

Credit Counselling Society Presents

Planning Financially for Your New Arrival

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We Help. We Educate. We Give Hope.



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Congratulations!



- Your family is growing and changing!
- Your finances will need to change too

Agenda



- Before New Arrival
- With New Arrival
- Return to Work

Objectives



By the end of this session, you will be able to:

- Identify your financial goals
- Begin to plan ahead for each stage
- Identify areas of cost savings

Facts



- Only 1 in 5 mothers will receive an employer top-up
- Top-up period averages four months
- Employment Insurance (EI) benefits are capped at 55% of your average weekly earnings up to a maximum amount

EI Maternity & Parental Benefits



Two benefit types:

- 17 week **Maternity Benefit**
 - Biological and surrogate mothers
- 35 or 61 week **Parental Benefit**
 - Available to biological, adoptive, or legally recognized parents

EI Parental Benefits



Two options for parental leave:

- **Standard parental – 35 weeks**

- 55% of your earnings up to maximum annual benefit

- **Extended parental – 61 weeks**

- 33% of your earnings up to a maximum annual benefit

EI Parental Sharing Benefit



- Provides:
 - 5 extra weeks of standard parental benefits
 - 8 extra weeks of extended parental benefits
- Neither parent can access more than the 35 or 61 week allowance

Do You Qualify?



- Your normal weekly earnings are reduced by more than 40%
- You have accumulated at least 600 hours of insurable employment during the qualifying period*
- Call EI if you're unsure
 - 1-800-206-7218

Employer Benefits and Obligations



- Employer Top-Up
 - Are you eligible? How much? How long does it last?
- Extended Benefits
- Commitment to return to work
- Pension Pay Back

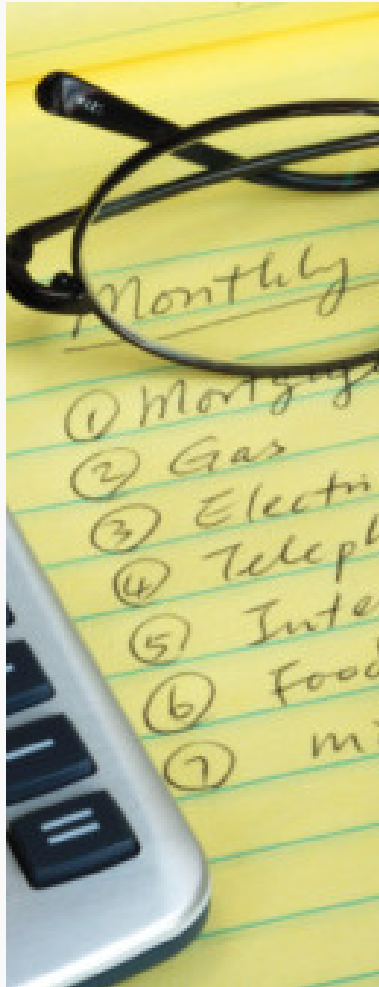
Canada Child Benefit



- Non-taxable benefit to families with children under 18
- Based on your family income
- Visit website to access calculator

http://www.esdc.gc.ca/en/canada_child_benefit.page

What is a Budget?



- A written spending plan – spending now and saving to spend later
- It's based on our own choices and priorities

Expense Tracking



- Tracking makes a budget work!
- It tells us the truth
- It shows our habits
- It shows where we can make changes
- It gets us in control

Start Now: Revise Budget

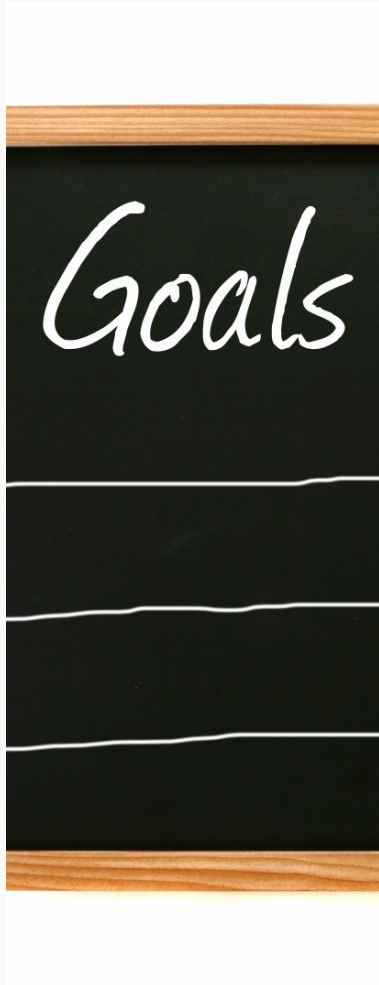


- Identify specific areas in your budget to revise
- Begin living on your new budget
- Put surplus funds to good use!
 - Savings
 - Paying debts

Set SMART Goals



Setting Goals



Goal setting in action

- My goal is to: buy a car seat!
- I want to achieve it in: 6 months.
- The total cost of my goal will be: \$300.
- I will set aside _____ to achieve my goal.

