Praise for *Kids Ain't Cheap*

'Taking the very adult step of starting a family is often daunting, but if you don't have your money sorted it can turn one of life's most rewarding experiences into something incredibly stressful and much more difficult than it should be. *Kids Ain't Cheap* covers all the key areas you need to get right to make the smartest money and investing moves for your family (or future family).'

Ben Nash, financial adviser, founder of Pivot Wealth and author of *Replace Your Salary by Investing*

'This book is a must-read for everyone who is a parent or planning to become a parent. Ana goes through all the research, facts and things you need to know about before having kids. Reading this book and applying some of the strategies Ana mentions could save families thousands of dollars (and countless arguments later down the line)! I highly recommend reading this book!'

Queenie Tan, Founder of Invest With Queenie

'Ana Kresina's *Kids Ain't Cheap* is the 'other' parenting book. This beautifully written financial parenting book gives you a step-by-step guide to all things money and parenting. Ana's book makes you see that you are not alone in navigating the costs of raising your bundles of joy. Her stories, interviews, knowledge and facts make *Kids Ain't Cheap* the only finance parenting book you'll ever need.'

Evan Lucas, author of *Mind over Money*, Head of Strategy at InvestSMART and financial media personality

'Ana's detailed research and her own personal journey provide a roadmap for budgeting, financial planning and investing while navigating the uncertainty of parental leave and the often-overlooked costs of early childhood education and care (ouch). Recognising the cultural inequities that influence financial literacy, Ana shares a wide range of parenting experiences, emphasising the value of learning from one another.'

Molly Benjamin, founder of the Ladies Finance Club and author of *Girls Just Wanna Have Funds*

'*Kids Ain't Cheap* comes at a critical point in time for those considering having children in today's world. It is a meaningful resource for those of us who feel overwhelmed at the prospect of affording children and empowers us with the tools we need to approach potential parenthood with a plan.'

Emma Edwards, financial behaviour expert and founder of The Broke Generation

'*Kids Ain't Cheap* is your roadmap to the most financially daunting – but rewarding – experience in your life. So few books prepare families for the uncertainty of life's biggest challenge, but *Kids Ain't Cheap* can help you navigate the complex and confusing world of financial parenting.'

Owen Raszkiewicz, founder of Rask and host of the *Australian Finance Podcast*

KIDS AIN'T CHEAP

KIDS AIN'T CHEAP

How to plan financially for parenthood and your family's future

ANA KRESINA

MAJOR STREET

Acknowledgements

I acknowledge the Wurundjeri Woi Wurrung people as the traditional custodians of the land on which I live. From coast to coast, across land, waters and communities, I pay my respect to their Elders past, present and emerging.

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Introduction

I never really thought about having kids when I was younger. In fact, it wasn't even a part of my future planning when I was in my 20s. For me, the ideal life consisted of travelling to exotic places, catching up with friends over brunch and trying new activities outside of my comfort zone. Nowhere in that equation was there room for children.

Then something crazy happened; I just changed my mind.

All of a sudden, I started thinking about how I wanted to have a family. I wanted to share my life with someone and fill it with love. I wanted something more than just enjoying life by myself.

I was single at the time, and I knew that parenthood would be an expensive undertaking. Not only were children expensive to raise, but taking parental leave would affect my career, earning potential and retirement savings – and that's not to mention any medical and fertility costs incurred prior to even conceiving. I figured if I wanted to start a family, I'd need to mentally and financially prepare to take this journey alone.

I immediately started focusing on reducing my expenses and increasing my income by advancing my career. In fact, I became determined to have a large financial safety net, as I wasn't exactly sure how much kids cost – I just knew they cost a lot!

Fast forward a few years (and a partner to boot). I was about five months pregnant with my first child and had just signed a contract to start a new position. That new position came with a pay increase, and I felt that I was doing all the right things financially in a general sense, but I was still unsure about all the unknowns of parenthood.

