



Teaching Kids About Money with Will Rainey

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Marcelo: Welcome to the Empowered Investor Podcast. My name is Marcelo Taboada, and I'm joined today by our very own Ruben Antoine. He is the host of the French podcast L'Investisseur Transformé. Ruben, you've been killing it on the French podcast.

Ruben: By the way, thank you, Marcelo. Thank you. I'm trying to do my best, as you are doing with the English podcast, just to provide financial education and good information to our listeners.

Marcelo: So the reason I have you today for the intro, Ruben, is because today we're going to be talking about kids and money. And you just did a very good podcast with one of the guests we've had on the show here at the Empowered Investor, Steve Legler. You did a podcast with him regarding kids and money. So tell me, why is talking to kids and teaching them about money important?

Ruben: Yeah. Yeah. Let me tell you, I really enjoyed doing that episode because I have two young girls, and the oldest is five years old. We are really trying at this young age to teach her some basic concepts about money and why it is important. Starting at such a young age is crucial because, as parents, Marcelo, we always try to give our kids the best values in life so that they can become good people, good citizens, and act the right way in society and with people around them. When we think about values, financial values are important as well. Money can be a very useful tool but also a very dangerous tool if you don't know how to use it properly. It's important, as the kids are young, to start teaching them how to use money eventually so that when they become adults, they don't take on those bad financial habits that can create problems. By problems, I mean we all know people around us who, for example, sometimes live above their means or have debt problems, financial stress, and we know that money can be one of the main causes of divorce. All those obstacles or challenges can happen in life, which we don't want our kids to go through if possible. One way to help them avoid or at least mitigate those risks is to teach them about money right from an early age. It's even in the parents' interest to help their kids understand and manage money because many parents find themselves helping their kids when they face financial challenges, like bankruptcies or divorces. Sometimes the parents, at the expense of their own retirement, end up helping the kids. So everyone wins when we know at least how to manage, act, and handle money.



Marcelo: You know what? I see the way you talk to your kids and how your kids are growing up and how you and Mary are educating them. It's remarkable. You're definitely setting up an example. At least for me, I see you as a role model here at the company, both professionally and in life. You're setting a good example for everyone here who will have kids in the future. I want to give you kudos for that.

Ruben: Thank you, Marcelo. Thank you. Thank you. Just trying our best, of course. So today's podcast is on the same topic, Marcelo: teaching kids about money. I'm happy that both the French and English podcasts are tackling the same subject because it's a very important one. You have a very interesting guest that you're going to have a discussion with on the topic. Can you tell me a bit more and tell the listeners a bit more about your guest today?

Marcelo: Absolutely. It's crazy how social media can be a force of good. My guest today is Will Rainey. I met him through LinkedIn. He just messaged me randomly, and we connected. He sent me a copy of his book, which talks about money. We're going to talk about it on the podcast, and I'll give you a list of resources later. It's amazing that we connected. Will Rainey has gone from advising some of the world's largest insurance companies, retirement, and government programs on how they can best look after money to helping parents make sure their kids are learning the right money values. He's an actuary by training. In 2017, Ruben, he moved his whole family to Vietnam. He's dedicated his life now to teaching parents and educating children about money. Just a remarkable story, great person, and so passionate about the subject. I enjoyed this interview like you have no idea. It was one of the best ones I've been a part of.

Ruben: Wow. Wow. Okay. I can see the excitement. I'm very much looking forward to listening to your conversation with Rainey. You mentioned that he sent you his book and created some other resources. Can you tell us a bit more about that?

Marcelo: Sure. I'll tell you where people can find Will's stuff. Will has a blog people can read called BlueTreeSavings.com. If you go to that website, you can find a lot of his blog posts. He writes about social media, technology, money, and its effects on kids regarding money. It's a variety of subjects, and for parents who want these resources, it's amazing. He also has a course for parents that parents can enroll in, where he walks you through how to teach kids about money, which is amazing, right? And it's not that expensive. He also has a book that he sent me called "Grandpa's Fortune Fables." It's a really simple book, very easy to understand for kids. I read it, and it's a fantastic read even for an adult. I'm sure if parents are reading this to their kids, they're going to learn a thing or two because these things are not intuitive. Our system doesn't teach us these things. Those are the three things that people can do to find Will's resources. I hope everybody enjoys the interview.

Ruben: I'm looking forward to it, Marcelo. All right, take care, and happy listening.

