



GETTING THROUGH TOUGH TIMES

Talking to children about family money struggles

Definition

We know that families come in many forms. For the purposes of easy reading, the term 'parent' includes the biological, adoptive, foster and kinship carers of a child, as well as individuals who have chosen to take up primary or shared responsibility in raising that child. We also appreciate that every child is unique and has different strengths, vulnerabilities and experiences that shape their health and development.

Money, housing and health

This fact sheet is part of a series we created with families who've been through tough times with money to spark hope and new ideas for helpful ways of talking to children about money.

When our families experience financial difficulties and disadvantage, it can be hard to know whether to bring it up with our children and how to go about it if we do. You might have already talked about family money struggles with your kids, or maybe they've overheard your conversations with others.

Why should we talk to children about money struggles?

Money stress is an issue that impacts the whole family.

As a parent or carer, you may be aware of how money stress is affecting daily life and long-term plans. But children experience money stress in different ways, whether that's from:

- not getting to eat the foods they like
- not being able to go certain places
- feeling different to other families
- having less time with family members who are working more
- witnessing their parents' worry; or
- being blamed or held responsible for money troubles.

The families we talked to have found that having conversations with children about money can help them:

- make sense of what they are going through
- strengthen trust and relationships
- understand that it's OK to talk about it
- acknowledge feelings and reduce worries and concerns
- feel hopeful – by explaining the actions you are taking; and
- to ask questions and get the correct information.

Not talking about money struggles, or doing so in unhelpful ways, might cause children to:

- think that they are undeserving
- think money troubles are their fault
- think that it's their responsibility to fix things
- feel like they are a burden on the family because they cost too much money
- feel worried or anxious
- feel shame or embarrassment; or
- feel hopeless about money and their ability to manage it as they grow into adults.

If children are also experiencing related difficulties – like [bullying](#) – as a result of financial disadvantage, it's important we explain our situation in ways that are easy to understand to prevent them from believing that there's something wrong with them.

Depending on the age of our kids, family discussions about money can also open up opportunities for family decision-making and problem-solving together.

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I think about how not having enough money is impacting the children individually and then how it affects the family as a whole.

JASON, PARENT, LUTRUWITA COUNTRY

Teaching children skills for the future

Teaching children about money is important in helping them learn how to manage it, be responsible and make good decisions for their future.

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Help me learn how to budget. You can teach me some financial skills. You can start this simply at a young age.

MARC, 16 YEARS OLD, LUTRUWITA COUNTRY

It might not be as hard as it seems – get started by checking out some [age-specific guides on teaching kids about money](#).

Instilling hope and optimism

We have found that the way children think about money is too often learned from the way their parents talk about it. Sometimes when we say things like 'It's a struggle', 'We don't have any money', or 'Other people have more money than us...' it can cause children to take our worries on board. If we switch to using more hopeful language, we can help children to see that although their family is having money struggles right now, their parents are choosing to speak about it with optimism. Following this up by focusing on what will nurture the family unit during these tough times like supporting [connections within and beyond our families](#) also helps.

'Even though money is tight and decisions need to be made about where to spend the money, it is something that we can figure out as a family. Some decisions are made by us as parents (we must budget to be able to afford upcoming car repairs), and some decisions can be made together with the children (such as preferences for low-cost Christmas Day meals). The underlying message to the kids is, "Yes it's tough, but our family can manage it.'"

Take a moment to think about...



How does your family communicate about money struggles? And:

- do you talk about it all the time? Just sometimes?
- do you avoid talking about it, but maybe it comes up in stressful times?

When you do talk about money struggles, what is said? And:

- what meaning do you think children are making from these conversations?
- how can these conversations with children help them have positive beliefs about themselves; when there isn't much money available?

How do you decide what money gets spent on in your family? And:

- what do you consider when deciding to spend money on the family, or on individual family members?
- what do you think your children think of these choices?

The families we spoke with also told us about the things that get in the way of talking to children about money.

What can get in the way of talking to children about money

Shame

Having conversations with children about financial difficulties can feel like admitting that as a parent we can't meet their needs. Feelings of shame can be a powerful force making us want to avoid talking about the topic of money with our children or anyone.

Not understanding it ourselves

It's hard to explain something to our children when we don't fully understand it ourselves. Many of us never had an opportunity to learn about budgeting, economic survival or how it is that some families have more access to resources while some have less.

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Frequently, I have reflected on how beneficial it would have been if my parents had taught me about the values of thriftiness and economising so that I could have been adequately equipped to face financial challenges of adulthood. That is why I try to explain the best way that I can to my kids about these things, because I truly want them to be independent as they grow older and take on more responsibility.’

JASON, PARENT OF FOUR, LUTRUWITA COUNTRY

Not knowing what's age-appropriate

It can be hard to know what could be empowering information and what might be overwhelming information to give our children, depending on their age and maturity. We may not always get it right and the fear of causing distress may make us want to avoid some subjects altogether. Check out the following [age-appropriate guides](#) on how to have these conversations with children and teens.

