



## Budgeting for baby

Having a baby doesn't have to be expensive – but it can be, depending on the choices you make and how closely you listen to baby product marketers.

If you're self-employed, you're out of luck when it comes to maternity or parental benefits. Because you don't pay into the Employment Insurance program, you can't collect from it.

According to Ann Douglas, the author of more than a dozen parenting books, including *Family Finance: The Essential Guide for Canadian Parents*, Canadian parents spend somewhere in the neighbourhood of \$370 million a year on baby equipment.

"Don't overbuy and you don't necessarily have to buy everything all at once," advises Douglas. "Despite what some of the baby stores would have you believe, some of the basics your baby needs during his first weeks of life are a car seat, a safe place to sleep, a baby carrier, baby clothes and some diapers."

Formula for one year will cost \$1,500 to \$2,500; diapers another \$1,000 or so. All of the other equipment, from strollers to clothes to furniture, can

add up to anywhere from \$1,000 to \$4,000, depending on your choices. If you buy used, you can take advantage of considerable savings. Used clothing is an especially great money saver – babies outgrow outfits so quickly that used ones may seem almost new.

The chart below, from SureBaby.com, provides sample costs for other items (prices are for new items – and, of course, not everything in the list is necessary):

Item	Aproximate
Crib with mattress	\$160-\$750
Crib bedding set	\$35-\$270
Crib blankets (4-6)	\$8-\$40 each
Fitted crib sheets (2)	\$8-\$20 each
Water-proof mattress cover	\$10-\$20
Bassinet or cradle	\$35-\$260
Changing table	\$70-\$600
Changing pad & cover	\$25-\$50
Dresser	\$90-\$650
Rocker or glider	\$90-\$500
Car seat	\$35-\$280
Stroller or travel system	\$30-\$300
Playpen or porta-crib	\$60-\$180
Swing	\$45-\$130
Play centre or walker	\$50-\$125
Mobile	\$25-\$70





Item	Aproximate
Baby carrier or sling	\$20-\$140
Monitor	\$20-\$230
Baby gate	\$35-\$250
Bouncer seat	\$30-\$90
Toy box	\$25-\$90
Gym or play mat	\$25-\$90
Doorway jumper	\$25-\$60
High chair	\$45-\$240
Diaper bag	\$10-\$60
Diaper pail	\$20-\$45
Thermometer	\$10-\$90
First aid supplies (kit)	\$20-\$30
Humidifier or vaporizer	\$15-\$130
Bottles 8 oz & 4 oz	\$10 \$40
Bottle warmer	\$18-\$35
Sterilizer	\$30-\$70
Breast pump & accessories	\$45-\$350
Breastfeeding pillow	\$20-\$35
Bath tub or seat	\$15-\$35
Hooded towels (4)	\$6-\$30 each
Wipes (a lot)	\$4-\$5 (pack)
Clothes for first year	\$500-\$1,200

## WHAT DOES THE GOVERNMENT CONTRIBUTE?

Working parents get 50 weeks of parental leave – time off work to stay home and care for your baby. On leave, you can collect parental benefits at 55 per cent of your weekly

insurable earnings. Sometimes a couple will share the leave, so the mother returns to work earlier while the father takes a turn at home.

The application process is similar the one for employment insurance benefits. Forms are available through Human Resources and Skills Development Canada (HRSDC). You can pick them up at your nearest HRSDC Human Resource Centre.

You may also qualify for the Canada Child Tax Benefit, the National Child Benefit Supplement, the GST/HST credit, or one of the various provincial child benefits and bonuses.

If your partner has a salary, you could cut back on your spending after the baby arrives, and manage on one salary. Or you could plan ahead, and contribute to a short-term investment product during your pregnancy in order to have a cushion after the baby arrives. A third option is to make use of a secured line of credit while you're off, and pay it back when you return to work.

Figuring out ways to save costs right now will serve you well in the future, because raising a family is expensive no matter how old the children are.

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