Marcelo: Welcome to the show, Will. I'm super excited to have you here. Like I was telling you off-mic, I don't have any kids, but I do know a lot of people who have kids. I do enjoy my nephews, and one of my life goals is to have kids. So this subject fascinates me. Your book is



unbelievable. I think you hit it out of the park. It's simple to understand, really easy to read, and I can't wait to share it with many people. Let's start with your story. How did you get into this?

Will: Yeah, sure. So my background is I'm an actuary. I went straight into the corporate world. I'm from the UK, and then we decided to go on a bit of an adventure. I got an opportunity to work in Hong Kong with my company. I went to Hong Kong in 2014, and there I was working as an investment consultant to institutional investors: retirement funds, insurance companies, education endowments. I was enjoying that, talking to some of the biggest investors in the world. But then, in 2017, I was talking to someone about my two daughters, and they said, "Oh, enjoy this time with them. They only grow up once." It was such a simple, obvious statement, but it had a big impact on me. I realized they do grow up so quickly. I really wanted to take some time off the corporate world to spend time with them while they were growing up. So my wife and I made a plan, and in 2019, we both left our corporate jobs that we enjoyed and moved to Hoi An, Vietnam, one of the most beautiful places in the world. I recommend everyone go there for at least a holiday. We were very fortunate because we had some savings and had been investing for a long time. We had the financial security to take this time off. My kids were at school, at an international school where we were, and I wanted to have a little project. I thought about how lucky we are to be in this position. When I left Hong Kong, many of my colleagues asked, "How are you going to afford to do this?" I said, "Haven't you got savings?" They replied, "No, we definitely wouldn't be able to." I wanted my kids to have at least the option of having this opportunity when they grow up. I started teaching them about money and sharing my little bedtime stories about money with them. It got a great response from parents who enjoyed the way I was teaching: very basic and fun, using analogies and stories rather than lectures. I started a company called Blue Tree Savings to help parents or guardians teach their kids about money. Now I'm so passionate about it, and I want all children to learn about money.

Marcelo: I checked your website and read your book. I think it hits it out of the park. The analogies in the book are fantastic. It makes it easy for anyone to understand. Even an adult can learn a lot from it. How did the genesis of the book come about? When was your "aha" moment to write the book?

Will: The book started with writing blogs, sharing real-life stories, like how I taught my children about the stock market using McDonald's. And it was only after about 18 months. Also writing these blogs that someone said you've got enough little stories in there that you can make a book. And so I just took the little stories I'd had in these different blogs and because it's a blog, you get to see which blogs have done well, which ones haven't. So I had a little bit of pre screening of which stories people enjoyed. And the feedback, and so I took them and then I changed them around so it had a constant flow and the different characters were consistent throughout the book. So it came out that way, so I never ever thought that I'd ever have a book. I never, even when we started writing the blogs, I was never a writer, I was just seeing how it went. And so the book didn't take very long. So I'd say after 18 months, it only took about three or four months after that to actually get the book all together, because as I had all the story, most of the stories already written, I just had to



change them around. But then it took a little work to get the editing and the illustrations and the little games and stuff I put in the book.

Marcelo: Yeah. What was fascinating to me was how you managed to get Every single important subject about investing in that story. So you got saving, investing, risk, bear markets, charity. So that was remarkable to be honest with you.

Will: Thank you. No one of the bits, one of my favorite ever books myself, personal finance ones is the richest man in Babylon. So that's a fantastic book and I've read that many times and I like the fact that was done in story format as well. I tried to read that to my kids at one stage, but just because it uses the old kind of Bolognian and language. It was so hard. I did not just end up just translating rather than teaching my desire was. I hope this book can be the sort of kids version of the richest man in Babylon. So it has a lot of the same kind of themes, but using kids phone, but the point that you made about adults can read this. And that's essentially a bit of a Trojan horse that I've wanted to have that parents would sit down with their kids and read the book with their kids and the kids parents would go, "Oh, I've never learned this before. Such as I say about investing, tax, debt, mortgages, all those kinds of different topics."

Marcelo: Yeah. And what really resonated with me is how important, and I think you sneak that message in the book, like not upfront, but it's there right where it's really about the upbringing as well and how your parents relate kids to the money. So like the story of Gail and Boris, right? Like they have different parents and different styles. So let's get into that now, because I have some questions. So just on a basic level, like, why would you say it's important to teach kids about money?

