

To a new couple

*Love is a little company of two where joy is doubled,
grief is divided and the road travelled together.*

— Anonymous

It is a huge step to make the decision to spend the rest of your life with another person. There are bound to be difficult spots along the way and two of the areas most likely to cause problems are money and lack of communication. I urge you to think about these areas now, because a small amount of time spent on prevention may save a lot of pain in the future.

From the start, you must form the habits of good money management because wise spending, not more income, is the secret to financial happiness. Already, pressures will be building on you to spend up big for your wedding day — this extra special day of your life. So many people fall into the trap of outlaying tens of thousands of dollars on cars, photos, clothes, and a honeymoon — burdening themselves with years of scrimping and saving to recover from the indulgence of just one day.

The two of you need to work out together what you want in life. This will give you experience in goal-setting and communication. You probably aren't in a position to make all your major decisions at this time, but make a start. You can always change course later if your circumstances alter. Here are some topics to get the ball rolling:

- Do you want children? If so, how many, and when?
- Where will you live after you get married?
- How soon do you want to buy a house?
- How will the household tasks be shared?
- What are the prospects of a job transfer for either of you? How would you feel about that happening?
- What are your attitudes towards smoking and drinking?
- What are you prepared to give up to achieve joint goals?
- Do you need a car — if so, one or two?
- Are you prepared to make do with old furniture while saving or do you want to have the best from the start?
- How much will you both need to spend on clothes?

Before you discuss these subjects, both briefly write down your own ideas on each subject. Then discuss your answers. That way, you will be answering having thought about what you really want — not just saying what you think your partner wants to hear. Early in a relationship, people often hide their true feelings for fear of hurting the other party or for fear of having a confrontation. The problem is that after the first big argument all the unsaid things are brought out into the open.

These questions I have listed are just a few topics that will teach communication skills; I'm sure you can think of plenty more. From the outset, aim to work as a team and

be aware that the more you can do to help your partner, the more you will gain yourself. In far too many relationships the main aim seems to be to pull the other person down.

The next step is to support your joint goals and decisions with a written budget. You learnt about budgeting in this book, and when you prepare your budget you will quickly know if your ideas are practical. If you both bring home \$750 a week after tax and superannuation has been deducted, you will have \$6,500 a month to cover all your expenditure including saving, car replacement, clothes, furniture purchase and holidays. It will be used up very quickly, and you are probably going to have to make some cutbacks in certain areas. Deciding which ones will be a test of your communication skills.

I suggest each of you have an allowance to spend as they wish with no questions asked — one partner might want to save up for a weekend away, while the other might want to spend it on clothes or presents for their family. The point is that it gives freedom within the marriage.

If you intend to have children and live on one income eventually, you had better start getting used to it now. So many couples throw money away while they both work and then find themselves in desperate financial straits when the family income is halved. I advise using one salary to pay down your home loan and accumulate a nest egg, the other to live on.

It is also good policy to develop skills that can be put to use part-time when either you or your partner stops work. It is a big jolt to go from two incomes to one, especially when a baby is sharing your life and interrupting your sleep. A part-time job can provide some extra stimulation to enliven a day that has been full of washing and feeding,

and the extra few dollars earned can make a surprisingly big difference to the family budget.

The major multi-level marketing organisations are always looking for people, but if selling does not appeal, don't overlook such avenues as home typing, writing up account books for small companies or even delivering pamphlets. Technology has made it easier than ever to make money without leaving your home. I've even heard of a website that pays people to fill out surveys. Sounds like an okay earner if you're restricted to the confines of your home. As always, make sure you don't give out your account details online or you may find the money going *from* your account rather than into it.

Sharing life with the one you love is one of the most fulfilling experiences you can have. It is so much better if it is free from pressures created by poor money management.

CASE STUDY:

Mark and Carol Wise were friends with Craig and Di-anne Spencer. Each person earned \$1,000 a week after tax and other deductions. Both couples purchased homes with \$300,000 mortgages and payments of \$1,610 a month. The Wise couple used all of Carol's pay to reduce their mortgage, but the Spencers decided that you have to make the most of two wages while you can. They ate out all the time, spent heaps on clothes and always had expensive holidays. They were always going to start saving "next week" but somehow never got around to it.

Seven years passed and both thought it was time to have children. At this stage they were getting \$2,000 each a week clear. By now Mark and Carol had paid off their

home and had put a hefty deposit on a new car that he could pay off easily through his credit union. The Spencers were shocked to discover that, despite seven years of payments at \$1,610 a month, they still owed \$264,000 on their house. The problem was that they now needed to replace their car, but also had to find \$1,610 a month for their house. On his take-home pay of \$2,000 a week it was very hard to make ends meet as the home and car repayments took up a big chunk of his net income.

After seven years of marriage, the Wise couple had their home paid off and money available to start an investment program, even while Carol took maternity leave. The Spencers were stuck firmly on the debt treadmill. They made the difficult decision to put off getting pregnant for a few more years.