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| About this Lesson |
| In this lesson, students will brainstorm their expenses and categorize each as a need or a want. Using an example from current events, students will discuss the importance of setting spending priorities, and distinguishing between needs and wants to ensure financial security. |

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| **Grade Level** | **Course(s)/subject(s)** | **Learning Goal(s)** | **Suggested**  **Timing** |
| 9–12 | HFL4E – Food and Healthy Living  HIF1O/2O – Exploring Family Studies  HIP4O – Personal Life Management  CIE 3M – The Individual and the Economy | At the end of this lesson, students will:   * differentiate between needs and wants * consider the financial implications of behaviour * understand how to balance needs and wants and why it is important to their future planning | 75 minutes |

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| Curriculum Links |
| Social Sciences and Humanities, grades 9 to 12 (2013)  Exploring Family Studies (HIF1O/20)  Self and others  B1.2 Distinguish between needs and wants, and identify needs, wants, values and goals that may develop during adolescence.  Food and Healthy Living (HFL4E)  The food consumer  D1.2 Identify strategies that contribute to efficiency and economy in food purchasing.  D1.3 Demonstrate the ability to make the calculations necessary for purchasing food.  Personal Life Management (HIP4O)  Daily living skills  C2.1 Explain factors that affect the use of money as a resource. |

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| Curriculum Links (cont’d.) |
| Social Sciences and Humanities, grades 9 to 12 (2013)  Exploring Family Studies (HIF1O/20)  Self and others  B1.2 Distinguish between needs and wants, and identify needs, wants, values and goals that may develop during adolescence.  Food and Healthy Living (HFL4E)  The food consumer  D1.2 Identify strategies that contribute to efficiency and economy in food purchasing.  D1.3 Demonstrate the ability to make the calculations necessary for purchasing food.  Personal Life Management (HIP4O)  Daily living skills  C2.1 Explain factors that affect the use of money as a resource.  Canadian and World Studies, Grades 11 and 12 (2015)  The Individual and the Economy (CIE3M)  Fundamentals of Economics  B4. Financial Planning: demonstrate an understanding of key considerations related to personal financial planning, and use economic data to analyze the costs and benefits of personal financial decisions.  Personal and social responsibilities  D3.1 Describe strategies for making responsible consumer decisions when living independently (e.g., prioritizing needs and wants, comparison shopping, reading warranties and contracts, considering the environmental impact of purchases, reading information labels).  D3.2 Identify internal and external factors that influence spending decisions (e.g., personal preferences, convenience, cultural values, status-related motives, advertising, product cost and availability, environmental impact, considerations related to labour and exploitation issues). |

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| Inquiry Question |
| Why is it important to set financial priorities for yourself? How do they differ from goals?  Big Idea  Setting financial priorities is the first step to achieving your financial goals (and making sure they line up). Your financial priorities and goals will change over life, but the skill you acquire to determine them will serve for your entire life.  **Teacher Note**: Setting priorities is both individual and hard – most people don’t wish to rank things, rather they want it all equally. Setting priorities forces you consider what is critical, important and necessary to accomplish my financial goals – it underscores the concept of “this or that” not “this and this.” |

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| Materials List |
| * Distinguishing Between Needs and Wants/Analyzing Your Expenditures (Appendix A) * Computer and Internet access * Post-it notes |

| **Timing**  (Mins.) | **Lesson Sequence** | **Assessment for and as Learning Opportunities** (self/peer/teacher) |
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| MINDS ON | | |
| 5–10 minutes | WHOLE CLASS  **Teacher Prompt:** *How many of you have heard of the song “If I Had $1,000,000” by the Barenaked Ladies?*  *Here are some of the lyrics:*  *If I Had $1,000,000 (If I Had $1,000,000) I'd buy you a house (I would buy you a house) If I Had $1,000,000 (If I Had $1,000,000) I'd buy you furniture for your house (Maybe a nice chesterfield or an ottoman) If I Had $1,000,000 (If I Had $1,000,000) I'd buy you a K-Car (a nice Reliant automobile) If I Had $1,000,000 I'd buy your love.*  [*http://www.azlyrics.com/lyrics/barenakedladies/ifihada1000000.html*](http://www.azlyrics.com/lyrics/barenakedladies/ifihada1000000.html)  *The assumption in the song, and by many of us, is that if you just had enough money, you would not have to worry about anything, but that simply is not the case.* |  |

