

How can I teach my preschooler about earning money?

Children often want to buy things that cost more money than they have. They also are aware that people receive money for work. Giving them ways to earn money to reach their goals helps them learn to plan and save. Earning also helps teach children to be proud of a job well done.

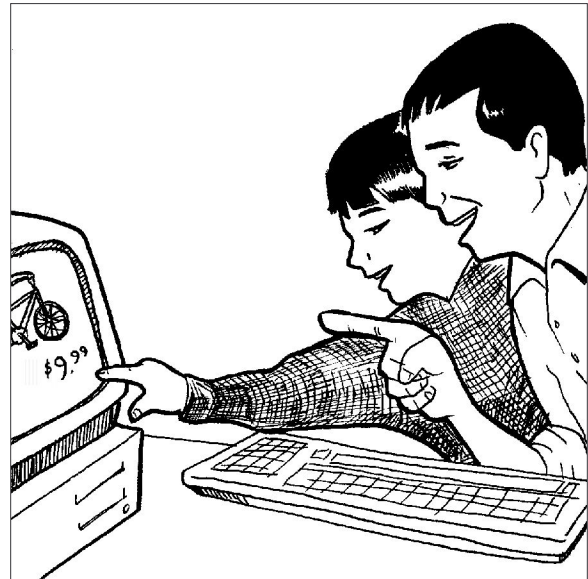
A Paid Chore

Materials needed:

- Paper, pencil, pen, crayon, or marker
- A monthly calendar or chart

Step 1: Explain what you will be doing together (read through entire activity before you begin)

The two of you will plan a regular chore that your child can do to earn money. Explain that earning is a way to get the money to reach spending goals faster.



Explain that earning is a way to get the money to reach spending goals.

Step 2: Think together



Agree on a chore that fits your child's abilities.

Talk with your child

about all the different kinds of work that family members do around the house. Examples:

- Wash dishes
- Make beds
- Do laundry
- Vacuum rugs
- Get mail
- Put toys away
- Mow lawn
- Prepare meals
- Care for pet
- Carry out garbage
- Clean bathroom
- Shop for groceries
- Set table
- Shovel snow

Step 3: Choose a paid chore

Help your child choose a paid chore. Agree on a chore that fits your child's abilities. Pick a chore that needs to be done regularly, perhaps weekly. (continued)

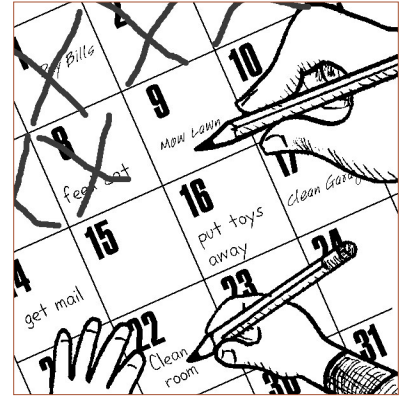
Step 4: Agree on what to pay

Talk with your child about how much you will pay for the chore. Choose how much to pay and then explain how much that amount could buy. For example, 50 cents might buy your child ice cream or a favorite snack at the mall.

Try to agree on a rate of pay that fits the amount of work and the size of your child's spending goals. Pay that is too low will discourage your child. Pay that is too high will raise unfair expectations. It is easier to start low and add more later.

Step 6: Schedule the chore

Help your child use the calendar to show the first time the chore is done. Show how to use the calendar to mark the next time your child will do the chore. Show how to cross off each day at bedtime on the calendar. Remind your child the day before it is time to do the chore again.



Show how to use the calendar to mark the next time to do the chore.

Ideas to talk about

- ★ Family members do things for each other every day without being paid.
- ★ Grownups often earn money by working outside the home.
- ★ There are many different kinds of jobs for grownups.
- ★ Different jobs pay different amounts of money.
- ★ A calendar is a good way to keep track of many future events.

◇ ◇ ◇ Notes ◇ ◇ ◇

Instead of a calendar, you can use a homemade chart to keep track of when the job is done. Help your child mark completed jobs with stickers, markers, or glitter.

Decide what you believe about children's responsibilities for unpaid family chores. Decide what you believe about giving children allowances. Find more about these topics in Other Resources – part of the Thrive by Five™ section of www.creditunion.coop.

This activity goes well with “A One-Dollar Treat” (in “How can I teach my preschooler that when money is spent, it is gone?”).

Find more “How can I teach my preschooler about money” activities at www.creditunion.coop.