There's so much information on pregnancy and giving birth, but there's very little out there about navigating the financial side of things. The truth is that parents worry more about money in the lead up to having a baby than at any other time in their lives. There's a *massive* decrease in income and an increase in expenses. Plus, unlike when you use a budgeting app to figure out your monthly outgoings, kids don't come with a projected expense report.

With about 6 million families in Australia, and 300,000 babies born a year, I knew it couldn't just be me looking for support as I navigated one of the biggest transitions in life.

That is why I wrote *Kids Ain't Cheap*.

It is the resource I desperately wanted for myself. When I was expecting my first child, I needed to understand the financial impact of taking parental leave, what the superannuation gender gap means for me, how to budget for kids, the cost of early childhood education and care, and how to invest for my kids' futures. *Kids Ain't Cheap* is where those taking their first steps into the wonderful world of parenthood can find all that information and more.

In this book, you'll first learn how to think about money, work through budgeting for a family and explore all the costs associated with having a child. You'll also gain insight into what to expect on parental leave and how that can affect both your earning potential and your retirement savings. It's important to get these foundations right so that you feel empowered as you transition into your new role as parent.

You'll then jump into the often confusing (and unexpectedly expensive) world of early childhood education and care, gain the tools to choose the right centre and understand the requirements for any subsidies. These can be tricky to navigate, but you'll get the support you need to make educated choices for your family.

Finally, looking to the future, you'll learn the basics of investing and how to invest for your child so that you can give them a head start in life. By the end of the book, you'll also be equipped to teach your child about personal finance so that they can be confident in making their own financial decisions as they grow into adulthood.

As you can see, there's a lot to be covered in this book. It would be easy to feel overwhelmed by the sheer volume of things to think about when becoming a parent, but with *Kids Ain't Cheap* on hand, that's not going to happen to you. Each chapter concludes with actionable steps you can start taking immediately, with the express purpose of empowering you to start making financial decisions for your family's future today.

My perspective and yours

Before we begin, I want to note that this book was built on my own experience and that financial literacy is a privilege. When it comes to finances, so much inequality comes from systemic oppression, with the distribution of wealth affecting individuals differently, especially marginalised groups. Often, we are led to believe that poor financial outcomes are of our own making, when in reality, circumstance and education play significant roles in dictating financial literacy and the choices available to us.

Just having parents who talk about money can give someone a head start on their own financial journey. I was very fortunate to be raised by supportive parents who were able to teach me about saving and staying out of debt. Additionally, I'm a cisgender, straight-appearing, able-bodied white woman who was raised middle class, had access to education and now has a well-paid job. All of this is a privilege, and I would be doing us all a disservice to not acknowledge that this has affected my experiences and outcomes in life, especially when it comes to finances.

In this book, I've attempted to profile a diverse array of parents to share their stories and show how they are navigating the costs of parenthood. Everyone's journey is unique, and there is so much we can learn from others' experiences. I am grateful to all the parents who shared their journeys. These are my favourite parts of *Kids Ain't Cheap*.

As I researched this book, I was disappointed to find that most data represented and pertained to heteronormative family structures, with an emphasis on mothers being 'primary' caregivers. I've attempted to make this book as inclusive as possible, but with access to limited data in Australia, I recognise there's always room for improvement.

With the ever-changing landscape of government policies, schemes and subsidies, all of the information in this book was accurate at the time of writing. Please do your own research prior to making any financial decisions that may impact you or your family.

Lastly, thank you for taking the time to read this book. It was written between naps (both mine and my kids') during sleep-deprived parental leave with my second child. What motivated me to write *Kids Ain't Cheap* was the belief that if this resource had existed when I was just starting to plan for kids, I would have been able to make better financial decisions for my family. Hopefully it will help you as much as it would have helped me.

Chapter 1
Parenting money mindset

'Parenthood ... it's about guiding the next generation and forgiving the last.'