| **Timing**  (Mins.) | | **Lesson Sequence** | | **Assessment for and as Learning Opportunities** (self/peer/teacher) |
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| MINDS ON (cont’d.) | | | | |
|  | | *Fame and fortune are quickly spent if you can’t differentiate between needs and wants. There are many examples of sports figures who spent their fortunes and went bankrupt or left themselves nothing for retirement. Direct students to the following websites highlighting celebrities and athletes who mismanaged their money.* | |  |
|  | | **Teacher Note:** These links are only a suggestion.  <http://time.com/money/3983997/famous-athletes-bankruptcy/>  <http://www.cheatsheet.com/money-career/celebrities-who-went-bankrupt.html/?a=viewall>  Take time to discuss class comments and reactions. Direct the comments to answer – “What went wrong?” | | Assessment FOR Learning: Discussion |
|  | | Context for Learning  Use the scenario below (or create a similar one) to provide students with a context for learning.  After four years at university, Chloe has finally graduated and passed her Registered Nurse RN exams. She has been hired by the local hospital and is ready to start her life. Now that she’s got some income, she’s not sure what to do first. |  | |
| 15 minutes | **Teacher Prompt:** One of the first things we need to determine is what we need and what we may wish or want to have.  INDIVIDUAL  Post-it   * Distribute 10-15 Post-it style notes to each member of the class. * In a set time period (one to two minutes), have them write one thought of whatever you are examining on each Post-it note – only one item per Post-it note.   + Example question: Where did I spend my money last month? (e.g., food, clothes, bus) | |  | |

| **Timing**  (Mins.) | **Lesson Sequence** | **Assessment for and as Learning Opportunities** (self/peer/teacher) |
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| MINDS ON (cont’d.) | | |
|  | SMALL GROUP  Pile-it   * Place students into groups (three to five) and arrange groups around a table. * Give each group one sheet of chart paper. * One student begins by placing one Post-it on the chart paper. * Those in the group who have the same or similar thought, place their Post-it on top. * The next student in the group, places a new Post-it (thought) and those with similar or exact same idea place on top. * Continue until all Post-it notes are on the table.   Discussion   * Draw two large circles – label one needs and the other wants. * Develop and discuss the definitions for needs and wants.   + Need – a necessity, something required, something essential for life   + Want – a desire, something wished for, something non-essential * Ask students to draw conclusions about their spending habits and their purchases. |  |
| ACTION | | |
| 10 minutes | SMALL GROUP   * Have the students examine the piles and create categories for each on the chart paper (e.g., food, transportation, entertainment, etc.). * Ask groups to write the categories on the chart paper and reorganize the Post-it notes under each category so that each note is visible. * Post the results around the room and invite students to complete a gallery walk. * Referring to the past activity – establish the link between spending and needs and wants and the setting of priorities. | Assessment FOR Learning: Discussion |

| **Timing**  (Mins.) | **Lesson Sequence** | **Assessment for and as Learning Opportunities** (self/peer/teacher) |
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| ACTION (cont’d.) | | |
| 15 minutes | Dig Deeper (as time allows)  Teacher Note: Suggestion  Make connections among issues of spending decisions and their depictions in student work around the room and encourage reflection. Some ways to do this are:   * Look for commonalities among categories and items. * Create a top five list based on categories depicted on each groups’ chart paper.   + Then, give each student one sticker that they place beside the category on the top five list that is most financially significant to them (becomes a visual representation of a class poll). * Have students classify the categories and items depicted around the room into needs and wants.   + Does the class spend their money on more needs or more wants? Why is that?   + How will this change if you live on campus at university/ college or move out of your home on your own?   + What items would you be writing on Post-it notes if we play this game 10 years from now? 20 years? |  |
| 5–20 minutes | Key Insight  WHOLE CLASS   * Establish that a want for one person may be a need for someone else.   Teacher Prompt:   * Do all needs and wants carry the same importance? * Can a want for one person be a need for another? Example?   Teacher Note:  Describe why setting priorities is more important than establishing needs and wants.  (Note: You may wish to teach a 1-2-3 system or four quadrant systems of how to set priorities.) | Assessment FOR Learning: Discussion |