Will: What I didn't realize when I first started to do this bit, because I was an investment person. So I initially focused on teaching about investing. So I thought all parents should start an investment account for their kids. It was just the compound interest over time would be a massive savings. Then I started to go back and say, why aren't people investing? It's not that I don't know about it. Most of the time they just don't have enough money for it. So I have no savings. So you can't invest. You have no savings. Okay. Why aren't people saving, and then it goes back to what they learned when they were growing up. So if they saw their parents spending all the time, if they only ever heard about money and spending. So when they make some money for their birthday or any other sort of major life event, the adults and the parents particularly say, what are you going to go and spend that money on? That's probably quite a common phrase or common question, but actually that's having a massive impact on the children's minds because they form most of their adult money behaviors by the age of seven, which I never knew about. And this is some huge research. And so again, when they're learning and all they hear is money is for spending money is for spending, it becomes hardwired. And then what happens, it becomes their habits. And then when you become adults, we know how hard it is to change those habits. So at some point in the future, they'll get told, Oh, you should save some money, but I've never been taught how to save. I don't know how to say it, but it's not, I know the concept of saving. It's easy, but it's a bit like going for all your life and then someone just says, no, you've got to eat healthy. You can't just suddenly start eating healthy. You have to go through a whole



process and change your mindset, your lifestyle, and that's the same thing with money. And so it's so much easier if children learn some basic money rules, such as saving a little bit of the money that they receive, not saving it all because that's a bit boring, but saving a little bit and just getting into that habit. And if children grow up saving a little bit every time they get some money, that's going to be their habit. And that's just what they're going to do. And it's going to mean they're going to have more confidence. They're going to have savings. They're going to have less money worries. They're going to just see the world in a different way because they've seen that money can grow over a period of time. I always just want it to be that when kids grow up and they have savings and people say how would you get these savings? It's a lot of, cause my parents spent a little bit of time teaching me the importance of saving from a young age. And it's just what I do. And that's why it's so important to teach kids about money and helping them form actions. So it's not just do this. It's, this is what you should do. And then the actions and habits that they form.

Marcelo: So I'm from Latin America. I grew up in El Salvador for Latin, Latin American families. I know this is a common thing and across many like different cultures as well. Money is a big taboo subject. Like it's something we don't talk about. It's something we don't discuss in the table. It's something we don't bring up. Why talking about money is so hard for so many people.

Will: Most people have never been taught about money and that people have a lot of view that money is about status. So it's the more money you have, the more educated you must be, the more power that you must have. And so people don't really want to talk about it because they don't want to have that view on their self-esteem about, "oh, I have less money or more money than that person" and I can understand why people don't want to share their salaries, etc., because it might be a reflection in this other pieces. But within the home, we need to start to break down that taboo. We need to have kids feel that talking about money is fine. And we know now that financial wellness and financial wellbeing is so important as most of mental health problems, if you break them down, actually go back to money. And so this is all coming from the fact that people don't talk about money. So we need to, for the sort of mental and financial wellbeing of the next generation, we need to start talking about it. The really interesting piece is even if you don't talk about money, it's got a negative implication. So, it's a bit like most children don't swear or hopefully most parents don't swear around their children. And it's the absence of swearing that children know that swearing exists. My parents don't do it and therefore it's a bad thing. And it's the same thing with money. If parents don't talk about it, the kids will be like, my parents don't talk about it. Therefore, it must be a bad thing. And then as they grow up, they're not used to talking about money. So, when they do find themselves in financial strife, they're not like, "Oh, I shouldn't talk about this to anyone." And therefore, they keep it within themselves. They don't look for help.

Marcelo: Absolutely. It's so interesting you mentioned that because mental health is such a big thing, and we're more aware now about the consequences of financial stress leading to a lot of mental health issues. And the other thing that's interesting is we recently did an episode on couples and finances, and we ended up realizing that the divorce rate in Canada



is about 40%, and I think broadly around the world, it's about 50%. But we found out that one in four of those divorces end up being because of financial strain.

Will: 100%. And you can understand why that can be the case because even within marriages, they don't talk about it. And say, they probably have some secret bits, or "I earned this money, so therefore, it's my money, not our money," and those kinds of conversations. And just having children feel confident enough to talk about money, understand how to look after money. Hopefully, they'll meet someone else who also appreciates and understands how to look after money. And that's a sort of bedrock for a solid relationship, I hope.

Marcelo: 100%. So you've mentioned before from age zero to seven, kids are getting conditioned and they build habits. So what is a perfect age to start teaching kids about money and investing? And what are tangible things that parents can do today to start this process?

