

LIFESTYLE REALITY CHECK

OVERVIEW

Students will:

- complete a questionnaire on their future lifestyle goals comparing expenses to a realistic income level
- discuss the need for a realistic understanding of personal finances

The questionnaire shows students that they need a realistic vision of their future lifestyle in order to make achievable plans for their education and career.

CURRICULUM AREAS

Use this module to teach Learning Outcomes in curriculum areas such as:

- Career and Life Planning
- Life/Work Transition
- Applications of Math, Consumer Math

For a detailed listing by province/territory and course, refer to Learning Outcomes on the educator pages at www.fcac.gc.ca, Educational Programs > The City.

OUTCOMES

Students will be able to:

- describe aspects of the lifestyle they envision for their future
- discuss how financial skills can help them achieve personal lifestyle goals
- compare some expenses from the lifestyle they envision with realistic income levels
- prepare for subsequent activities leading to Module 10 (Financial Plan)

MATERIALS AND TOOLS

- copy for each student of
 - + Handout 2-1, Lifestyle Reality Check (also available online at www.fcac.gc.ca, Educational Programs > The City, Module 2)
 - + Handout 2-2, Lifestyle Reality Check – Answer Sheet
 - + Handout 2-3, Quick Quiz – Lifestyle Reality Check
- overhead projector, if using

IN-CLASS TIME REQUIRED

- one lesson (approximately 45 minutes)

PREPARATION

- If students have developed a statement of their personal education and career goals in previous career counselling classes, ask them to bring their goals to the class.

KEY WORDS

lifestyle, reality, goals, choices

TIP: This activity works best as a computer-based activity, although the hard copy version is presented here. See Materials and Tools for computer references.

SUGGESTED APPROACH

1. Review students' education and career goals.

a) Have students:

- Review the educational and career goals they developed in other courses.
- Place a statement of their goals in their Financial Life Skills binder or portfolio.

ALTERNATIVE: If students have not already developed their education and career goals, have them:

- Write one or two sentences to complete the following statements:
+ The career goal for my life is:
+ The education or preparation I need to meet my career goal is:
 - Place the statement of their goal in their Financial Life Skills binder or portfolio (as described in Module 1).
- b) Point out that students' goals may change as they review their choices, but they can use their statement to carry out the financial life skills activities that follow.

2. Ask students what the word "lifestyle" means.

a) Explain that lifestyle means the way people choose to live their life, including where they live, how they dress, what work they do, what they do for entertainment, etc.

b) Ask for some examples of modern lifestyles in Canada. E.g.,

- *A rural lifestyle involves living in or near a small town, often in resource-based occupations, often with outdoor forms of recreation and more limited choices in entertainment.*
- *An urban lifestyle involves living in a larger city, often in an apartment, with an office or service job, and a choice of movies, concerts and other events for entertainment.*

3. Have students:

- Go to the Lifestyle Reality Check (at www.fcac.gc.ca, Educational Programs > The City, Module 2).
- Complete the questionnaire online.
- Print out the results of the questionnaire.

ALTERNATIVE: Distribute Handout 2-1, "Lifestyle Reality Check," and have students complete the questionnaire on paper.

4. Lead a class discussion about the results of the Lifestyle Reality Check. Prompt discussion with questions like the following:

- What surprised you about the results of the Lifestyle Reality Check?
+ *Answers will vary.*
- Would it be easier to change the expense items you chose or to change the income you need?
+ *It is generally easier to manage expenses than to increase your income level, especially in the short term.*
- Are all the choices you made essential, or can they be changed to reduce your expenses?
+ *Answers will vary.*

- Will your career or occupation provide enough income for the lifestyle you want?
+ *Answers will vary.*
 - Do you have the knowledge and skills to make the financial choices to support your lifestyle goals?
+ *Most people learn financial life skills by trial and error and by making costly mistakes. By learning these skills in school, you can gain knowledge and confidence to develop the skills you need in a safe environment.*
 - How could good financial skills help you achieve your lifestyle choices?
+ *Whatever your goals, you will need money to reach them. The better you're able to plan and manage your finances, the more likely you'll be to reach your goals.*
- Option:* Have students revise their answers to the Lifestyle Reality Check and see how their changes affect the outcome.