Peter Krause

We all have money hang-ups. Our relationship with money is uniquely ours.

Whether we want to believe it or not, much of our understanding of money comes from our parents. In fact, a study from the University of Washington examined the financial decisions of twins and found that 33% of our financial behaviours can be attributed to genetics. That's not to say that other contributing factors don't affect our outlook on money; the contrary, they do as well.

During our childhood, much of our learning comes from social interactions, through which we learn the values, behaviours, norms and expectations of the world around us. As children we start to piece together our understanding of the value of money, work and the cost of items. A study by the University of Cambridge states that by age seven, our basic understanding of money – such as saving, budgeting and delayed gratification – is in place. There's no denying that most of this financial understanding comes from our parents; however, as we grow, the financial influence of our upbringing declines, while our parents' genetic influence proceeds throughout life.

Our lived experiences undoubtedly impact how we interact with our finances. Morgan Housel's book *The Psychology of Money* examines how different generations are impacted by the economic realities of their time. If times were tough and cash was hard to come by, your relationship to money was more likely one of scarcity, in which you believe you have limited resources and are more likely to be risk-averse. However, if you lived through a time that was plentiful, with lots of opportunity and very little economic downturn, it's likely you had more of an abundance mindset, in which your thinking around money is more positive and you are more likely to have a higher risk tolerance around money and business.

Of course, there are systemic issues we also need to consider when we examine our relationship with money. These include a lack of access to financial literacy, socioeconomic challenges, the gender gap, the racial wealth gap and discrimination against single parents and LGBTQIA+ families, all of which can increase the challenges of teaching healthy money habits and building generational wealth for families.

Over 3.3 million Australians live in poverty, which is one in eight people (including one in six children, and one in four people with disabilities), making it challenging to break the cycle. In fact, in Australia, with a history of colonisation, First Nations people have been denied access to wealth in the form of rights and freedoms, creating significant barriers, which only further impoverished communities based on systemic discrimination, impacting any chance of generational wealth in the form of knowledge or assets. This is just one example of how denying access to wealth in the form of property (which is one of the biggest accumulators of generational wealth) historically disadvantages groups of people through centuries of compounded inequality.

If you were fortunate enough to receive any financial literacy from your parents, that provided you with a privileged advantage. However, if you failed to receive that knowledge, at least you can break the cycle by passing on that information to your children now.

Although our relationship to money is deeply rooted in our genetics, relationships and understanding of the world, we can create positive habits and adjust our money mindset in order to set our families up for financial success.

How our money mindset affects our lives

Our experiences, beliefs and emotions about money directly affect our financial decisions. Even if we are extremely logical and have all the data in the world to make calculated decisions, we cannot help but be impacted by our own preconceived thoughts about money. This is often referred to as our 'money mindset'.

When I look back at my own parents' upbringing during times of poverty, immigration and recessions, it's clear that their experiences and understanding of the world around them impacted their relationship with money. Both my parents were very frugal, quite conservative when it came to financial risk and diligent about squirreling away any extra money for a rainy day. Many of the lessons I learned about money came from them. I often recall my father saying in an Eastern European accent, 'It's not how much you make but how much you save'. This statement really resonated with me through my formative years – as early as my first job I actively saved 10% of my paycheque – and continued into my adult years.

I learned from a young age that debt was bad and saving was good. However, I also heard such sentiments at the dinner table as 'investing is gambling', which always made me wary about the stock market. It's only in my 30s that I actively became interested in building wealth and educated myself about investing in order to change my understanding of something I inherently believed was true. To understand my own money mindset and psychology, I really needed to dig deep into understanding why I thought the way I did.

Reflecting on how our families talk about money and how we feel about money is important as it gives insight into our own beliefs. More importantly, it gives us the ability to reflect and decide which of those beliefs we want to hold onto and which we want to let go of.