Will: Yeah, so there are a few things that you can do from even the youngest age, like two years old. You don't talk about money. But one of the bits I talked about in the book, and just come to appreciate, is patience is the kind of superpower of money. If you can teach your children to be patient. And so even at two years old, just getting your child to say, "You can have this, but maybe not two years, but maybe three years." Trying to get them to have little bits where they can have it, but they have to wait a little while. It only has to be a couple of minutes for a small child like that. But as they get older and older, you expand that timeframe. Even playing shop and just showing little transactions is fantastic because it shows that if you buy something from the shop and they get something back and they can see those transactions, especially as we're moving into this kind of cashless world, being able to play those little games at the younger stage. Then from about the age of four is when you can start to introduce pocket money or allowance with children. Again, just the smallest of pieces, but just to say to them, you can go to the shops and buy sweets or a bit of candy and they can see that transaction. They can only use that money once, for example, and they're learning those lessons. And the key piece of that is you can then start forming the habits. So every time they get a little bit of pocket money or allowance, doesn't matter how small it is. So even if it's just a dollar every week or whatever it may be, but making sure they save just a little bit, so they can only spend 90 cents of it. So you can still spend most of it. So it's not going to change their enjoyment, but they're learning to keep that little bit. And it's that form. And if they keep that on as the amounts get bigger and bigger, that's huge. And then as they get older, you can start to introduce the new topics. I think my eldest daughter was about seven years old when I started to introduce the concept of investing and what investing is in the stock market. But I used it in a very simple way using, I'd say, McDonald's and seeds and trees, etc. And then just as they grow up, you can introduce new topics. And yeah, even my daughter's now, my oldest is 10. She knows most money topics, not to the biggest degree, but she has some awareness of, let's say, tax, mortgages, all these different topics.

Marcelo: She for sure has an edge over a big part of the population just knowing those things up front, right? A bit of a follow-up question on what you were mentioning before



about the different stages. So there are many different schools of thought when it comes to adding financial rewards. So I asked a friend, is there something that you want to know about having kids and money. And he came back and said, I would really like to know about introducing this concept of financial rewards for doing chores around the house. What's your thought on that? Are there any effective strategies that we can teach kids regarding this?

Will: Yeah, so in a sense, there's no real right and wrong. I've heard arguments both ways about that. For me, when you start giving allowance to children to start, just make it that they just get the money. No work, no punishment. They always get that just so they have started to form this really positive link with money, and they get this opportunity and they can start making these decisions. Because there is a downside that when you start to introduce either chores or potentially a punishment and link it to money, that can have a negative mindset and it can say, "Oh, I don't like money because it just links them back to these negative situations that they've been in." The same with my daughters, we give them a little bit of allowance every week, but we give them the option to earn extra. So we do give them some kind of bonus chores. So we don't give them any money or any consequences to that in terms of making their beds or brushing their teeth or anything like that. I know some people do, but we don't. But there's some bits like maybe doing the gardening or washing the car, some bits that I might pay other people to do. I can essentially pay my kids. We have a games cupboard that gets messy every now and then, and we say, "Who's going to tidy up the games cupboard?" and we'll pay them a little bit of money to do that. So you can see that money and hard work are linked because essentially that is going to be an important piece. To get money, they're going to have to start earning it at some point. And they're still a bit young at the moment, so we still give them an allowance every week. But at some point when they get older, we're going to say, "If you want something, you're going to have to find ways of earning that money." And that can be through us, but it can be other ways as well.

Marcelo: Absolutely. I couldn't agree more. And the other follow-up question I had on what you said before about patience. I think patience is key in every stage in life for every single thing a human being does, whether that's building a career, building wealth. But in terms of we live in a society, absolutely, instant gratification type of world. So, what are things we can teach our kids that are effective and that effectively teach patience and delayed gratification, and should we change our strategy depending on the age? Do you have any tangible things that you can tell parents about that?

Will: Yeah, certainly. And it is a very hard topic to teach. One of the bits with patience is about making it small. And I think this is really powerful. When we think about money, we generally think about saving or spending, and people see it as quite binary. It's either you're a spender or you're a saver. And what I really want to get across is you can be both and you should be both. And actually, you should be predominantly a spender, but you should just have a bit of savings. So, what I recommend is when teaching kids about patience is to try and keep it small. An example would be adults might get a chocolate bar, for example, and I'd say, "You can eat most of it, but keep a little bit in the fridge for tomorrow or whenever it is. And if you do, I'll give you an extra little reward." So, she still gets to eat most of the