| **Timing**  (Mins.) | | **Lesson Sequence** | | **Assessment for and as Learning Opportunities** (self/peer/teacher) |
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| ACTION (cont’d.) | | | | |
|  | | * Setting priorities helps us establish what is important to us now and in the near future. * These will change as your lifestyle changes  (i.e., student 🡪 full-time job) * This is the first step in helping to set a budget 🡪 expenses for wants can be reduced or eliminated –  needs are essential and necessary. | |  |
| 20 minutes | | INDIVIDUAL   * If time allows distribute Appendix A and review the note on needs and wants and have them complete the chart using what they created on the Post-it notes. (They can do this for themselves or what their group determined.) * If time allows, view Funny Money video clip: <https://www.youtube.com/watch?v=7EheCbT1iU4>   **Teacher Note** – This can be deferred as a Minds On activity for budgeting. | |  |
| CONSOLIDATION/DEBRIEF | | | | | |
| 10 minutes | | WHOLE CLASS   * Review concept of needs, wants, priorities.   INDIVIDUAL  Have students complete an Exit Card:   * Three things I learned about spending * Two things I am going to try to use this week * One thing I am still not sure about | | Assessment OF Learning: Exit Card | |

| **Timing**  (Mins.) | | **Lesson Sequence** | | **Assessment for and as Learning Opportunities** (self/peer/teacher) |
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| CONSOLIDATION/DEBRIEF (cont’d.) | | | | | |
|  | | **Discussion and Answer**  Distribute out these questions. For the next day’s class, develop answers/explanations (what it means to them) for any three of the questions:   * Do I NEED it? * Is there an alternative to buying it? * What else do I want? (this or that concept) * Why do I want it? * How do I pay-myself-first? * When does a want become a need? * What motivates me to buy – advertising, friends, trendy styles? * If I take time to think about the purchase, will I still want it the next day? * Do my purchases make me happier? * What can I learn to live without? | | Assessment AS Learning: Questions | |

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| Distinguishing between needs and wants |
| (Adapted from *Taking Stock In Your Future Intermediate Guide*)  Financial success is usually a result of consciously deciding what we really need and want and making a realistic plan to achieve these things. In order for us to get what we need or want, we have to have a clear understanding of how we are spending our money.  Where do you spend most of your money? Do you spend it on “needs” or “wants”? Your needs are the things you need for your daily living. Your wants are things that you may wish to have but are not necessary to your daily living. We try to spend money on both our needs and our wants.   |  |  | | --- | --- | | Needs | Wants | | What food do I need?  What clothing do I need for school? What type of transportation do I need for my life? | What snack food should I buy? Is that the latest style?  What kind of car would make me look cool? |   One way to avoid either spending only on needs or only on wants is to classify your expenditures as needs or wants. Then set aside enough of your earnings to buy your needs. Set aside an amount for your savings and a smaller amount for your wants. How much you set aside for savings will depend upon how eager you are to build wealth. The idea of setting aside an amount for your savings before you spend on your wants is called the pay-yourself-first principle. This avoids the trap of spending everything on wants and having no money left over for savings. |

**APPENDIX A**

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| Analyzing your expenditures |
| Make a table like the one shown below.   1. List your monthly expenditures and determine if it is a want or need. 2. Determine a category for each item (i.e., school supplies, transportation, entertainment, food, etc.). 3. Beside each category, write the average amount you spend on that item each month. 4. Calculate your total expenditures. 5. Calculate each expenditure as a per cent of your total expenditures.  |  |  |  |  |  | | --- | --- | --- | --- | --- | | Expenditure | Want/Need | Category | Average monthly cost | % of total expenditure | |  |  |  |  |  | |  |  |  |  |  | |  |  |  |  |  | |  |  |  |  |  | |  |  |  |  |  | |  |  |  |  |  | |  |  |  |  |  | |  |  |  |  |  | |  |  |  |  |  | |  |  |  |  |  | |  |  |  |  |  |   Spreadsheet program   1. Use a spreadsheet program to enter your needs and wants in percentages. What percentage of your expenditures are needs? 2. What percentage of your expenditures are wants? Create a pie chart showing your total wants and total needs in percentages. 3. What does your graph indicate about your expenditures? Calculate your total monthly income (allowance, earnings). 4. Compare your total monthly expenditures to your total monthly income. Does your income cover your expenditures? 5. What are some ways you can reduce your expenditures to ensure that you stay within your monthly budget?   What percentage of your expenditures are allocated to savings? What are some ways you can increase the percentage allocated for this expenditure? |

**APPENDIX B**