If our parents deeply affected our own understanding of money, surely we will do the same to our children. So, doesn't it make sense to examine our own relationships with money? In doing so, we can drop any limiting beliefs that don't serve us and take on new, empowering beliefs that we can pass on to our children.

Ultimately, we want to build a secure future for our children, but that first begins with us as parents.

Limiting money beliefs

Limiting beliefs are attitudes, emotions and behaviours that hold us back from making positive changes to improve our financial situation.

To reflect on your own money psychology, ask yourself if there's anything you've previously believed to be true that can be limiting your mindset. Here are some examples:

- Money is the root of all evil.
- Managing money is too stressful.
- I'll never have enough money to be happy.
- My net worth equals my self-worth.
- I'm bad at maths, so I'll never be good at money.
- I deserve to spend money on myself whenever I feel like it.
- I don't deserve to ever treat myself.
- If I had more money I'd be able to manage my money better.
- Talking about money is taboo.

Once you identify your limiting beliefs, you need to understand your reasons for supporting them and begin to reframe your understanding of them. This will then rewire your thinking in order to create new empowering beliefs that will support you.

Here are some steps to overcome these limiting beliefs:

1. **Identify the limiting belief.** What is the belief that you hold? Where did it come from? Why do you believe it to be true?
2. **Reframe your belief so it is empowering.** How can you reframe your limiting belief to be supportive of your new thoughts? What affirmations can you use to help you believe your new, empowered belief? By affirming your new belief, you are effectively rewiring your brain, enabling you to create new mental pathways that align with your new way of thinking.
3. **Build new habits to support your empowered belief.** What are some active steps you can take to support your new belief? How can you use language that positively supports your new belief? By actively creating new habits and using language to support your belief, you are reinforcing your new ideology as true to you, which can be empowering.

Here's an example of a limiting belief of mine: I believed that I wasn't smart enough to start investing. I thought it was too hard and complicated and only reserved for stockbrokers who have millions of dollars to play with. Plus, as I mentioned earlier, I believed it was very risky and another form of gambling (thanks to my parents).

As I started to question why I felt this way, I realised that it was because of how society portrayed investing – using complex jargon and terms to make me feel stupid. Plus, because there was very little female representation when it came to investing, I just didn't think I could do it.

Once I identified my belief and reframed it as a belief that I *could* in fact learn to invest, I supported my new, empowered belief by starting to teach myself about investing. I devoured books and blogs on the topic and was delighted to learn that women are, in fact, better investors than men and take fewer risks when investing. This new belief became my truth and helped me overcome any negative self-talk I had about not being smart enough. If I can rewire my thinking about money, surely anyone can!

Money can buy happiness

Another common limiting belief is that money can't buy happiness. In a 2022 study on poverty reduction intervention, evidence showed that providing mothers experiencing poverty unconditional cash payments may improve brain development in babies. When considering the socioeconomic challenges that low-income earners face, money *can* buy happiness, but more so, it can set your child up for better future outcomes and development. Of course, happiness is derived from the things we love: spending time with our friends and family, and having the freedom to explore our interests and be stress-free. The reality is that even though those things bring happiness, the lack of money can bring on a lot of financial stress that can detract from those moments.

A 2023 study re-examined the dominant thought that money made people happier only until their incomes hit US$75,000 (AU$109,155 at the time of writing), at which point their happiness plateaued. The original research from 2021 affirmed the belief that money doesn't buy happiness. However, when the researchers relooked at their findings, they found that emotional wellbeing continues to rise well beyond US$200,000 (AU$291,080 at the time of writing). The 20% of participants that were the *least* happy were those whose level of joy didn't rise with their income. Essentially, if you're a happy person, an increase in income will continue to provide happiness, and if you're an unhappy person, no amount of money will make you happy.

So, why is this important?

As a parent, you are the anchor for your family and children; your wellbeing is paramount to their development and sense of security. Having financial security will reduce your stress, provide more happiness (if you're not a grump to begin with!) and create a more plentiful future for your family.

