



ARE YOU ON THE SAME FINANCIAL PAGE?

Being on the same financial page as your spouse is not only essential for your finances, but also for the longevity of your relationship.

Many couples start a relationship, decide to move in together and imagine they will live happily ever after – but they fail to prioritise conversations around finances.

You enter a relationship with your individual income, savings and bank accounts AND personal habits, beliefs and values around money.

Suddenly, you find yourself with joint bills, expenses and savings goals.

If you do not have the hard conversations around your financial expectations and money management, you may be in for a shock once the honeymoon period wears off.

Spending differences could trigger a split!

Slater and Gordon surveyed 2,000 separated couples. Their data found that money stress was at the top of the list as the reason couples split up. And one in five said it was the biggest cause of their marital difficulties¹.

The stress created in a relationship when both partners are on different financial pages can be extreme.

If one partner has the goal of saving for a house and is saving every penny but the other partner has no such care and spends every cent they earn, then a fair amount of friction will build. Over time in such a scenario, the animosity may continue to build with one partner sacrificing the finer things in life, while the other is completely carefree with their spending.

Eventually, unless serious discussions are had, a fire will erupt. This can take a massive toll on a relationship.

Honesty is the best policy

In some situations, money may be hidden from one partner. One party may be withdrawing cash at ATMs to hide where they are spending their money or being untruthful when asked about their use of money. This will create distrust in a relationship and build further animosity towards each other.

Even if it feels uncomfortable, having those hard conversations is key to moving forward and working through this hurdle in your relationship.



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Never too late to turn it around

In many circumstances, you do have the ability to work it out. Very clear expectations need to be laid down so you know what is expected of each other and the consequences of not following the plan.

It will involve open communication and being clear on the reasons your spouse is behaving the way they are with money.

It may be that your spouse is always spending or hiding what they are buying as a reaction to a previous relationship where they were experiencing financial abuse. Gaining a clear understanding of each other's perspectives and jointly working towards a shared goal can help overcome previous financial struggles.

Real life share

When I met my husband, he came from a previous marriage with horrendous money habits. I always laugh and share with people that I came into the marriage with five properties, good debt and big dreams. He came in with an ex-wife, a beat-up commodore and lots of debt. But we loved each other and were committed to building a secure financial future.

It did take several years for him to get his spending under control. I helped him stop feeling the need to hide his spending and to feel safe to talk openly so we could undo the negative programming he had around money.

Once we did the hard work, we were on the same page and the dream to build a property portfolio and retire by 40 was a joint dream.

Since then, we have been able to save money, purchase 'fixer upper' properties, renovate and use equity for the next purchase and then repeat. Ten years on, we now have an investment portfolio worth \$4+ million and an annual rental income of \$220,000.

Without having the difficult, and at times confrontational conversations, money could have been the downfall of our relationship. Instead, we were able to band together and build a shared dream.

1. <https://www.independent.co.uk/news/business/news/money-marriage-end-divorce-day-relationships-personal-finances-slater-gordon-a8147921.html>