



10 conversations to have when your relationship heats up

It's probably not the sexiest thing the two of you have on the to-do list but putting it off could see you butting heads.

Here is a list of things worth discussing with your partner before you consider merging your money, moving in together, or buying any big-ticket items in both your names.

1. Your views on cash management

Talk to your partner about your views around spending and saving. Kicking off with a light-hearted conversation, without judgement, can often be a good place to start for couples. And, you might even want to share some examples of things in the past that may have influenced your current views and behaviours.

2. Sneaky spending habits if you have any

While around seven in 10 Aussies, who are in a relationship, say they don't hide transactions from their other half, about three in 10 do, with fashion and beauty items topping the list, followed by gambling and money spent on junk food.

With that in mind, if there are a couple of common transactions you make that you know you haven't always been forthcoming about (how many times do you really go to Maccas rather than pack your lunch?), now may be a good time to get that out in the open.

3. Your income, expenses, assets and debts

Your financial situation is an important one to talk about because even if you're both earning a decent income (and potentially have some assets behind you), big expenses and potentially thousands of dollars of debt between you may impact any plans you have in the short and longer term.

To throw a few figures at you for context, 24% of generation X Aussies, 22% of generation Y Aussies and 12% of Baby Boomer Aussies have more than \$5,000 worth of credit card debt alone.

4. Whether you've been paying your bills on time

If you've got a credit card, personal loan, mobile phone plan or utility account, there's more than likely a credit reporting agency out there that has a file with your name on it. This file, also known as a credit report, will summarise how good you've been at paying your bills and making your repayments on time.

If you have a chequered history, your report mightn't read particularly well, and this could affect your ability to borrow money.

5. What's on your bucket list now and down the track

If one of you has plans to travel, buy property, get married or have children and the other doesn't, this could raise issues or perhaps opportunities for further discussion and compromise.

Depending on how important these things are to you or your partner, it may be worth nutting this out early on, or if you don't come to a solution straight away, knowing that it's something you'd like to raise again at a later date.



6. What a joint budget and savings plan might look like to you

Committing to something that you both think is fair could go a long way here. If you're not sure where to start, a good first step might be drawing up what money is coming in, what money is needed for the mandatory stuff and what may be left over for your social life and savings.

While not everything has to be shared, if one person's saving more and the other's spending more, arguments may arise, so try to come to an agreement that works for both of you.

7. Your job security and whether you see a change on the cards

If you're on the verge of quitting your job or are aware of redundancies happening at work, this is probably worth flagging with your partner as well.

Speaking up so the other isn't caught off guard could make a big difference to the holiday, wedding or new-car plan that you're working on as a team.

8. Your contingency plan if one of you isn't earning an income

One in five Australians doesn't have enough money set aside to cover a \$500 emergency, so it's probably worth talking about whether either of you have an emergency stash of cash, personal insurance, or anything that may help you get by through a tough period.

If you don't have a plan b, now might be the time to talk about how you might be able to create one together. Plus, it may reduce the need to rely on high-interest borrowing options, such as credit cards or payday loans, which can often be an expensive way to borrow and create unwanted debt.

9. How you'll divide costs and or repayments

You may decide to tackle this 50/50 or proportionate to each other's income. That is something you'll want to nut out before you take on a big financial commitment together. And, you may also want to take into consideration anything additional you might be bringing to the table, like money or assets.

10. The potential risks that may arise if you merge your money

If your partner defaults on a repayment, you may be liable for the amount owing, even if your relationship ends. On top of that, ignorance isn't an excuse, so if you sign papers you don't understand, you're no less liable for any loans or guarantees you may have signed off on.

With that in mind, it's important both of you understand your responsibilities and consider whether you want to put anything you might agree to in writing.