All of this begins with you.

Focus on what you can control

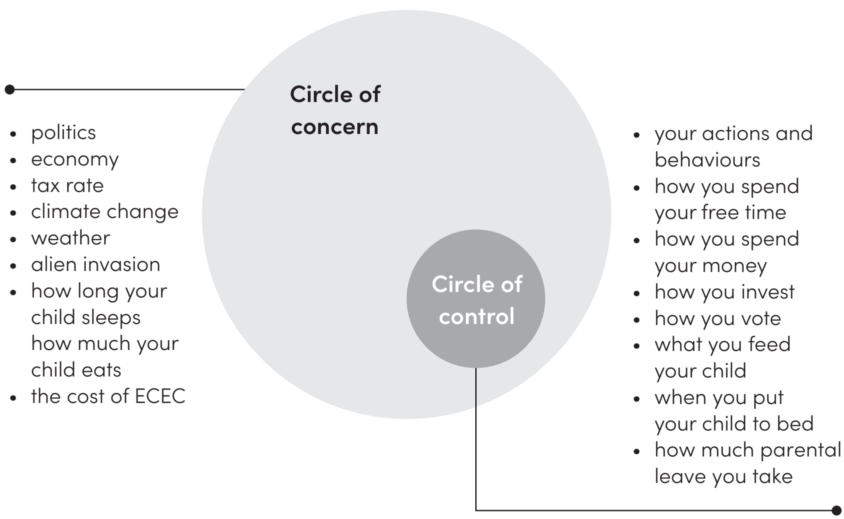
Parenting can be stressful. There's a lot to consider, such as balancing money, time and sleep. Luckily, there are things we can control, such as offering our kids delicious, home-cooked meals – but that doesn't mean they'll be eaten. I always feel so sad when my perfectly plated dish gets pushed aside by my toddler or swung halfway across the kitchen by my baby. We can lead a child to broccoli, but we can't force them to eat it. The positive thing is that we did what was within our control by providing them with healthy food. That which isn't in our circle of control – getting them to eat it – we sometimes need to stress about a tad less.

Finances are very similar. Money can be stressful; in fact, 47% of Australians experience some form of financial stress and 51% worry about paying monthly expenses. Inflation, interest rates, share market fluctuation and housing prices – Australia's favourite topic – all affect our everyday lives. However, none of them are things that we can directly control. We can't reduce inflation or interest rates, and we absolutely can't manipulate the share market (unless you have a huge amount of pull on social media… but that's a topic for another day). As for housing, wouldn't it be lovely if prices dropped when you were looking to buy and skyrocketed when you were hoping to sell? Regardless, if we can't control these things, why stress about them?

Stress and worry come from the desire to have control over a situation. However, if we try to control things that we can't impact, we just become more anxious and stressed. It's a vicious cycle to break out of. We worry, then we try to control, but we can't control, so we feel more helpless and stressed, so we try to control things again. The cycle repeats.

There are a few things you can do to break the cycle and focus on your own wellbeing and what's within your circle of control and concern. The circle of control and concern is simple. The circle of concern contains all the things that worry you but that you can't do anything about, such as inflation and interest rates, or the cost of early childhood education and care (ECEC). Within that circle is a smaller circle, the circle of control, which contains all the things you can control with your thoughts and actions, such as money habits, your ability to reduce expenses or increase your income, choosing the right school for your kid and choosing how much parental leave you take (see figure 1.1).

Figure 1.1: the circle of control and concern



If we identify the things we have control over and focus less on the things we can't control, we can train our brains to diffuse stress and create impactful change. By asking, 'Is this something I can directly impact or change?' we are able to focus on the things we can control and how we deal with them.

