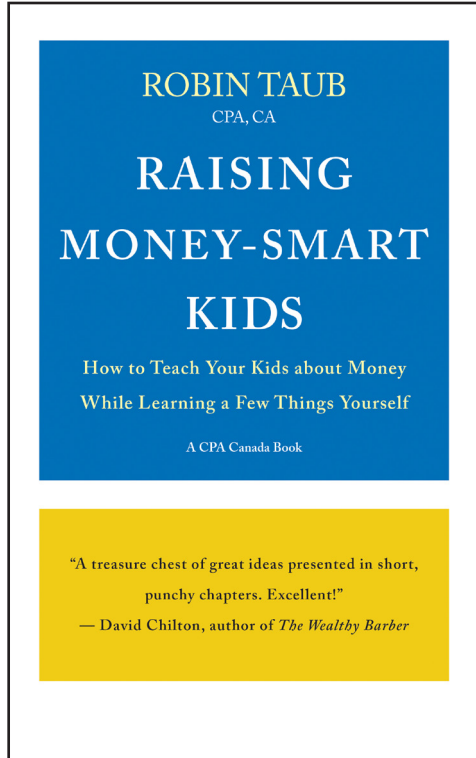


Excerpt from *Raising Money-Smart Kids*  
by Robin Taub



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## Introduction

Like most parents, you feel a responsibility to teach your kids about money. You understand the importance of making sound financial decisions and developing good financial habits. You know how financial struggles can strain relationships and even take a toll on your health. But teaching kids about money is easier said than done, especially in today's digital world. Cash is disappearing, spending is frictionless, fraud and scams are constant threats; the tools we use need to keep pace. According to research compiled by the Chartered Professional Accountants of Canada (CPA Canada), most parents feel they don't have the information they need to teach the right lessons, and they don't know how to approach the subject with kids of different ages. But they do recognize they need help, and they are willing to listen and learn.

As a Chartered Professional Accountant, I've always felt comfortable and confident around money and financial concepts. And I believe money management is an important life skill, one that I wanted to pass on to my two kids. So, in 2011, when CPA Canada asked me to write a book to help parents teach their kids about money, I was intrigued. I had just started writing for the Ontario Securities Commission's financial literacy website, **getsmarteraboutmoney.ca**. But writing a book? It wasn't something I had ever really thought about doing. It certainly wasn't on my bucket list (like meeting Bruce Springsteen, which I managed to do in 2007!).

When Justin and Natalie were young, I tried to put my money wheremy mouth was and be a good financial role model to them. I knew that the earlier kids are taught about money, the greater the likelihood of financial success throughout their lives. So, I

took advantage of teachable moments to build money lessons into our daily lives, and I made sure that all the information I shared with them (about earning, saving, spending, sharing, and investing) was appropriate for their age and maturity (and I still do). Back in 2011, when my kids were fourteen and sixteen, I could already see my efforts were paying off.

After some reflection, I thought to myself, *Maybe I do have a book in me!* Why not write about my own experiences — both rewarding and challenging — and the experiences of other parents? That, combined with solid research, would help parents like you give your kids the knowledge, skills, and confidence that I gave my own kids.

I wrote *Raising Money-Smart Kids*, and it quickly became a Canadian bestseller. In the nine years since it was first published, society has moved away from cash toward mobile and digital money. This new, updated version builds on time-tested lessons that still apply today and adds new information about both the challenges and benefits of managing money in an increasingly digital world. In those same nine years, my kids have grown into financially literate, independent, and responsible young adults (most of the time!).

For anyone who may be thinking, *How can I teach my kids about money if I'm not doing a good job of it myself?*, this book will make you more aware of your own behaviour around money and the type of financial role model you are to your kids now (and the type of role model you can become). But it's something you and your kids can learn together, and it may even lead to improvements in your own financial habits and health as you become more skilled in understanding, practising, and explaining money management.

To get the most out of your reading, you should understand a

few things about how I've organized the book. The first chapter sets the stage, explaining why it's important to help your kids become moneysmart. It also covers what that implies about your own responsibility to be smart with your money so that you can teach by example, because a good example really is the best teacher.

But beyond your own example, there is the very basic need to talk to your kids about money. How do you approach it? Well, there are five basic aspects of money that can be used to structure an ongoing conversation. Chapter One explains the fact that in order to have money you have to earn it. Then, once you've earned it, there are just four things to do with it:

- save
- spend
- share
- invest

Chapters Two through Five are directed at parents with kids at different stages:

- young children (five to eight)
- preteens (nine to twelve)
- teens (thirteen to seventeen)
- emerging adults (eighteen to twenty-one)

Each chapter is organized around the five aspects of money just discussed — **earn**, **save**, **spend**, **share**, and **invest** — and explores specific topics within each. There are suggestions for family discussions and activities designed to reinforce these concepts. Each chapter also contains quotes from parents talking

about how they approached financial literacy with their kids, quotes that remind us that we can find humour in even the most serious of subjects.

I hope the suggestions in this book and the real-life experiences of other parents will make your conversations with your kids easier, more effective, and even fun! I would love to hear from you. Please email me at

**[moneysmartkids@robintaub.com](mailto:moneysmartkids@robintaub.com).**

*Robin*