- [Should you talk to your kids about money troubles?](#)
- [Talking to a teenager about money issues](#)

Complex parent relationships

When looking after children during and following difficult separations or experiences of family violence, there can be safety or legal reasons why we can't share some information with our children. When past or current relationship circumstances (such as having to escape violence, not receiving child support or expensive family court proceedings) have contributed to current financial stress it can be tricky to explain what's happening without negatively impacting our children's relationships with other parents/carers.

Arguing about bills or money with partners

It's hard to avoid at times of heightened stress, but when children learn about money difficulties by witnessing conflict between their parents/carers, they may be more likely to experience worry or fear around the topic.



KAVINDI, 15 YEARS OLD

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I want parents to know that if they talk about not being able to afford bills in front of kids then it will give kids much more stress, and there's nothing they can do about it.

ANEMONE, 16 YEARS OLD, LUTRUWITA COUNTRY

We want you know that if your family is struggling with money you're not alone. In the next section we share advice from the families we created this resource with on getting through tough times.

Advice from families who've had tough times with money

So how do we talk to children about money and what can we do to prepare for the conversation?

Use everyday language

'We don't make a big deal about the things we can't afford, just say, "We don't have money for that" but focus on what we do have or what we can do instead.

'We make sure our children know they are very much loved and wanted, even when money is tight. *Especially* when money is tight.

'We try to talk about problems as things we can get through.'

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Don't go too in depth, just provide a simple reason for why you can't do things that require money. Too much information is scary.

ANEMONE, 16 YEARS OLD, LUTRUWITA COUNTRY

Planning for a conversation

'I consider their age and ability to understand. What misunderstandings might they have about our family's financial situation? When I talk to them, what would they be able to understand and make sense of, and what might be confusing or overwhelming?

'We choose whether to talk to them individually, as a family unit, or both.

'We plan and have a conversation in a good time and situation. Maybe around mealtime or when everyone is relaxed and calm. Think about how the kids are feeling at the time. If they're stressed or anxious, we leave it for another time.'

'I consider whether it is relevant to the children at all. If it's not, we don't discuss it if we can avoid it. Kids don't need to know *everything*.'

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Because we don't have a lot of money, we always go to the food place to get a bit more food. So that place is helping us a lot.

CHILD INTERVIEWED IN *GROWING UP POOR: BRITAIN'S BREADLINE KIDS*¹

Having a planned conversation

'I think it's important to help them understand that money struggles are external to them, not *because* of them.'

'We make meaning of our experiences with stories of strength, resilience and survival.'

'We always give them some hope; let them know some of the actions we are taking to get through, like getting help with bill payments or visiting food charities. This helps them know that even when things are hard, we can stand up to the difficulties we are facing. Our kids are quite perceptive. If we're struggling, they can sense it; they know. We explain to the kids that our stress is not their fault.'

'For our family it has been useful to plan in advance and discuss together how we can find ways of doing things that are low cost, or no cost.'

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Reassure me that my parents are working to manage the situation.

MARC, 16 YEARS OLD, LUTRUWITA COUNTRY

Communicating with children during tough times

In addition to the advice in this fact sheet, you might like to check out the following age-appropriate guides for planning and having conversations with children.

- [Communicating with your baby during tough times](#)
- [Communicating with your toddler during tough times](#)
- [Communicating with your primary school-age child during tough times](#)
- [Communicating with your teenager during tough times](#)

Our suggestions may not work for your family, but we hope you feel inspired to find ways of talking to your children about family money struggles when times are tough, as they are for so many families.

Dive deeper into podcasts

[How to tell your kids you just can't afford it](#) is a podcast episode about how to share information about the realities of what you can afford with your children without stressing them out.

You might also be interested in the ideas and links in experiences and skills of families living in poverty.

Resources to help with talking to children about money

- The Balance website's advice on [how to explain financial problems to kids](#) includes age-appropriate guidance.
- The Conversation has a useful article called [How do I tell my kids we are currently short on money – without freaking them out?](#)
- Raising Children has some tips on teaching children about money aimed at [preschoolers](#), [school-age children](#) and [teenagers](#).
- Raising Children also has some great [information for parents on managing money](#), as well as [other services and support](#).

More money, housing and health resources

Have a look at the following options and choose what feels right for you and your family.

- [Experiences and skills of families living in poverty](#)
- [Supporting children when you're struggling with money](#)
- [Struggling with money and racism at the same time](#)
- [Managing family health and money struggles at the same time](#)

AVAILABLE HERE

View all Money, housing and health resources



Are you a practitioner wanting to share this resource with a person or family? [**First check out our practitioner guide.**](#)

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References

1. Woods, B. (Producer) & Neumann, J. (Director). (2019). [Growing up poor: Britain's breadline kids](#) [Motion picture]. True Vision & Channel 4.