Now, the truth is that worrying happens regardless. I know there have been some late nights when I've lain in bed thinking about random stressors. I've found that getting up and writing them all down helps. In fact, scheduling time for stress is helpful. Studies have shown that allocating time to worry can reduce anxiety and insomnia. Whether it's a 30-minute session of uninterrupted gloom-and-doom thinking or a quick note-taking session, reducing anxiety about that which you can't control can help you focus on that which is within your control – like parenting and your finances.

Building good financial habits

Creating good financial habits is well within your control. In fact, I want you to say this out loud:

I am good with money.

I am financially savvy.

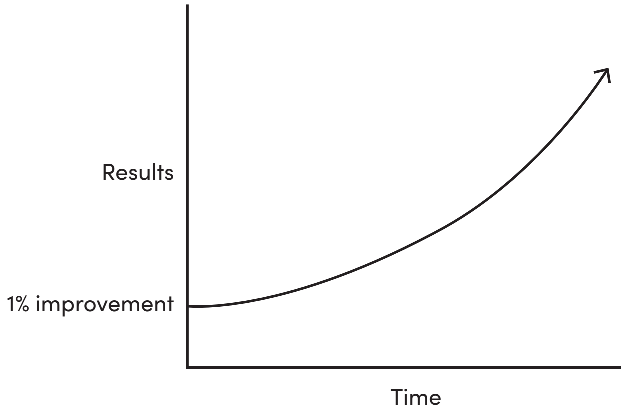
I am an investor.

Do you believe those sentiments? You should! It's your new identity. You are a financially savvy investor who is great with money! From now on, as you move forward, this is your mantra and something you will take on as your identity.

James Clear's book *Atomic Habits* looks at small changes we make in our lives and how they can have a compounding effect. Just imagine the effects of improving by 1% every day. It can be huge (see figure 1.2 overleaf)! He identifies three main behavioural changes: goal-driven, system-driven and identity-driven, with the third being the most impactful for long-lasting change.

If we begin to believe we are financially savvy investors, we will start to think and act like financially savvy investors. Creating a new identity for ourselves allows us to create habits that support that new belief. By changing the core belief, you may even trigger a chain reaction of other beliefs.

Figure 1.2: 1% better every day



SOURCE: *ATOMIC HABITS*, JAMES CLEAR

Would a financially savvy investor save money for a holiday or go into debt to travel? Would a financially savvy investor negotiate a lower mortgage rate or avoid a phone call to the bank? Would a financially savvy investor start putting away $5 a month for their child's investment account or avoid investing altogether?

I think we all know what a financially savvy investor would do – because it's what you would do! You are a financially savvy investor! (If you don't like the term 'financially savvy investor', come up with your own: 'fantastic frugal father', 'money manic mama', 'the wealth generator'… the point is, you need to resonate with the new identity and take it on as your own.)

With your new identity, it's easier to set goals and have systems in place to achieve them. It's actually easiest to achieve your goals by setting good habits. Clear states that by improving a behaviour by 1%, over time that improvement compounds and can lead to a significant transformation.

Let's say you start identifying as someone who is athletic. You believe you are athletic, and therefore you decide to go to the gym a minimum of three times a week. You won't get abs immediately (actually, you may never get abs), but over time you will start to feel healthier and fitter. You may even want to eat healthier due to the changes you feel in your body. Perhaps you even save more money because you are less likely to drink alcohol. Maybe you even join a sports team, increasing your social time and dopamine levels. The effects of a small change can have a massive impact, and this all stemmed from your new belief.

Similarly, if you believe you are a financially savvy investor, you will start to think like one. It's also easier to then take up the other habit approaches Clear shares in his book – the first being goal-driven, which may be something like wanting to invest $10,000 in your child's investment account. Since you have a goal in mind, you will work towards it, depositing money into the investment account each payday. Or you may focus on having more financially streamlined systems like automating your child's investments, so that you remove the mental load of thinking about it but are still contributing, which Clear identifies as a system-driven habit. By making habits as low-friction as possible, you'll be more likely to follow through and create longer-lasting habits.