Goal Setting Tips



- Set clear goals – life happens so they may change over time, and that's ok
- Pay yourself FIRST!
 - Make saving automatic
- Use separate accounts for each goal
 - But watch for fees
- Start small – but get started!

Savings



- What do you need to save for?
 - One week of unpaid leave
 - Car seat
 - Crib/bassinet/play yard
 - Others?
- Can you buy second-hand?

Optional Costs



- Doula
- Optional medical testing
- 3D ultrasounds
- Professional photography
- Baby celebrations

“What-If” Fund



- Set aside funds for things that you didn't think you needed
 - Formula
 - Bottles
 - Breast pump
 - Medical procedures and specialists
 - Self-care

**\$500 over 6 months is
\$42 / bi-weekly pay**

These Can Wait!



- High chair or booster
 - Most babies start solids around 6 months
- Baby gadgets and toys
- Eating utensils
- Baby shoes
 - Not necessary until they start crawling or walking
- Others?

Congratulations to Your New Addition!



- Apply for EI
 - Set up application early
 - Apply as soon as you stop work, otherwise you may lose benefits
- Apply for birth certificate, SIN and government subsidies
 - Hospital provides a package

New Budget



- Review your budget
 - Update income
 - Continue to track expenses
 - Reduce expenses as necessary
- Give yourself an allowance

Smart Spending



- Impulse spending
 - Online shopping
 - Needs vs. wants
- Be aware of the messaging
 - Marketing to your fears
 - External pressures

Things to Consider



- Buy things second-hand
 - Clothes (Baby & Nursing)
 - Toys
 - Baby gadgets
 - Bassinets
 - So much more!
- Borrow from family and friends!

Things to Consider



- Cloth or disposable diapers?
- Powdered formula cheaper than liquid
- Make your own baby food

Future Planning



- Try to put aside money for your child's future post-secondary education
- A **RESP or a Registered Education Savings Plan**, is a investment vehicle for parents to save for their children's post-secondary education

Childcare Options



- Formal daycare centre
- Home daycare
- Nanny/Au Pair
- Occasional babysitter
- Family/friends
- Informal arrangements
- www.daycarebear.ca

Final Thoughts



- Stay informed
- Put your baby budget on for size
- Start a Baby Fund
- Know your wants vs. needs
- You don't need to compare yourself to other parents!
- For more tools and resources visit: www.mymoneycoach.ca

Conclusion



Now you are able to:

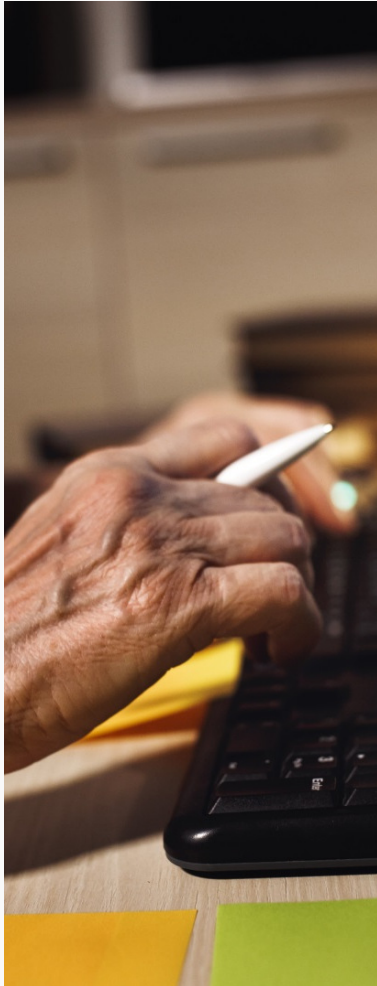
- Identify your goals to work towards
- Begin to plan ahead for each stage
- Consider your options on a number of big decisions



ADDITIONAL RESOURCES

Some helpful
resources for
you to get
started

Learn More



#LearnWithCCS

 Facebook - @MyMoneyCoach.ca

 Twitter - @MyMoneyCoach_ca

 Instagram - @MyMoneyCoach

- Sign up for our monthly newsletter
- Check out our social media for daily tips/articles
- Subscribe to our blog
- Follow us on Social Media

How We Help



Book a free financial consultation with
one of our Credit Counsellors

1-888-527-8999

Message us through our online chat

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