chocolate bar then and there. And I think that's the hardest bit. If I said, "Don't eat any of the chocolate bar and save it for a week," she would hate me. She might do it, she might not, but it would be a horrible experience. Whereas actually eat most of it, but save some. And then the next day when she goes to the fridge, she feels happy because she's got an extra day of having a bit of chocolate. But also I give her potentially a little bit of reward. If I have a chocolate bar as well, I might save some in the fridge for her. So it shows that it's not a painful experience, but also she gets rewarded for it. This is really important because we want to reward kids for being patient, but patience in a kids' world is like a day, maybe two days. And then as they get older, we need to show that they're going to be rewarded because we know as adults that if we are patient, we are going to get rewarded, whether that's avoiding debt or investing in the stock market, which can take years. But the rewards are very handsome. We need to keep it small and make sure that they get a reward. It'll be a realistic reward in terms of what it might be in the future, but it's still showing them. The more they see that, the more likely they're going to want to be patient.

Marcelo: You can take that concept and translate it into other things. If I give you \$10 today as they grow up, maybe don't go out and spend the \$10. Maybe you want to spend \$6 and keep \$4 for the next few weeks, right?

Will: Yeah, 100%. And the other bit is about saving. I know a lot of parents or even guardians or family members put some money away for kids and say they'll get this money when they're 18. But sometimes what they do is they don't tell the kids about it. They think, "When they get 18, it'll be a nice surprise." That takes away a huge opportunity for the kids to learn about patience indirectly because if you tell them about it and they know it, they can see it building up. They can start planning, and especially if it's been invested, they see the money growing. They see the power of compound interest and the reward you get from being patient. That's much more likely to make them want to continue doing that for themselves when they get the money at 18. Whereas if they don't know about it and get it on their 18th or 21st birthday, it's just going to feel like they've won the lottery. We know how good lottery winners are at keeping their money. So if anyone listening to this is saving for any children, make sure the children know about it and you give them some updates on that. Show the power, especially if you're contributing regularly. You can say, "I did this for 18 years and I only put \$10 away every month, but now it's worth thousands of dollars on your 18th birthday." That's going to be, "Wow, I didn't realize that small amounts can end up in such a big sum." I think that's huge.

Marcelo: One of the things I've realized with my nephew is we underestimate sometimes how intuitive and how smart kids can be at that age. He's about five, six years old. I remember one time we were driving down the highway and he just started asking me, "What are those poles?" I started explaining to him, "This is where we get our electricity from. It's a grid, and it comes from a place so we can have light in our house." He just kept asking, "Why?" and he gets it. My wife was like, "Wow, this is amazing." I think we can do that with money. Like you said, "Okay, we're saving. What is the purpose? There's a reason we're doing it." I think kids will get it.



Will: Yeah, and that point you made about kids just intuitively getting this stuff. I've done a few presentations to some schools. I do a 20-minute presentation, and it'll be questions and answers. I'll say, "Who's got a question?" and all of them pretty much put their hands up. They want to talk about money. So I know going back to that conversation we had earlier about it being a taboo subject, if we do raise it, children, some adults might think talking about money is boring, but actually for children, it's fascinating. If they get the opportunity to talk about money, they'll want to. They want to know, "Where did it start? How did the richest man in the world become so rich?" They're fascinated by it.

Marcelo: 100%. So let me just shift the conversation here a little bit. I read a quote the other day. I think it was Raj Patel who said it. He said something like, "We know the price of everything but the value of nothing." So in a world of conspicuous consumption and Instagram, Facebook, TikTok, how can we teach kids effectively the value of things?

Will: This comes back to giving children an allowance. If parents can afford to do it, they really should. What they can do with the allowance is get the children to start saving up for the things they want. Sometimes that can be hard for parents because the children are like, "I want it now. I want it now." And you have to say, "No, if you want it, you have to save up your pocket money." It might take five or six weeks of not using your pocket money to buy it. The children will be making a decision, "Do they want to sacrifice all the other decisions like buying the candies or the cheap toys they can buy now versus this bigger toy that's going to take them a few weeks?" By going through that process of saving for it, the children will understand whether they really value what the money is going for. It's so easy for parents, especially parents who have a lot of wealth, to keep their kids happy by buying things. But we need to teach them the value of money by making sacrifices. This lesson comes through in one of the characters in the book, Boris, who comes from a family that doesn't think they'll ever be rich. They need to adopt a wealthy mindset, believing that if you work hard and look after your money, you can become wealthy. On the other end of the spectrum, wealthy families need to create scenarios where their children start to appreciate money by holding back on spending and teaching them to save and spend for themselves.

