

Lesson 1: Introduction to Key Concepts

GUIDING QUESTIONS

- 1 How do goals and priorities help shape our decisions?
- 2 What is the purpose of budgeting?
- 3 Should I care about the federal government's budget?

OVERVIEW

Life is about choices. Establishing goals and priorities, helps inform our decisions about where to put our time and money.

In this lesson, students examine the relationship between setting priorities and budgeting. Students learn about financial planning before participating in an imagined personal finance activity. Afterwards, students discuss the federal government's budget and the value in being an informed and engaged citizen.

LEARNING OUTCOMES

By the end of the lesson, students can:

- explain the importance of budgeting;
- evaluate their priorities and decisions through a personal finance activity; and,
- analyze the importance of being knowledgeable about the federal government's budget.

Starter

1. Read the story "[Mystery couple donates \\$500 to every Grade 12 student in Central Okanagan,](#)" (*Global News*, June 17, 2021).
2. Through a *Think-Pair-Share* discussion protocol, ask students to consider how they would spend \$500 at this point in their lives. Give students a few minutes to think individually before exchanging their ideas with a classmate. Afterwards, invite students to share their plans with the rest of the class.
3. In small groups or as a class, debrief on the activity using the following prompts:
 - a) Why did you choose to spend the money the way you did? What guided your decision?
 - b) Did you spend the money on something that was a necessity or something that made you happy or both?
 - c) Do you think your decision would change if you were older or if you had just graduated high school? Why or why not?

Essential Learning

1. Start with a conversation about **priorities**. Why do we establish priorities?
 - A priority is something that is considered very important or more important than other things.

- Priorities determine where we focus resources, such as money, time and effort.
- When we establish priorities, it helps guide our day-to-day decisions and clarify our goals.

For example, if you wanted to become a professional chef, you would probably want to go to culinary school to gain knowledge and experience in order to improve your employment prospects. This would require that you save enough money for tuition and be able to financially support yourself while you were attending school. To achieve this goal, you would probably have to earn money through a job and be thoughtful about how you spend your money.

2. Introduce the concept of budgeting and ask students if they have ever budgeted their money before. Next, watch the '[Budgeting 101](#)' video with personal finance expert Vanessa Bowen. Ask students to create a 'Sketchnote' while watching the video and give them a few minutes to complete it afterwards.

TEACHER NOTE:

Sketchnotes are rich visual notes created from a mix of handwriting, drawings, icons and shapes, and visual elements like arrows, boxes, and lines. Sketchnotes allow students to visually synthesize and summarize the ideas presented in their own way. ([Sample Sketchnote](#))

Key points from the video:

- A **budget** is a financial plan that estimates the money we expect to earn or receive and where we plan to spend money in various categories.
- Usually we do not have enough money to do everything we want, so we need to set priorities, which includes analyzing our needs and wants in order to create a budget.
- **Needs** are basic things people must have to survive (food, clothing, and shelter), resources they need to do their jobs (education/training, reliable transportation, information and technology, and tools of the trade) and resources to help build and protect their assets (savings, insurance).
- **Wants** are things that are nice to have or that we find enjoyable but are not necessary for living, earning money, or protecting what you have.
- A budget can also be thought of as a "road map" to help get from Point A to Point B, or to reach certain goals. For example, someone might want to grow their savings from \$1,000 to \$10,000, or have enough money for a wedding or down payment on a house. Planning your finances helps you get there.

3. Provide access to, or distribute copies of, Activity 1.1 and Handout 1.2 to students, and explain the imagined scenario.

Canada has announced a new program that encourages high school graduates to take a "gap year" to explore their interests and the real world before pursuing a career or starting post-secondary education. Each young Canadian will receive \$3,000 to use towards their activities over the course of the year.

Using the amounts listed on Handout 1.2, students will have to create a budget for the year based on their choices (Activity 1.1). They will need to decide how to spend their time and money, including saving money for any future plans. Provide students with 15-20 minutes to complete the activity.

4. In pairs or small groups, have students share their budget and decisions with their peers. Afterwards, debrief as a class:

- How did your choices connect back to your priorities?
- How different or similar were your plans compared to the plans of others?
- Is it important to budget your money? Why or why not?

5. Watch the '[How Does the Federal Government's Budget Impact You?](#)' video with Vanessa Bowen, and review the following key points about the federal budget process and the Student Budget Consultation.

- The Government of Canada is now preparing the 2024 federal budget, which includes setting priorities for spending and new programs, and determining how best to tackle current issues and serve Canadians.
- As part of the budgeting process, the government consults with citizens, stakeholders, economists, and opposition parties to hear their views and recommendations.
- Young Canadians across the country have been invited to take part in the 2024 Student Budget Consultation. The feedback collected by CIVIX will be shared with the Department of Finance and the opposition parties in the House of Commons.

6. In small groups, ask students to discuss one or both of the following questions using the *Put Your Two Cents In* discussion protocol.

- Do you think it is important to pay attention to the federal budget? Why or why not?
- Should the government be consulting with youth about the budget, or any other government decision? Why or why not?

a) Provide students each with two tokens (e.g., coin, chip, small item). Let them know that each token represents an opportunity to speak. Each group member will speak twice – once to share their own idea, and once to respond to someone else's idea. They will listen attentively to others.

b) Divide students into groups of four. Each student should take a turn putting a token into the center of the table and sharing an idea.

c) Once everyone has had a turn, each student puts their second token in the middle of the table and responds to something someone else has said, such as "I agree with ____ because..." or "I would like to add something to what ____ said..." or "I appreciated ____'s comment because it made me realize that..."

d) (*Optional*) Debrief on the activity. How did you find the experience of listening? Were you able to focus on the speaker? Was it challenging to hold your thoughts until everyone had spoken?

CONSOLIDATION

Ask students to fill out the *Then vs. Now* exit slip (Activity 1.3).

- I used to think...
- And now I think...