



FINANCES

Bringing up baby

Money is often one of the first things parents-to-be think about when planning a pregnancy. The financial impact that children have on a family is significant and not always easy to balance. You will have a lot to think about *before* you decide to have children. Although it is more pleasant to spend time imagining the joy a child brings, you still need to think about practical stuff too. From clothing, food, schooling, entertainment, careers and time costs, you will want to know how your decision to have a baby will affect your means to live and to raise a child. Toy libraries, hand-me-downs, co-operative baby-sitting and other ideas can make the cost of having a family fit into most of our lives.

Through the years – cost countdown

Children are expensive. To pay for childcare, most parents don't eat out as much and spend less on themselves. Start thinking about some changes you might be able to make. If your budget is tight, what are some ways you can plan ahead and keep the costs down?

Get talking before money speaks

Consider this:

- Do you have a steady source of income?
- Do you have any savings?
- Are your monthly bills higher than your income?
- If both of you work, would one of you stop working when the baby comes? For how long? Do you or your partner qualify for maternity/parental leave?
- If both of you will continue working, who will care for the baby and what will it cost?
- What parts of your lifestyle would change? Think about entertainment, sports, activities, time and energy.
- What are the most important material things to you?
- Knowing where your money is at, do you need to make any changes in how you spend it?
- Can you begin to save for your child's education?



Money Fact:

Having a child is definitely a priceless experience. However, in terms of cost, children can be "pricey" as well. According to the Canadian Finance Blog, the first 19 years of a child's life (newborn to age 18) will cost about \$186,000.



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Where does your money go?

Itemize your monthly expenses below:

Housing (mortgage or rent, property taxes, insurance, etc.)\$ _____
Utilities (heat, hydro, water, phone, cable TV, internet, etc.)\$ _____
Food, supplies and maintenance (groceries, cleaning supplies, etc.)\$ _____
Transportation (car loan, gas, repairs, bus, etc.)\$ _____
Clothing (footwear, clothing, dry cleaning, etc.)\$ _____
Grooming aids (hair care, deodorant, make up, etc.)\$ _____
Health care (life insurance, dental, medical, vision, etc.)\$ _____
Recreation and entertainment (vacation, hobbies, books, etc.)\$ _____
Pets (pet food, toys and veterinary care)\$ _____
Extras (gifts, donations, etc.)\$ _____
Total monthly expenses\$ _____
Total monthly income\$ _____

Additional expenses with baby

Itemize the expected baby expenses below:

Baby equipment (crib, car seat, stroller, etc.)\$ _____
Furniture\$ _____
Diapers (cloth or disposable)\$ _____
Clothing\$ _____
Toys\$ _____
Child care\$ _____
Health needs\$ _____
Renovations needed or need to move to a bigger house or apartment\$ _____
Other\$ _____
Total extra baby expenses\$ _____

Remember, you need to consider what a baby really needs and what you think he or she needs. There is a lot of influence from family, friends and advertisers. For example, an approved infant car seat is mandatory in the province of Ontario, but an infant swing is not. Breastfeeding is free and may save you medication and other costs because it keeps both you and baby healthier. And once baby starts eating solids, making your own baby food is much cheaper and healthier for your baby than commercial baby food.

FOR HELP CLOSE TO HOME CONTACT:

Bank manager: _____

Credit counselling: _____

Financial consultant: _____

Library: _____

Family/friends: _____

Planning now will help your future family

If parents think only about the financial responsibilities of having children, they may never end up having any. Luckily, most parents don't base this important decision on finances alone. However, as with most other decisions that affect your financial situation, it is best to be prepared.