Marcelo: It's remarkable you say that because sometimes I do see a situation where you can be very good at teaching budgeting and all these things, but then Christmas comes, and we're showering kids with all these gifts. I see it with my friends and my nephews. Are we reinforcing this bad behavior, undoing some of the good things we may be doing by teaching all the things that you talked about? By just Christmas coming along and showering kids with all these gifts, they're going to use them four or five times and then they're going to be dumped. What are some effective strategies we can use during holidays to avoid reinforcing this idea of conspicuous consumption and mindless spending?

Will: This is why I've started talking more about charity because that really does bring it back. Especially coming up to Christmas, one of the best ideas, and it's not my idea, I heard it from someone else. Their children didn't value money, and I can't remember the conversation, but the parents were like, "All right, I need to teach my kids about the value of money." So they took them to a supermarket and gave them five pounds in the UK, or



whatever that is in dollars, and said, "See how much food you can buy with this five pounds, and we'll give that food to the food bank for those who need it at Christmas." I thought that was a fantastic way. The kids loved it because normally they might spend that on a plastic toy and not think about it. But now they had to go around the store and think, "I don't want to just buy one bar of chocolate because that's not going to last very long. What can we buy that will be useful? What's cheap, what's expensive?" They came back with about 50 different items that they went into this food bank. It was good because there were two of them. They went around the store together and had different baskets. I think that's one of the most powerful lessons from a parent. Trying to instill that value, even when it's not about going to their kids. It's teaching them to help someone else. They get to go to the food bank and see that people don't have as much as they do. It gets them to really think about what they can get for their money. A really good exercise.

Marcelo: You got me by surprise when you introduced that in the book. I find it such a fascinating thing that you did, integrating that idea into saving, investing, and being patient. If we bring it back to the problems we have now with a lot of teenagers and people when it comes to mental health, many religions and mystics agree that when you do something for someone else, you feel better. I read a study where people who do charity and volunteer tend to report higher levels of happiness and life satisfaction. The fact that you put that in the book for a kid to start understanding that is remarkable.

Will: One of the big problems with money is keeping up with the Joneses. If you give to charity, you can start taking yourself out of that game because you don't know what people are giving away. In most cases, you assume they're not giving much away. If you start giving a little bit of money to charity, you can't compare yourself to someone with a nice fancy car. You've made a choice not to have the fancy car but to give a little bit to charity and have a modest car. You stop comparing yourself to that person. It doesn't matter what the other person buys, designer clothes or whatever. You've said, "I can't compare myself to them because I now give some of my wealth to charity." That piece alone can have a huge impact on how you see the world. That's why I wanted to put that in the book, to help children realize that giving to charity not only helps others but also stops them from comparing themselves to others. I'd rather not have that fancy thing and give a little bit of money to help others. Especially if you can see a charity. My kids give some money to an animal sanctuary, and they get to see the animals. It's not just gone off somewhere, and they don't know where it's gone. They actually get to see it. I think that's really powerful because they see where the money's gone and how it's helping others.

Marcelo: You're introducing this concept that while building wealth is important, there are things in life that are greater than yourself. Bridging that gap can lead to many good things.

Will: Yeah, and that's just not something that's been taught. You might think, "Oh, the people who do charity work are just different from me," but if you start the action, the mindset follows.

Marcelo: A lot of the things I'm noticing, like conspicuous consumption and keeping up with the Joneses, are shifting in my generation. People are saying, "Let's buy the BMW and invest



more in experiences." How can we effectively teach kids to have a balance? You're saving, but you're also spending to buy experiences and spend time with friends. Do you have any thoughts around that?

Will: So I think whether you're buying experiences or things, the key is that they learn to save a little bit. It comes down to what makes them happy. This is a huge topic about happiness. People link money and happiness, but money is just a tool. It's what you do with that tool that finds your happiness. If you buy a toy and don't play with it, getting kids to reflect on that and how much happiness the toy brought versus going to the trampoline park, which would they rather do? Most will choose the experience. Often, it's about reinforcing those thoughts, getting them to reflect on their choices. We're all busy, and kids don't always have time to reflect. When they go to the shops, they see material purchases all the time, not experiences. Experiences come at certain points when they can fit in. We need to make sure kids take the time to reflect on what truly makes them happy. They'll almost always say being around friends and family. That's what you should make sure when thinking about what to do with money—make sure to create opportunities for happiness. Money is a tool to give you opportunities to be as happy as possible, so make sure you spend it wisely.