The point is that there are different ways to create habits that support building a better financial future for you and your family. Whether they are goal-driven, system-driven or identity-driven, small, incremental changes can have a profound effect. Even the small act of saving $100 can turn into $1,000,000 in 40 years (which we will talk about in chapter 7), all due to the power of having good financial habits.

So, let's talk about the financial things you can control, such as getting your finances in order before having kids, which we will talk about in the next chapter.

Actionable steps

- Reflect on how your parents' money mindset affected your own relationship with money. This can be positive or negative.
- Write down some of the money beliefs that you grew up with. Are these money beliefs that you still hold today?
- Write down any limiting money beliefs that you have and reframe them into a new belief. Take a moment to sit with them and take on the identity of the new belief.
- Create a new money identity that you connect with and begin to embody that new label. Whether it be 'financially savvy investor' or otherwise, take steps to believe that this is your new identity, including any new habits to solidify this belief.
- Write down all the items that are within your circle of control and concern. If you can identify items you wish to change that are within your control, take actionable steps on adjusting them as needed.

Lauren

33 | husband Jarrad (34), twins Hugo and Hudson (3) | Adelaide Hills, SA

What was your upbringing around money?

I was a good saver because I saw my mum struggle with money. Since my dad was a gambler, we were a single-mum household, and I can vividly remember my mum asking, 'Can I just borrow $50 out of your money box, and I'll replace it on Thursday?' Thursday was payday, so she was getting through that fortnight to put food on the table. Not realising at the time that I took that all in, I've gone the complete opposite – if anything, I've hoarded money, so I've had to work on that.

How did you prepare yourself financially for parenthood?

The main financial factor that we thought about was how to maximise my maternity leave. I actually took half-pay maternity leave from my job to extend it and then took the Centrelink Parental Leave Pay over the Christmas break when my maternity leave finished.

It wasn't until the twins were born that we got clear on our budget and tracked expenses to ensure we could work within my maternity-leave entitlements. We were also preparing for me to return to work in a part-time capacity (12 months after the twins were born) and had to ensure we could live off the reduced earnings and cover the childcare costs, which are substantial. I did all the calculations to determine the best option for childcare and returning to work part time. That is how we settled on three days a week.

What was the biggest financial challenge you needed to navigate?

We did purchase a house knowing we were very early on in our pregnancy, but we didn't know we were having twins. If we had known, we possibly would have purchased a slightly larger house. However, with the current climate of interest rates, I am very glad we didn't. I also believe if I knew we were going to have twins we would have put more effort into saving beforehand. We were in good money routines, but we definitely could have been more strategic.

How has having twins impacted your finances?

My husband often joked about saving on inflation by having two babies at once. With the way the economy is at the moment, maybe we actually did! However, buying two of absolutely everything put a dent in our finances.

The biggest expense overall has been childcare. Currently it is approximately $19,500 a year for the two of them (three days a week). When they were younger it was more, but further subsidies have come in, making it cheaper. This is a nice reprieve for us, considering the cost of living at the moment.

The Australian government doesn't consider twins as a multiple birth when it comes to subsidies. How did this impact your family?

I can tell you right now that I had more than one baby. However, I do also understand where the government is coming from. Twins are much more common than triplets or higher-order multiples and, therefore, having subsidies for twins would require a huge increase in monetary support from the government, and where would this money come from?

I know multiple birth associations support and help where they can with discounted formula, et cetera. I feel fortunate that we were financially stable before we had twins and could continue to stay that way. However, I do worry about families that are not in our position.

What are some of the things you've done to increase your income?

I have always been one to go all in with whatever it is I am doing. Teaching used to solely be my job until my partner (now husband) stated I needed a hobby. Hobbies from there have included blogging, candle making and jewellery making. Businesses have grown out of my blogging, where I make money from advertising and affiliate marketing.

