

Activity Sheet 4: What is inflation

Sometimes, things like food, clothes, or bus tickets cost more money than they used to. Prices go up, this is called **inflation**.

It doesn't mean the item got bigger or better. It just means that money doesn't always buy as much as it used to.

For example: A movie ticket that used to cost \$5 might now cost \$15. That's inflation!

Why does inflation happen?

Inflation means that prices go up over time.

Here are some reasons why it can happen:

- It costs more to make or move things, so shops charge more.
- Fuel or transport prices go up, which makes other things more expensive too.
- Lots of people want to buy the same thing, so the price goes up.
- Sometimes more money is being spent, which pushes prices higher.



Inflation is a normal part of how money works. Learning about it helps us make good decisions with our money.



The price time machine

Let's imagine you're traveling back in time to when your parents or grandparents were kids.

Can you guess how much these things might have cost back then, and how much they cost today? You can ask a grown-up or just have a go at guessing!

Item	Price in the past (guess or ask!)	Price today (guess or check!)
Loaf of bread		
Movie ticket		
Chocolate bar		
Toy or game		
Something you like		

Did anything surprise you? Why do you think some things change in price more than others?

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Ask a grown-up!

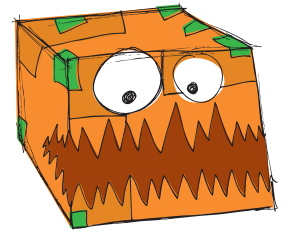
Ask someone at the bank or at home and write down what you find out!

It's great to ask questions and learn from others.

You might like to ask:

"Do you remember what things used to cost when you were my age?"

Write their answer here:



Or think of your own question:



Children's University members will receive **1 hour in their Passport to Learning** for completing this activity. Show your finished activity at any Bank of us store or your CU Coordinator.