generally in equal installments each week, fortnight or month, and it takes many years to repay the home loan. We must also pay the bank extra amounts called interest. The interest the bank receives is how the bank makes money.

## COMPARISON SHOPPING, COMPOUND INTEREST AND TAXES

At this age your tamariki should have a sound grasp of money concepts. They are now old enough to demonstrate their understanding in more practical ways.

### COMPARING PRICES

**Teach your tamariki to compare prices of big purchases between shops.**

By taking your tamariki with you when you go shopping you can point out to them how one product can often have various prices and different shops can charge different amounts for the same basic item.



TIP

See the comparison game at the end of this guide for an activity relating to comparing prices.

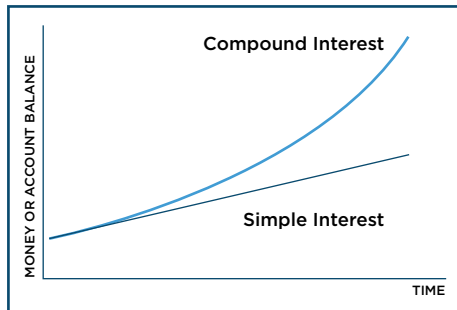




### Teach your tamariki more about saving.

For example, show them how their money will earn interest by showing them their bank savings statements at the start versus the end of the year. This introduces the idea of compounding interest to them.

#### COMPOUND INTEREST EXAMPLE



### TAXES

Everyone who works needs to pay a certain percentage of their money to the government to help pay for shared resources. Teaching tamariki about taxes ensures your tamariki are aware of this concept.



TIP

See the whānau tax jar at the end of this guide for instructions.



It also teaches tamariki that a small cost to individuals can reap a greater benefit for society as a whole.

One way to demonstrate this in a practical way could be taking a percentage of their allowance per week/fortnight and putting it into a tax jar. You could make this a whānau tax jar, or just as their individual tax jar. The money from the tax jar can be used on things that your whānau does together or things that are needed around the house.

You may need to explain that in real life, this money is often used for shared resources which society benefit from such as roads and public playgrounds.

## LARGE SAVING GOALS, NEEDS VS WANTS AND BASICS OF INVESTING.

Once your tamariki reach these ages, they will begin to think about larger saving goals, working for their own money and they may start getting introduced to the basics of investing.

- » Begin discussing what they might need future savings for such as studying at University or Polytech. They might want to get a part time job to assist with the saving.
- » Balancing wants vs needs is an important concept at this age – remind them that not everything they want is also something they need. This is especially important if they begin part time mahi.
- » A pros and cons lists for big purchases can be beneficial to ensure the purchase is beneficial and required.
- » Start discussing investing in more detail such as the basic idea of the sharemarket.
- » Teach them about saving and compounding interest and the fact that money will start 'working for them'.







### FACT

Did you know that if you already have a Whai Rawa account or a KiwiSaver account, you already have an investment.

### SAVINGS OVERVIEW

Make sure your tamariki have a bank account set up. If they have things they want to save for in the short term such as a new pair of shoes or saving to have spending money on holiday, they may also choose to open a savings account.

### INVESTING OVERVIEW

From your investment, the aim is to make more money through compounding interest and/or asset price increases (returns). Interest is an amount that you earn for depositing your money with a borrower like a bank, whereas returns are an amount (which could be negative) that you earn for investing your money with a fund like Whai Rawa.

### MISTAKES WITH MONEY

Along this journey, your tamariki will probably make mistakes with their money. They may spend their money on things they do not use, don't like or they may have issues with saving. Allow these mistakes to be a lesson for them as it can be the best way for them to learn. Remember that your tamariki will learn a lot of their spending and saving habits from you and their hāmua/older siblings.

If you have good saving and spending habits, they often will too!

Take a look at our Rakatahi Guide for more about investing, KiwiSaver accounts and how savings and investing differs.





## Are you in our kids club?

Ngā Kaitiaki Moni is a fun and interactive club exclusively for Whai Rawa tamariki aged 5-12!

