



Preparing for Baby’s Arrival Tool: Income Reduction List

You will use this tool along with the video learning module: Preparing for Baby’s Arrival. In this exercise, you will consider how your household income will be affected by your new baby’s arrival.

To help you get started, you may want to consider the following. These are some of the ways that parents have told us they experienced a drop in available money because of costs that are related to having a baby:

- Parental leave from work, e.g.:
 - Primary caretaker takes longer leave from work.
 - Extra time taken off work by the other parent in addition to regular vacation days.
 - One or both parents continue to work but there is a reduction in the amount of work and income.
 - Cost of extra days off work due to illness or baby being ill.
 - Government parental leave payments do not totally replace regular income from employment, and not all employers provide a top up.

Exercise – create your personal list of income reduction.

Complete this exercise together.

	Regular Income	Expected Income After Baby's Arrival	Difference
Parent 1			
Parent 2			
TOTAL			

The total difference will show you the gap in income you will experience when the baby arrives. You will input this amount into your **Personal Plan**.

What we’ve heard from parents:

“I thought I was totally prepared for our baby’s arrival. I knew we’d have a dramatic decrease in income during parental leave. I borrowed a crib and car seat so I could save on that expense. But no one told me how much a little baby would poop – I had to buy diapers by the carload and it added up to more than I could have imagined.”



Preparing for Baby's Arrival Tool: Baby Expense List

You will use this tool along with the video learning module: Preparing for Baby's Arrival. In this exercise, you will consider the costs of having a new baby.

To help you get started, you may want to consider the following. This is the list of baby gear and other expenses that parents have shared with us. Some of these items may be essential to some parents and not essential to other parents:

Baby Gear and Toys:

[Baby Gates](#)

Baby Monitors

Baby Swings

Hook-On Chair

Toys (Remember: You are your baby's favorite playmate!)

Bouncer Seat

Playpen

Stationary Activity Centre

Doorway Jumper

[Clothes](#)

[Essential Clothes \(Hat, Sweaters, Snowsuits\)](#)

[Baby Proofing Supplies](#)

Baby's Room:

Rocker

Change Table and Change Pad

[Bedding Accessories \(Sheets, Blanket, Receiving Blanket\)](#)

Toy Box/Chest

Dresser

Cradle/Bassinet

[Crib and Mattress \(Make sure they meet Current Health Canada Product Safety standards by checking: <http://www.hc-sc.gc.ca/cps-spc/child-enfant/index-eng.php> \)](#)

Keeping Baby Clean and Diapered:

Baby Bathtub

[Baby Toiletries \(Lotions, Ointments, Baby Soap, Wipes\)](#)

[Diapers](#)

Diaper Bag

Diaper Disposal Unit

Feeding Baby:

[Baby food](#)

High chair

Baby Dishes and Cutlery

Taking Baby On the Road:

Stroller

Carriers

[Car Seat](#)

Mom Gear:

[Maternity clothes \(nursing bra, maternity pants, etc...\)](#)

(Essential items: needed to be able to care for your baby and provide a safe environment)

Exercise – create your personal list of necessary baby items.

Create this list together. It will provide a reality check on how much money will be necessary to prepare and raise your baby.

ONE-TIME COSTS	Cost
Item	
Baby Bathtub	
Baby Gates	
Baby Monitors	
Baby Swings	
Bassinet/Cradle	
Bouncer Seat	
Carriers	
Car Seat	
Change Table and Change Pad	
Crib and Mattress	
Doorway Jumper	
High Chair	
Hook-On Chair	
Playpen	
Stationary Activity Centre	
Stroller	
Toy Box/Chest	
Dresser	
Rocker	
Bedding Accessories (Sheets, Blanket, Receiving Blanket)	
Toys	
Diaper Bag	
Diaper Disposal Unit	
Baby Proofing Supplies	
Baby Dishes and Cutlery	
Maternity Clothes (nursing bra, maternity pants, etc.)	
ONGOING EXPENSES	Cost per Month x 12 Months
Item	
Clothes	
Essential Clothes (Hat, Sweaters, Snowsuits)	
Diapers	
Baby Toiletries (Lotions, Ointments, Baby Soap, Wipes)	
Baby Food	
TOTAL	

When you have completed this list, you will use it to prepare your **Personal Plan**.



Preparing for Baby's Arrival Tool: Personal Plan

You will use this tool along with the video learning module: Preparing for Baby's Arrival.

Setting your goal

At this point you should have completed two tools: **Income Reduction List** and **Baby's Expense List**. The information from those tools will form the basis of your **Personal Plan**.

Add together the amount your income will be reduced and the list of your baby's expenses. Your personal total will show you how much extra money you need to cover the costs of your baby in the first year. Don't worry, this is a reality check and many parents have told us that they feel shocked when they see the total. The important thing is that you've done this work and now you are prepared to find ways to accommodate the impact your new baby has on your finances.

Income Reduction List Total	\$ _____
Baby Expense List Total	+ \$ _____
Our Financial Needs	= \$ _____

Finding the money

Parents have told us that they have covered the costs of their new baby in several ways:

- Trimming the fat from their budget – by making the easy cuts
- Fine tuning their annual budget – by making tweaks to regular expenditures
- Using savings
- Rethinking how funds are spent on family fun (i.e. free community events and/or using Comfort, Play & Teach and all the activities available at www.investinkids.ca)
- Plan to breastfeed and make your own baby food, these are not only beneficial for your baby but will help to save you money as well.

Other ways to save:

- Use gifts from family, friends and colleagues (consider using a gift registry)
- Used clothing or baby items such as blankets, receiving blankets, books and toys

Keep in mind that any used toys or baby gear should be checked to be sure they meet current Health Canada Product Safety standards (for more information check: <http://www.hc-sc.gc.ca/cps-spc/child-enfant/index-eng.php>).

If you already have an annual budget, pull it out and review it together. Find items that you both agree could be sacrificed or reduced. If you don't have a written household budget, create it now before baby comes and monopolizes your time.

Personal Plan

Here is a worksheet that has some regular household items that parents have shared with us that you can use as thought-starters. It's a good idea to pull out bills, receipts and credit card statements to help you remember your personal expenses.

Once you have created your Personal Plan, you can use this for your ongoing Reviews.

Expenses	Our monthly expenses	Expenses we want to decrease	Plan	Review—Are we meeting our goal?
Baby Expenses				
Your personal Baby Expense Costs from your Baby Expense worksheet				
Housing				
Mortgage or rent				
Insurance Home				
Phone				
Electric				
Cable TV				
Internet				
Property tax				
Maintenance or repairs				
Supplies, Other				
Transportation				
Bus/taxi fare				
Car Insurance				
Licensing				
Fuel				
Maintenance				
Parking				
Car Payments				
Food				
Groceries				
Dining out				
Snacks, Lunch, Takeout, Other (i.e. coffee, tea)				
Personal care				
Medical				
Hair/nails				
Clothing				
Dry cleaning				
Health club				
Organization dues or fees				
Other				
Entertainment				
Multimedia				
Concerts				
Sporting events				
Cinema				
Travel				
Other				
Bank				
Banking fees				
Credit card				
Special savings (travel, etc.)				
Taxes				
Other Expenses				
Pets				
School (Tuition, loans, textbooks, etc.)				
Other				