



# 1 Your Role in Managing the Finances

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## Before separation

It is important to understand your role in managing your family's finances prior to separation in order to assess your strengths and weaknesses around financial matters, and to be able to identify where you may need help.

Lack of information about your household expenses or your mortgage can lead to bills remaining unpaid, loss of services, and defaulting on loan or mortgage payments. It can even put you at risk of losing your vehicle or your home.

Lack of information about your family's assets and liabilities can undermine your efforts to obtain a fair and equitable property settlement.

You may find you need to speak to your bank manager to understand your options about accounts, and separating your finances from that of your former spouse. You may need help from a credit counsellor to understand your debts and the options to resolve them.

## After separation

How equipped are you to deal with your new financial situation? Consider the following questions:

- Do you have enough money to meet your basic expenses?
- Do you need help to negotiate an interim order or agreement for support?
- Does the lack of finances mean you will have to consider a move to less expensive accommodation?
- Will you need to look for a job?
- Do you need to set up a separate bank account?
- Do you need to set up a chequing account?
- Do you need to make arrangements for automatic bill payments or the direct deposit of support payments?

When you understand how the past influences the present you'll be in a much better position to make decisions for the future.



## How Emotions Can Affect Your Financial Negotiations

Separation is a very individual process that affects your physical, mental, emotional and financial health.

These aspects are all interrelated and they impact on each other. Let's look at some of these emotions in more detail:

### Anger

Anger is the core emotion of divorce.

Examples:

*"I don't have enough money to pay child support, so I won't pay any. Let her try to get money out of me — it'll be like trying to get water out of a rock!"*

*"He's got plenty of money, and after the way he's treated me and the kids, I'm going to make him pay plenty of it for my suffering."*

Anger often leads to prolonged and expensive litigation.

### Depression

Depression is anger turned inward. People who are depressed tend to withdraw or run away. Depression can be used to punish the other person if he/she can't get you to talk or communicate.

Examples:

*A person in despair over the break up of the relationship doesn't want anything to change and refuses to have anything to do with discussions about change. The person may even refuse to "separate."*



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*A person in depression may refuse to talk to the other parent, or accept letters or e-mails. They just won't acknowledge the other parent.*

Without communication it is impossible to initiate discussion about finances.

### **Betrayal**

The number one feeling that rules when divorce is impending is abandonment or betrayal. Too often when a parent wants to get back at their former partner they do it economically. Revenge or punishment translates into a desire for dollars and cents.

Examples:

*"You fooled around and now I'm supposed to live in a basement suite and support you, the kids, and your boyfriend."*

*"You left us and now you expect us to live on a few dollars a month while you drive around in a new SUV."*

### **Guilt**

Guilt can have a powerful effect on financial decision-making. It can cause you to fall into the trap of being overly generous when negotiating financial matters.

A parent who decides to leave the family can feel responsible for causing the other parent hurt, and for creating upheaval. This may translate into promises and assurances — to keep everything the way it was and to financially support the family in the way they are used to which is not possible if they are setting up a home for themselves.

A parent who moves away from the other parent with the children may agree to give up child support out of guilt of moving.

Financial negotiations are about dollars and cents, not anger, revenge or guilt. You will be able to make better financial decisions if you can manage your emotions and stay focused on negotiating a financial agreement.



## Financial Abuse

Financial abuse may not be as obvious as other types of abuse, but just like physical or emotional abuse it interferes with the safety and well being of individuals.

In financial abuse money becomes a tool by which the abuser can further control the victim, ensuring either his/her financial dependence. Other forms of abuse very often accompany financial abuse.

Financial abuse between parents can include the following:

- Preventing a parent from getting or keeping a job, or controlling their choice of occupation
- Forcing the parent to work to support the abuser
- Threatening to quit one's job or flee the country if the other parent pursues support
- Denying access to financial resources: mail, bank accounts, credit cards, cheque book
- Taking away the other parent's cheque book or credit cards
- Denying access to financial information such as how much money is coming in, how much is owed
- Demanding that the other parent turn over their pay cheque or any other money they receive (Child Tax Credit, BC Family Bonus, GST Credit), including money received as a gift
- Forcing the other parent to have all expenditures and purchases approved by the abuser before the money is spent
- Forcing the other parent to account for every penny spent
- Refusing to account for his/her spending of family money
- Withholding money intended for food or medical treatment
- Withholding child support
- Forcing the other parent or the children to beg or commit crimes for money
- Stealing from or defrauding the other parent
- Manipulating or exploiting someone for financial gain
- Forcing the other parent to have sex in exchange for money
- Leaving the other parent destitute

- Transferring assets out of the country
- Hiding and failing to disclose honestly all family and business assets

Financial abuse interferes with the ability of separating families to reach fair and realistic separation agreements between the two parties. In such cases, mediation is not appropriate.

### **Help is available**

If you feel that you are being abused you can obtain:

- Legal advice on your rights, responsibilities, and legal options;
- Assistance in developing a safety plan that protects what money is coming in and/or enforces a support order; and
- Community resources for help, advocacy and/or counseling, e.g. specialized victim assistance programs, women's centers, men's groups, multicultural and cultural programs, transition houses, Children Who Witness Abuse programs.
- BC Family Maintenance Enforcement Program 1-800-668-3637