Head to [www.whairawa.com/tamariki](http://www.whairawa.com/tamariki) for more information.



# Whānau tax jar

## All Ages



### How to use:

- 1 Each tamariki will have their pocket money/allowance.
- 2 Calculate 15% (or whatever % your whānau decides on) of their allowance to be contributed to the whānau tax jar each week.
- 3 Put the coins and notes into the jar.
- 4 Watch the tax jar grow!

Once every month you and your whānau can count the money in the tax jar and decide what to spend it on together.

If you have young tamariki who do not earn an allowance, ensure that they are also able to reap the benefits from the family tax jar. This teaches tamariki an important lesson about tax and the idea that it usually benefits a larger range of people, including those people who can't pay tax due to not having jobs.

# WHĀNAU TAX JAR



# Comparison Game

Get tamariki to choose which supermarket they would get their groceries from if they wanted to save the most pūtea!

*Comparison Shopping*

Is an easy way for whānau to save – and it adds up!

**Ages 10–15**



## Which supermarket is the cheapest?



Let's assume the quality of both items from each supermarket are exactly the same.

\*\*\*\*\*  
**Supermarket 1 – Toa hokomahi tahi**  
 \*\*\*\*\*

Terminal#1 11:32AM

---

 \$3.00       \$4.00

 \$2.50       \$9.50

---


TOTAL AMOUNT      \$

CASH  
CHANGE

Bank Card      \*\*\*\* \* 7211  
Approval#      192107

---



\*\*\*\*\* THANK YOU! \*\*\*\*\*





\*\*\*\*\*  
**Supermarket 2 – Toa hokomahi rua**  
 \*\*\*\*\*

Terminal#1 11:32AM

---

 \$2.50       \$3.00

 \$3.00       \$11.00

---


TOTAL AMOUNT      \$

CASH  
CHANGE

Bank Card      \*\*\*\* \* 7211  
Approval#      192107

---

\*\*\*\*\* THANK YOU! \*\*\*\*\*



Answer – Supermarket 1 Supermarket 1 total = \$19.00, Supermarket 2 total = \$19.50

Whai Rawa

# Ngā Kaitiaki Moni

MONEY GUARDIANS

# Pūtea Sorting Mat

Sort your collection of coins  
into the correct square on  
the pūtea sorting mat!

**Ages 3-6**

“

We like to give our pocket money to our tamariki in many different types of coins. We find that this made them more comfortable with money basics such as understanding that \$1 can be made up from two 50 cent coins or five 20 cent coins.

Whai Rawa member

”

Try to give pocket money to your tamariki in all different types of coins if possible (10c, 20c, 50c etc).

This can help them to learn about how different combinations of coins can add up to a certain value.

Try using different combinations of coins each time they receive an allowance.



**MORE FUN GAMES & QUIZZES**  
are online now at:  
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10c

20c

**Coin Sorting**

50c

\$1

\$2

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Ngā  
Kaitiaki  
Moni  
MONEY GUARDIANS

# Prices of goods

Ages 10-15

This small activity is a great way for your tamariki to learn about the actual cost of goods. It is also a great opportunity to create yummy kai with your whānau!

## How to use:

- 1 Ask your tamariki to plan a meal for dinner and purchase the items at the supermarket.
- 2 Before they go, they need to list the ingredients they need for the meal and the price they think it will cost them.
- 3 When they purchase the items at the store, they can get the receipt and compare the prices they expected the items to cost vs what they actually cost at the store.





# Supermarket List

EXPECTED PRICE

ACTUAL PRICE

	EXPECTED PRICE	ACTUAL PRICE
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**WhaiRawa** NGĀI TAHU



**Te Rūnanga o NGĀI TAHU**

**WE HOPE YOU FOUND THIS  
GUIDE USEFUL, AND WELCOME  
ANY FEEDBACK ON:**

- P** 0800 942 472 or +64 3 366 4344
- E** [whairawa@ngaitahu.iwi.nz](mailto:whairawa@ngaitahu.iwi.nz)
- A** PO Box 13046, Christchurch 8141

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