I now also have a business as a financial coach supporting mums and women with their finances and to bring in additional income. I did this because I knew if we as a family wanted to see the world while also having the option to live life on our terms and not within the nine-to-five, we needed to increase our incomes.

How has having children changed your family's financial goals?

We are now a lot more serious about our personal finance goals. We are much more future-focused and have started investing to ensure we hit our main goal of being financially free as soon as possible while still enjoying life. Sacrifices have definitely needed to be made. We prioritise investing via salary sacrifice and direct investing as well as putting money aside for family holidays. Ideally, I want to be able to live overseas and travel with my family.

Have you done any estate or life planning?

We have, 100%. Having the twins was the instigator for this. We have since completed our wills, advance care directives and powers of attorney. We have also had our insurances looked at by a financial adviser. Having completed all of this brings great peace of mind knowing that our children will be looked after if something horrible were to happen.

Do you have any advice for anyone planning on having kids?

You will be overwhelmed with the amount of advice out there when it comes to parenting. You will be given one piece of advice from one person and the complete opposite from someone else. Therefore, my best piece of advice would be to trust your gut.

Alex

44 | partner (37), three kids (13, 11 and 2) | Melbourne, Vic.

What was your upbringing around money?

Middle class, I guess. We owned our own home, two kids in private schools. Money was never discussed, nor did we appear to have financial issues growing up.

How did you prepare financially for parenthood?

I did no preparation at all for my first two kids. I was the sole breadwinner and money was extremely tight. With my second child we saved money so that my partner could have more time at home before returning to work.

Do you and your partner have a similar money mindset?

No, not initially, but we have grown together around making financial decisions. I have become more conscious about how I spend money. My partner spends less money on food than I did initially. I would buy organic whole foods even if I couldn't realistically afford it for the kids, but now I'm more relaxed about the quality of food.

What are your family's biggest financial challenges?

We recently paid off our mortgage, which would have been our greatest financial pressure. We were only able to do this thanks to an inheritance I received. Other than that, it is private school fees, childcare, groceries and then utilities.

How did you navigate separation when it came to finances?

When I separated from my previous partner, I agreed to cover rent and living expenses for the kids, which was more than I could afford, but I wanted to keep things the same for the kids. The only assets we had were a car and household items, which I gave to my ex-partner. I paid these living expenses for roughly 12 months and then paid a reduced amount; however, this was still higher than what was required by child support. This was negotiated using some mediation, but mostly agreed between me and my ex-partner.

How has having children changed your family's financial goals and lifestyle?

I don't think my goals have changed, but lifestyle has changed, including eating out less, going on holidays less, spending less money on personal items for myself (such as clothing). I'm not really someone who has had big personal goals financially.

How are you thinking about generational wealth for your kids?

I'm not. However, we just did our will and spilt the assets between the three kids.

How are you teaching your children about money and finances?

We try to educate our kids about the problems of credit and loans, as well as impulsive buying and gambling. As my kids have ADHD (attention deficit hyperactivity disorder) I have concerns for their future money management, so I talk to them a lot about the costs of things.

My son got a job at 12 years of age (a $30 per week paper round) so that he could begin to learn about money management, which has helped him to understand the problems with in-game purchasing and so on. He is able to save up for things he wants, and he likes the autonomy of having his own money. I think kids getting jobs early is key to them learning about money management.

My kids also have a copy of *Barefoot Kids* by Scott Pape.

Is there anything you wish you knew prior to having kids?

Not really. I think I knew what I needed to know. However, I have two kids with disabilities and I did not expect the additional costs associated with allied health (speech pathology, paediatricians, occupational therapy) and the kids having to attend private schools due to their needs being higher than expected.

Do you have any advice for new parents?

There is no right time to have kids. Don't leave it too late as it gets harder physically and emotionally the older you are. Also have no expectations of your kids.

What was the best piece of advice you've received regarding parenthood?

'Good enough' parenting.