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# Financial Preparation

Advice and tips for Parents

If you've just become a new parent, congratulations! Do not fear – it's never too late to get on the financial front foot.

If you add your child to your private health insurance within 60 days of their birth, they will not have to serve any additional waiting periods.

You may register with the Department of Human Services up to three months before baby is born.

As a new parent, responsible for a little person – now is the time to investigate life insurance and consider making or updating your will.

Remember your parents telling you that money didn't grow on trees? They were right! Now you're about to embark on your parenthood journey; there are a few financial fundamentals of which you should be aware.

## Private Health Insurance

If you're on a single policy, you will need to upgrade to a couple, family or single parent policy. Most insurers will cover your child on your policy, as a dependant, until 18 years old, or, if a full-time student, until 25.

## Family Payments

The Australian Government offers a range of financial assistance payments for expectant and new parents.

The most common are the Family Tax Benefit and Parenting Payment, which are intended to help with the cost of raising children.

Should you be eligible, you may elect to receive these payments fortnightly or as a lump sum at the end of the financial year.

There are income and assets tests to determine eligibility.

## Saving For Your Child's Education

Educating a child from 4–18 (at least) can be an expensive exercise, so it pays (quite literally) to start saving early.

You may choose from:

- Shares
- Savings Accounts
- Term Deposits
- Managed Funds
- Insurance Bonds, or
- Education Funds.

Whatever your decision, it's important to take into account the type of schooling you want for your child, any fees associated with your savings instrument, plus how and when you can access the funds.

## Life Insurance

Life insurance is intended to assist your loved ones with paying off debts and covering day-to-day living expenses at one of the most difficult times in anyone's life.

There are 3 broad types of life insurance:

- Life Cover (also known as Term Life Insurance or Death Cover),
- Permanently Unable To Work Cover (AKA Total and Permanent Disability or Disablement), and



- Critical Illness Cover (AKA Trauma or Serious Illness Cover).

Becoming a new parent is an excellent time to consider life insurance - there's more at stake now than just you.

A life insurance claim will be paid to the policyholder/s or the insured's estate.

## Making or Updating Your Will

Having a valid Will is the only way to ensure that your property and possessions are distributed as you wish.

To be valid, a Will must be:

- in writing
- signed, and
- witnessed and signed by two other people.

You should also appoint an executor and trustee to make sure that your last requests are carried out.

## TOP TIPS

It is a good idea to sit down together and prepare a weekly budget, to help make ends meet while one of you is on maternity or paternity leave.

It is easy, especially if you are a first-time parent, to rush off in your excitement and buy the latest baby gadgets or lots of really cute clothes. But, beware! Babies grow out of clothes surprisingly quickly, and the must-have gadgets have a tendency to sit in the corner gathering dust.

**Tresillian Day and Residential Services support families experiencing a range of early parenting challenges including:**

- Sleep and settling difficulties
- Adjustment to parenthood
  - Breastfeeding
  - Infant nutrition
  - Toddler behaviour
  - Multiple babies
- Emotional and psychological health & wellbeing
  - Postnatal depression and anxiety

**For Parenting Support or to Self Refer to a Tresillian Service call:**

**Tresillian Parent's Help Line**  
**1300 272 736**

**Follow Tresillian on Social Media:**



**For useful parenting tips visit**

**[tresillian.org.au](https://tresillian.org.au)**

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