Marcelo: A hundred percent. In my career, I help people build their wealth in an integrated way that tries to give them peace of mind for the future. I don't agree with just mindless accumulation of money for the sake of nothing. At the end of the day, if money doesn't have a purpose, it's meaningless. It makes me sad sometimes when I see people who end up in later stages of life with a huge portfolio, but they didn't get to travel, they didn't get to spend it. Then somebody else gets that money. A lot of those children of older clients are already at a stage where they don't need the money anymore. It would have been nice to get it maybe a bit earlier. I totally see what you're saying.

Will: Yeah, it's all about balance. I want my kids to be spending. I do say save some, but I feel liberated to spend whatever you want on the rest and hopefully spend it wisely. If you don't spend it, then put some more into savings. Do the savings first, just a little bit, at least 10 percent, put that away. Then it frees you up to have guilt-free spending. But as you say, some people go to extremes—they want to keep saving and not spend, while others say, "You only live once," and end up living a long time without much money afterward. That can be a painful experience. It's about having those experiences, buying the things that bring you happiness. There are some material things that bring happiness to different people, but make sure you have that savings. There are so many benefits to it in terms of accumulating another source of income. It gives you security when things go bad and all the good bits you already know about.

Marcelo: Of course. This is fascinating, by the way. I'm sad we're only doing one episode, but we can leave that for later. I want to talk to you about the role of schools. Are they doing enough to teach kids about money? I don't know about the UK, but in Canada, the answer is certainly no. What's your take on this? Are schools doing enough?



Will: No, they're not. More needs to be done in schools, but it also falls on the parents because money is about habits and mindset, which are hard for schools to teach because they have so many different pupils with different backgrounds. There are two parts to money: the education side (what money is, different terminologies, why we should look after our money) and the habits and behaviors. Unfortunately, that's really difficult to be taught in schools. But the more schools can do, the better, in terms of providing financial knowledge and potentially providing that spark for the child to go back home and start asking questions, hopefully having meaningful conversations at home. It's great to see it starting globally in some schools. In the U.S., some states are putting in mandatory financial education topics, even if it's just one class per semester. Hopefully, that's the start of a new wave, and we'll start to see it across different year groups and more classes. That would be fantastic. We should never leave this to be solely a school responsibility. It's similar to health education; schools can teach children about eating healthily, but if they go home and their parents have bought four pizzas and six doughnuts, it ends up being more confusing than helpful.

Marcelo: I wouldn't expect schools to take full responsibility for instilling all the good habits you talked about; that has to be done at home. But I would expect schools to help kids understand basic financial concepts like why we pay taxes, basic budgeting—at least putting them in the right frame of mind. I talk to people sometimes who are PhDs in engineering, and they're clueless about financial literacy. It's not about being dumb or smart; it's just that we weren't taught these things. The financial sector probably benefits from this confusion because they can sell more products. When people are confused, they get frustrated and end up paying for whatever. At a bare minimum, schools should do something along those lines.

Will: Yeah, I agree. Some of it is about getting funding to add this new subject, and that's the hardest part. One of the things that makes me so proud and excited is when people read my book and then buy copies to give to their local school library. The book is not top of mind for most parents, who don't think to buy a book about money for their kids. So the parents who do buy the book and share it with other children who may never get the opportunity to talk about money—seeing the book in schools is fantastic. I hope that continues.

Marcelo: Absolutely. We need to do something at the municipal level as well. One of the things I always say in this industry of financial advising, unfortunately, the people who need financial advice the most often can't afford the services of a financial advisor or planner. There's a huge gap in what we do for people who can't afford it and those who need it the most. As a society, we need to raise the tide to help those people.

Will: Exactly. Referring back to the character Boris in the book, there are loads of people like Boris in the world. We need to help them understand that they can look after their money and learn in very simple ways. If they do it long enough, they can have a different life than the one they grew up with. But unless they get that education, they won't feel it's possible, so they won't even try. That's the hardest thing.



Marcelo: Let me ask you about something you wrote about. I saw a blog post titled "Four Ways Social Media Can Stop Your Kids from Becoming Wealthy." How can technology be a force for good in teaching kids about money?

