

# MONEY MATTERS

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Sorry to put a damper on Valentine's Day, but new survey shows 34 per cent keep financial secrets from their partner

## Love is often blind to money problems

JOEL SCHLESINGER



**F**EW things can douse the flames of passion as thoroughly as a conversation about the finances.

It's certainly a mood killer on Valentine's Day.

And yet here we are, about to discuss the findings of the Financial Infidelity Survey released earlier this week, which reveals more than one-third (36 per cent) of Canadians have been a victim of financial infidelity by a former or current partner.

Funded by two organizations that certainly aren't synonymous with romance — Credit Canada and the Financial Planning Standards Council (FPSC) — the study asked 1,550 Canadians the following question: "What is the worst form of financial infidelity you have been a victim of from a former or current partner?"

The two leading answers were: keeping financial secrets from their current romantic partner (34 per cent) and having lied about a financial matter to a partner (36 per cent), with both sexes basically even in their deceit about, well, the receipts.

The results aren't surprising. What is a little shocking to FPSC consumer advocate and author Kelley Keehn is that "the number isn't higher, but then it's kind of not surprising at the same time, because not everyone is going to want to admit that."

Given Canadians owe \$1.73 for every dollar they earn and many households are \$200 away from not being able to pay the bills, it's likely money is a flashpoint for many couples as they grapple with the daily grind of managing household finances, says Keehn, who penned *A Canadian's Guide to Money-Smart Living*.

Certainly money is the cause of matrimonial strife for many clients of debt counsellors in the city. More pointedly, so-called "financial infidelity" is often a key problem among 20 per cent of clients seeking help at Community Financial Counselling Services (CFCS) in Winnipeg, according to its internal statistics.

"It is definitely an issue we see frequently and may be cited by couples as one of the main reasons for conflict around money," says debt counsellor Yvonne Neu with the non-profit.



Money can often be the cause of matrimonial strife between couples.

Addiction often plays a significant role here — where an individual may have a problem with gambling, drugs and alcohol, or even shopping.

The problem can be kept secret for months, and even years, until the debt, accrued because of the addiction is too large to hide anymore.

In other instances, couples are at odds over spending. One is financially responsible and the other spouse not so much.

"I often see couples where the one managing the finances drags the other into my office and says, 'We are in trouble,'" says Brian Denysuik, president of Creditaid in Winnipeg.

"That person is just stressed right out and the other is happy-go-lucky... and goes 'my spouse takes care of it.'"

Better communication is obviously crucial to resolving money problems.

But many people fear having "the talk" will lead to irreparable conflict. And the potential is certainly there because what at first can seem like fine cracks in a relationship are actu-

ally symptoms of very deep divisions, several years in the making.

"Folks often come at money management from very different perspectives — often due to learned behaviours and attitudes over their lifetime," says CFCS financial counsellor Sally Massey-Wiebe.

"So often couples come at this issue with an 'I'm right; you're wrong' perspective around money choices."

The blame game can even lead to power struggles regarding spending, which only exacerbates the existing problem.

Still, the most functional financial couples are those who do talk about money regularly, at least once or twice a year, Denysuik says.

"The key to anything is sitting down together and putting pen to paper."

Yes, this will involve that ugly word: a "budget." But often the only way to have lasting harmony is to establish a mutual understanding of the household income and spending by having a budget.

"Only once the conversation starts (and the budgeting) can you see how you're going to work together to change," he says.

If the chat, however, involves too much discomfort, seeking professional help might be prudent.

"This can provide the best possible environment to allow the couple to individually take full responsibility for their choices," Neu says.

In some cases, professional help also involves addictions counselling — for those whose pleasure-seeking activities (gambling, drinking, shopping, etc.) have become uncontrollable.

But a financial facilitator is often also essential to help couples find a way forward with their financial recovery, Keehn says.

"The takeaway is to start the conversation about money, and if you can't, and it turns into a big fight, maybe you need someone like a non-profit credit counsellor or a certified financial planner to help you," she says.

"They can give the tough love."

### Break the infidelity cycle

THE language of love and money: need to have 'the talk'? Here are some tips from personal financial educator Kelley Keehn. "In my book, *A Canadian's Guide to Money-Smart Living*, I offer a six-step conversation for couples to get on the same page."

**Step one:** what are your goals? It's a very straightforward question that few couples ever discuss. But coming up with clear answers is fundamental because these will serve as guides to your financial behaviour.

**Step two:** what are your needs versus your wants? One partner's needs can seem like wants to the other partner and there needs to be clarity about what is really required spending for the household (a "need") and what is discretionary (a "want").

**Step three:** where are you now? It's all fine and good to know where you're going, but you likely can't get there unless you know where you are financially today. And it's important to determine your coordinates on a regular basis.

**Step four:** how are you going to reach your goals? You need a plan to get to your destination and it must be a strategy you both agree upon because it won't likely work unless you're both willing and able to stick to it.

**Step five:** make the changes. With a plan in place, you need to get started. The question, of course, is what's that first step? The answer is to start writing it all down — expenses, debts, income, etc. Be sure to review these numbers regularly and update your strategies and goals accordingly.

**Step six:** take action and get help. After taking all these other steps, you must alter your behaviour appropriately. This can be difficult. If it proves to be too challenging, seeking assistance from a professional is advisable. Fortunately, plenty of non-profit, and even for-profit, debt counselling agencies can help with no cost to you. As well, your financial institution can provide some options to help you achieve your goals.

"Keep in mind, getting to these steps may take a few conversations over a week or even month," Keehn says. "Be patient — it's worth the effort."