

# Buy or Make?

## Key financial idea

- ★ Researching costs is an important part of making good financial decisions.
- ★ Time can be a cost.

## You need

- ★ a pet-care costs sheet (see copymaster)
- ★ a classmate

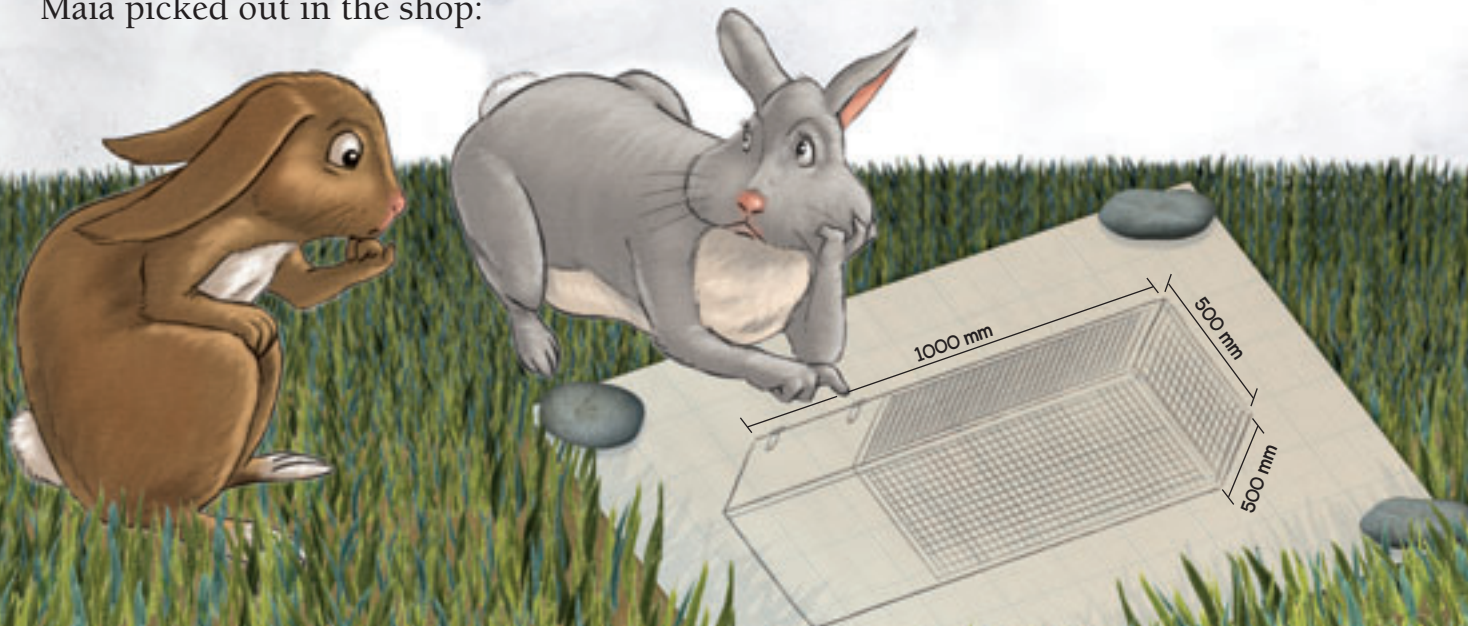
## Activity One

### Maia's story

My granddad wanted to give me a rabbit for my birthday, so we went to a joinery company in town to check out their hutches.



Maia and Granddad go home and draw up some plans for a hutch like the one Maia picked out in the shop:



- 1 Maia and Grandad then go to the hardware store and buy these materials:

- ★ 5 metre roll of netting: \$11.80
- ★ 1 sheet of 30 millimetre plywood for the shelter section: \$30.90
- ★ 8 metres of 50 millimetre by 50 millimetre wood for framing @ \$2.85 a metre
- ★ 1.8 metre sheet of roofing material: \$23.28
- ★ Bolt for end door: \$4.00
- ★ Hinges: 2 at \$6 each and 2 at \$15 each
- ★ Nails:
  - ★ staples for netting: \$7.00
  - ★ nails for plywood: \$10.00
  - ★ nails for roof: \$8.50



- a. How much do they pay altogether for the hutch materials?
- b. i. Does Grandad save money by buying the materials?  
ii. If he doesn't, how might he now feel about making the hutch?

- 2 Discuss with a classmate:  
How can the company that sells the hutches be making a profit from them?

## Activity Two

- 1 Discuss with your classmate why people sometimes choose to pay more for a finished product than they would pay for the materials to make it themselves.
- 2 With your classmate, look carefully at all the items listed on your **pet-care costs sheet**. Which items might you be able to buy elsewhere or make yourself (or have made by Maia's grandad!) more cheaply? Discuss whether you would still buy them from the pet shop, and if so, why.



**Reflective question** ★ What costs in this activity were not measured in actual money?