



money matters

Planning for a child means sometimes making financial sacrifices. However, one man says that his quality of life isn't compromised even with five children. Let's find out why.

Many couples are daunted by the thought of having more children because they believe that it means having to forgo material luxury. This was definitely something project manager Abdul Rahman bin Abdul Shukor, 47, considered when he decided to start a family.

Blessed with five children (aged between five years and 17), Rahman attests that financial discussions and planning are important for any married couple, no matter how many children they intend to have.

"My wife and I had our initial discussion when she was expecting our first child. Issues we considered included medical costs, children's education, insurance and monthly expenses," he says. During the talk, the couple realised that factors such as employee welfare schemes offered by their companies and Medisave can be very helpful. It turned out that the expenses required weren't as much as they had first imagined.

Being open to each other's financial expectations also helped the couple make adjustments that they are both

comfortable with. "We made many decisions together, for example, changing to a more affordable car, eating home-cooked food more often, dressing our younger kids in hand-me-downs from their elder siblings, coaching our children in their school work instead of engaging tutors, and taking holidays that are closer to home and cheaper," he says.

A common question Rahman gets: Has he ever thought he would be better off with fewer children? "Quality of life is not merely measured by how much wealth you've accumulated," he answers. "For my wife and I, there are other things that we value even more, such as strong spirituality, good health, contentment and happiness in the family, as well as tranquillity in our hearts.

"Moreover, our children have given us so much fulfilment that money surely cannot buy. Because of our kids, there's always something to look forward to. They're the motivation behind everything we do, and they've brought so much joy and meaning into our lives. I will not trade them for anything."

THE EXPERT SAYS

Planning for a family budget is the first step to making sound financial decisions. Here's how to get started:

1. Take note of your combined monthly income, what you plan to spend (targeted expenses) and the actual expenses (what you spent) for the month. Monitor these numbers closely.
2. Based on these notes, understand your spending habits and family needs, then develop a sensible budget that you and your spouse can agree upon, and follow it in a disciplined manner.
3. When you plan for your budget, remember to set aside a fixed amount of savings every month. As a general guideline, every family should set aside an "emergency fund" that has savings equivalent to six months of your combined salaries.

These tips are contributed by MoneySENSE, Singapore's financial education programme.

This is the fourth in a six-part series. Rahman is the father of Nabilah, an I Love Children ambassador and his only daughter. The ambassadors' parents will share more about their parenthood experiences in upcoming issues. For more parenthood stories and tips, visit www.ilovechildren.org.sg.