Will: Yeah. For a force of good. So, no, social media is a hard one because there's so much projected out there around people who have money, and they show it off, and therefore we want to follow those. They want to follow that. And therefore it's all in your face, and they're getting fed this. We have to try and get our kids to take a step back and say, actually, how real is that? Why are the people posting this? And so with my kids, I always say, do they have any blue trees? And we use blue trees as an analogy for savings. So if you have savings, you've been growing, and we call these blue trees. And so social media is really pumping in this more so than ever. When I was growing up, we still had keeping up with the Joneses, but you'd compare yourself to your friends or your classmates, but most of the time they'll be in the same socio-economic background as you came from. You might have the odd rich kid who's coming to school, but the majority are in the same. And so if someone got a bike, a nice bicycle or something, it wasn't going to be that much better than the bike that you had. And you probably had something else that they didn't have. And your parents will remind you of that. Whereas today, children aren't comparing themselves to just their friends. They're comparing themselves to the whole world. And so they're getting this, they're also on social media, they're getting targeted by ads. And so it's just getting pummeled into them about spending. And yeah, when we're talking to our kids, we're just trying to make sure that they understand what's going on with social media. Making sure that if they have that awareness of social media, that they can understand that it's probably a bit fanciful. It's not really what people's lives are like. They're only going to project the best side of themselves. We don't know if they have any blue trees, and we need to make sure that we limit the amount of time that they have on social media. But then on other bits, there are some bits in terms of positive bits about social media. There are nice stories of actually it is possible to come from a sort of humble background and kind of do well, but it's about finding these accounts. It's about understanding, and we can help as adults and guardians. We can help say, actually, this person has done this, or there are accounts where kids have started their own businesses and they're talking about that. And I think they're fantastic because we're starting to show that kids don't just have to grow up and get a job and work nine to five and then retire when they're 65. Even as kids, they can start to learn that it's possible to start their own little business, and they've got to try and find an audience. And social media is clearly one of those audiences. So it has got a lot of negatives in my mind, but it has got some positives in there. But it's all about helping kids navigate that. And if we just let them off the leash and say onto social media, then they're more likely going to fall into the downsides of social media. And hence the name of that blog was "Four Reasons That It's Going to Keep Them Poor" as opposed to the reasons it's going to make them wealthy.

Marcelo: I want to ask you about something that's very dear to me. So the immigrant story. A lot of immigrants, we move to the Western world looking for a better financial future. It's a sacrifice, hard work, and sometimes resources are scarce. I remember being a student, I moved to this country without speaking English or French, having to be a student and all that. So my kids will probably have a lot more comfort than I had, and some could say I'm



robbing them of an opportunity to build character and learn this valuable lesson. So how can I ensure that I teach my kids about the value of things without sounding like I'm lecturing them?

Will: Yeah, no, it's a really interesting question and saying, whilst I'm not an immigrant, but we're more well off than what my parents were. So how do we make sure we instill those same values? And I think it just comes down to being disciplined around getting the children to save up, getting them to understand what they value and sharing those stories about your background, what you had to go through. So they start to appreciate it more and more. And again, using charities, etc., just helps them appreciate and have that gratitude towards what they really value and what they have got, and hopefully understand that they're not just going to get handed a silver platter. And I think that's one of the hardest pieces. And you hear this quite often. I now earn money and therefore I don't want my children to go through what I went through, which is fine. There's probably some hardship, but at the same time, there's a danger of children becoming entitled. And we're starting to hear more and more stories about kids being entitled, and we need to be very careful about that. We want to give them some niceties, but we need to sometimes be a bit, what might seem harsh because you're like, I've got the money. Why would I not just give it to them and make them happy? It's my job to make them happy. Sometimes in the long run, it's so much better to have those little sacrifices. So they do appreciate what they have.

Marcelo: A hundred percent. I saw your website has a course on how to teach kids about money, how to talk to them about money. So talk to me about this course and how can people find it?

Will: Yep. So my website is BlueTreeSavings.com and on there, I've got, I think it's about 150 different blogs that cover lots of different topics, but I thought, given I had so much of that content and some people like to digest it in different ways, I put a course, which is five 20-minute videos. But it goes through what I see as the core topics, so it's what kids should know about money and it's for parents to watch, but it can also be for older kids. So from about 10 years old and upwards to watch with their parents to go through these core topics. By the end of it, I'm really confident that those topics are embedded into their day-to-day mindset. They're going to grow up financially healthy and wealthy. And yes, I've got the book for kids to read, I've got the blogs for parents to read, but if parents and kids want to digest it in a video format, I put the online course there.

Marcelo: In your book, there is a guide on how to open an investing account for a kid. So I think that those resources are fascinating. We'll link your website and your blog and all that into the notes of the podcast, but Will, it's too short for me because we could talk for hours about this subject. I'm extremely passionate about this subject. I think it comes across as well for you, it's fascinating. All the research you've done and what you're doing. So I'm super excited to keep following you on LinkedIn. I'm sure we'll find a way to reconnect again. So I thank you for your time.

Will: No, thank you. And thank you for having me and giving the people listening to this opportunity to promote this topic. So thank you so much.



Marcelo: Thank you for listening. Bye-bye.

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