5. Distribute Handout 2-2, "Lifestyle Reality Check – Answer Sheet." Have students complete questions 1 and 2.

TIP: *Ensure that students file a printout of their Lifestyle Reality Check so they can refer to it again later.*

6. Home Connections. Have students:

- Take home their Lifestyle Reality Check sheet.
- Discuss their personal goals with their parents or another adult and discuss how their family can support them in achieving those goals.
- Write a summary of their discussion on Handout 2-2, "Lifestyle Reality Check – Answer Sheet."
- Add the handout to their Financial Life Skills binder or portfolio (as described in Module 1).

EVIDENCE FOR ASSESSMENT

- During the class discussion, ensure that students can:
 - + describe some aspects of a future lifestyle they envision for themselves
 - + compare the related expenses to a realistic income
 - + discuss how financial skills can help them achieve personal lifestyle goals
- Review the students' Handout 2-2, "Lifestyle Reality Check – Answer Sheet," to ensure they can:
 - + describe aspects of a future lifestyle they'd like to have
 - + list things they learned about the reality of their preferred lifestyle
- Distribute Handout 2-3, "Quick Quiz – Lifestyle Reality Check," and have the class complete the quiz. Correct answers are as follows:
 - 1) Define the words:
 - lifestyle: **Answer:** A way or style of living; your normal habits, pastimes, attitudes, standard of living, etc.*
 - goals: **Answer:** Aim, purpose or ambition*
 - 2) Name two of the possible career choices that will provide enough income for the lifestyle you want.
Answers will vary.
 - 3) Describe one way that career choice affects lifestyle.
Answer: Career choice can affect where you live, your income, the money you have to pay for education and the lifestyle choices that are realistic.
 - 4) Describe two aspects of a future lifestyle you'd like to have.
Answers will vary.
 - 5) Why is a lifestyle reality check a useful part of financial life skills?
Answer: Financial life skills must be based on a realistic understanding of an individual's income and expenses.

EXTENSION ACTIVITIES

- Have students use magazine or digital images to create a collage or video illustrating the lifestyle they'd like for themselves, and summarize in a few words or sentences what their future lifestyle might be.
- Have students gather pictures of different personal possessions and place them in columns labelled Lifestyle Dreams and Reality Check, according to whether or not they're realistic for them.
- Have students research and debate the proposition that lifestyle dreams are necessary to set realistic personal goals.

LIFESTYLE REALITY CHECK

Name: Class/Block: Date:

STEP 1:

Choose where you'll live when you leave high school. Then enter the amount appropriate for your area, using the figures given as a guide.

**Estimated average costs
for Saskatchewan youth
after high school**

	Your Budget	Large City/ Urban Centre	Rest of SK
Costs per month			
Housing			
At home with parents	<input type="text"/>	152	124
One-bedroom apartment	<input type="text"/>	831	444
Share two-bedroom apartment with roommate	<input type="text"/>	449	278
Transportation			
New car – Toyota Matrix	<input type="text"/>	782	752
Used car – 2002 Chevrolet Cavalier	<input type="text"/>	504	489
Public transit – monthly pass	<input type="text"/>	77	—
Food			
Eat at apartment only	<input type="text"/>	187	194
Eat at apartment and eat out occasionally	<input type="text"/>	278	254
Utilities			
Electricity	<input type="text"/>	44	44
Heating – electric	<input type="text"/>	54	54
Heating – gas / oil	<input type="text"/>	49	49
Telephone			
Local (basic service)	<input type="text"/>	33	33
Long distance (talk a little)	<input type="text"/>	5	5
Long distance (talk a lot)	<input type="text"/>	22	22
Cellphone (local)	<input type="text"/>	33	33
Computer			
Hardware	<input type="text"/>	98	98
Software	<input type="text"/>	27	27
Internet connection	<input type="text"/>	38	38
Clothing			
Shop a little	<input type="text"/>	49	46
Shop a lot	<input type="text"/>	191	191
Health care			
Medications and dental	<input type="text"/>	30	39
Glasses/lenses	<input type="text"/>	11	13
Insurance			
Medical premiums (if not under parents' plan)	<input type="text"/>	—	—
Apartment contents insurance	<input type="text"/>	22	16

LIFESTYLE REALITY CHECK (cont'd)

