

How to talk about money with your partner

Discussions about finances are often tough, but they are always necessary. Here are a few best-practice approaches to having those conversations.

It takes teamwork to attain a goal. That's why it's critical for couples to have frank conversations about money as they plan out their financial futures.

But money can be a delicate subject, especially for those raised in households where finances were never discussed, or who've found the topic to be a source of conflict in the past. Shameful emotions surrounding money can even lead some to lie about their spending or debts—a 2018 poll found that 34% of Canadians keep financial secrets from their partner.

With the right approach, however, you can establish an open and honest financial dialogue with your partner. Here are some helpful tips for how to effectively talk to your partner about money.

Establish a judgment-free zone

Before you begin, explain that your motivation is to discuss each of your financial goals so you can come up with a plan that will help you both work together to achieve them. Be clear that no one's behaviour will be shamed or blamed—rather, the intention is to understand how to structure your finances to best serve you both.

Tell the whole truth

You can't expect your partner to be forthcoming unless you are upfront yourself. Share your worries about money, as well as your financial hopes and dreams—for now and the future. Be specific regarding your income, spending, debts, and assets, since both parties need an accurate picture of what's coming in and going out.



Start Slow

If your partner isn't comfortable talking about finance, you don't want to scare them away with too much, too fast. Share information, but allow them to consume it on their own terms and come back to discuss it together, later.

Discuss how you feel about investing

Do you have a high risk tolerance or a low risk tolerance? Does your partner even know what that means? It's important to discuss each other's experience so that you have a better idea of your partner's feelings toward investing. Then, the two of you can find a good compromise in how you'd like to approach it—in particular, how you will invest and how much risk you'll take on.

Ask questions and listen carefully

Sometimes the reason behind a financial priority can be more telling than the priority itself. For example, if one of you balks at the idea of curbing spending on dining out to save money, why is that? A much-needed break from planning and preparing meals at home, or because you value culinary experiences? Asking questions will not only make your partner feel heard, but may also help you come up with viable alternatives or compromises.

Understand who does what

Spouses often gravitate toward different roles in their relationships—one partner handles the family calendar while the other prefers to make meals and do the grocery shopping. This is generally true of finances as well, which can end up being a problem down the road. It's a reality that one partner will likely outlive the other and if the surviving spouse doesn't have at least a rudimentary understanding of the state of their finances and which accounts are where, it can be confusing and upsetting trying to figure it all out. It's fine for one spouse to lead financial accounts, however the other spouse should be included wherever possible.

Share helpful information

Finance discussions don't need to be formal. If you see an article that relates to your life—maybe it's about the money issues new parents face, or a primer on pensions plans which your spouse recently had questions about—share those stories. Not only does that show your partner that you care about the financial issues they may be thinking about, but it can also help spark conversations or at least make everyone more informed for when a potentially harder talk takes place.

Focus on goals

Couples sometimes fall into the trap of arguing over whose methods are right or wrong, instead of trying to fulfill their respective needs. By creating a joint list of all your financial priorities, you may find you share many of the same goals. Where there are differences in priorities, be open and willing to compromise. For example, if one of you values vacation travel and the other values retirement savings, perhaps you can agree to put the tax refund from your RRSP contributions into a vacation fund.

Keep the conversation going

Setting aside time to check in regularly with each other about finances is essential, so you can reassess goals and make adjustments as income and expenses change, over time. Many couples do this annually, around the start of the calendar year, but a major change in your financial situation—like having a baby or buying a home—is also an important time to review.

Know what's in your partner's will

It's important to discuss each other's wills and ensure they're in order, too. Knowing what each one says and understanding who the beneficiaries of the accounts are, as well as whether your wills are complementary and fair, can help ensure you both achieve the desired intent with how you want your estates handled.

Consult a professional

Sometimes it takes an impartial third party to get partners on the same page. A financial advisor can crunch the numbers to illustrate how a change in spending, saving, or investment behaviour will affect your financial situation over the short and long term. You may even discover that some of the assumptions you or your partner are using to justify your positions—on things such as the Canada Pension Plan or Old Age Security benefits—are incorrect.

Talking to your partner about money doesn't have to be a daunting task. By taking a supportive, teamwork approach to your financial planning, you'll both be far more successful in achieving your goals.

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