

Spending Money

People satisfy their wants and needs with goods and services. To get the goods and services they want, people spend their money. Coins, dollar bills, checks, and debit cards are all examples of money we use today. Most people earn the money they need to get the things they want by working at a job. People earn money for the work they do, using their skills and knowledge to produce goods and services.

People spend their money to get the goods and services they need first. For example, everyone needs food. We spend money at the grocery store or market to get the food we need. We also spend money to get clothes we need for school or work. Because we all need shelter, we spend money to get a house or apartment to live in. In our homes, we need services such as electricity, water, and heat so we spend money to get those things. Since people need these things to live, it is important that they are the first things that they buy with their money.

People also spend money to get the goods and services they want. You may want a new book or toy to play with. Your family may want to buy a pet or take a vacation. There are many different goods and services people buy to satisfy their wants. Can you think of any more things people may want to spend their money on?



Think about it...

What are some goods and services you have spent money to get?

What are some goods and services your family spends money to get?

Write your answers on the back of this paper. Then share them with a partner.