	Large City/ Urban Centre	Rest of SK
Entertainment		
Cable (basic)	38	38
Movies (and popcorn, etc.)	51	48
Rentals: video / DVD / games	33	33
Purchases: music	35	35
Purchases: video / DVD / games	21	21
Concerts and professional sports	49	49
Night clubs / pubs	71	71
Recreation		
Sports fees / equipment	27	27
Lessons	16	16
Health club membership	49	41
Personal		
Haircut: man	22	16
Haircut: woman	34	30
Manicures, etc.	22	22
Makeup	27	24
Personal care (shampoo, soap, etc.)	16	16
Dry cleaners	22	16
Laundry at laundromat	22	22
Education (tuition, fees, books, etc./ 12 mos.)		
University	481	481
College / University College	417	417
Technical	417	417
Other		
Banking fees	16	16
Newspapers	24	16
Books / magazines	19	19
Religious / charity	5	5
Gifts	27	27
Pets	33	33
Bottled water service	34	30
New furniture (averaged over year)	231	290
Used furniture (averaged over year)	87	109
Travel: low-cost vacation by car (save per month)	44	44
Travel: vacation including plane fare (save per month)	229	229
Enter any missing expenses directly here:		
Total Expenses:		
Enter total expenses in Box B of Step 3.		

LIFESTYLE REALITY CHECK (cont'd)

STEP 2:

Choose an occupation and enter average monthly take-home pay in Box A of Step 3.

Average monthly take-home pay*
(after payroll deductions)

Food and beverage servers**	1,366
Cooks	1,762
Hairstylists and barbers	1,769
Bakers	1,804
Cleaners	1,866
Creative and performing artists	1,927
Retail salespersons and clerks	1,984
Tour and recreational guides	2,034
Early child educators and assistants	2,052
Secretaries, recorders and transcriptionists	2,128
Photographers	2,138
Bookkeepers	2,193
Chefs	2,316
Graphic designers and illustrators	2,481
Automotive service technicians and truck mechanics	2,548
Motor vehicle body repairers	2,595
Pursers and flight attendants	2,601
Ministers of religion	2,783
Web designers and developers	2,784
Plumbers, pipefitters and gas fitters	2,927
Welders	2,928
Truck drivers	2,974
Paralegal and related occupations	3,140
Electricians (construction and maintenance)	3,206
Dietitians and nutritionists	3,469
Real estate agents and salespersons	3,479
Nurse supervisors and registered nurses	3,496
Insurance agents and brokers	3,504
Computer programmers & interactive media developers	3,635
Dental hygienists and dental therapists	3,660
Correctional service officers	3,764
Secondary school teachers	4,121
Firefighters	4,294
Safety and health managers	4,573
Program officers unique to government	4,616
Specialists in human resources	4,687
Civil, mechanical, electrical and chemical engineers	4,946
Psychologists	5,037
RCMP officers (after 36 months of duty)	5,088
Financial and investment analysts	5,192
Pharmacists	5,192
Lawyers	6,353
General practitioners and family physicians	8,389

* Source: Statistics Canada Census 2006 (adjusted by FCAC for estimated wage increases and deductions)

** Doesn't include tips

Income is reduced by as much as 40% to allow for income tax and related deductions.

Assumes full-time employment. Part-time employment would have a lower average monthly salary.

LIFESTYLE REALITY CHECK (cont'd)

STEP 3:

Your chosen career from Step 2 _____

Your monthly take-home pay from Step 2

Box A

Total monthly expenses from Step 1

Box B

Monthly difference

(A minus B)

*Note: If the difference is positive, you can add it to your monthly savings.
If it's negative, you can't support your lifestyle with this career.*

***Note: You may not get full time work or top salaries right away, especially if you're pursuing your education.
If you're paying for a family, your expenses will be much higher.***

LIFESTYLE REALITY CHECK – ANSWER SHEET

Name: Class/Block: Date:

1. Describe the future lifestyle you'd like to have. (E.g., Where would you like to live? What kind of work you would like to do? What recreation and entertainment would you choose?)
Continue on the back if you need to.

2. List three things you learned by doing the Lifestyle Reality Check.

1.

2.

3.

3. Write a summary of your discussion with your parents or another adult about your Lifestyle Reality Check. How can they help you achieve your goals?

QUICK QUIZ – LIFESTYLE REALITY CHECK

Name: Class/Block: Date:

1. Define the words:

a. lifestyle _____

b. goals _____

2. Name two of the possible career choices that will provide enough income for the lifestyle you want.

3. Describe one way that lifestyle affects career choice.

4. Describe two aspects of a future lifestyle you'd like to have.

5. Why is a lifestyle reality check a useful part of financial life skills?
