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FINANCIAL STRESS

Interview

You're listening to Messages of Hope and I'm Celia Fielke.

Dealing with finances seems to be a topic that causes a lot of stress. It's something I never learnt about at school and I know it's a gap in my kids knowledge too. The Covid pandemic has added even more uncertainty financially, even for people who were previously fairly confident and secure.

Today I'm talking with Jan, a financial counsellor, who has been helping people find a way through financial stress for over 20 years.

Celia: Jan you would see people who are pretty vulnerable because their finances are causing all sorts of difficulties. What sort of state are people in when they finally come to see you?

Jan: Highly stressful. People would be anxious and everything, and that actually blocks their brain from thinking clearly and making good decisions around their finances. So even though in a normal situation they could do well but right at this time, it's quite likely they're not managing well. Particularly those on say, middle income and have got a job and they aren't managing, I think they probably feel like they should be managing.

Celia: What do you see that stops people from seeking financial help?

Jan: I had a lady on Wednesday, huge issues with her small business and accountants not doing the work right. So yeah, it's been eight years of a buildup of a mess with her small business.

Celia: In eight years, she never thought of getting financial counselling?

Jan: Well she never knew about it. She actually got my name from her friend. And when we're on the phone towards the end, I said, you know, has the phone appointment been good? She says, Oh, thank goodness for a phone appointment cause I'd be so embarrassed to show my face and I'd be a blubbing mess because I'd just be in tears, but I can cope with this on the phone.

Celia: And that sense of not wanting to be seen seeking advice, do you see that embarrassment or feeling ashamed often?

Jan: Yes. There was a retired couple and he had been a CEO of a small to medium business. They came to me when their mortgage was in default and the bank was encouraging them to sell. When he first walked into my office, I remember so distinctly, he was like a broken man. He was leaning over, head was dropped, really embarrassed and had no hope. He was very quiet. He didn't speak up. But as we worked together and we started looking through all the bank accounts and started doing things, he started taking up some of those things himself. I slowly did less and less for him and then by the time I'd worked with them over a year, he could walk out with his head held high because he worked through the whole thing and were able to get a good result. He was

back in a position of empowerment and for me to see that, I've got tingles now thinking about the change in them and what's happened. It's just amazing. Like just to give them knowledge, give people knowledge about the financial system and options and their own choices. And they can go ahead and many people just can go ahead and do what they need to do to get themselves back on their feet.

Celia: A lot of things can be against us when we're struggling with finances. Including the financial system itself! Is there a different way to approach money? Jan, in your opinion, what's a key thing that makes it hard to stay on top of our finances?

Jan: The pressure, the consumerism pressure in society is always encouraging you to get more, buy more, beyond what your means are. Even now with the bonuses from the government, they want you to spend, spend, spend, which does keep the economy going, but that's for the society, but for the individual, sometimes it's better to save some money.

So the majority of people I see, the vast majority being in financial hardship is not their fault. Like they didn't decide to do something bad. It could be, you know, marriage breakup, loss of job for unknown reasons, illness. It's circumstantial.

Celia: Is there a danger in leaving things with the hope they'll work out on their own?

Jan: If they don't seek help, it can eventually fall in a hole and become worse and worse and worse. And that can affect relationships, could affect their marriage, their family, and it could affect their mental health, they could lose their house or they could find they've got so many debts they don't know how to handle.

Probably 90% of people leave it too late to go to a financial counsellor. A lot of people don't know about them, especially middle income or people who've had work, they've probably never heard of them. They have never needed them.

Celia: Yeah a lot of people wouldn't actually know there was free financial counselling available through community organisations around Australia. So how did you actually get into being a financial counselor to start with?

Jan: I went and volunteered at Lutheran Community Care as an emergency relief interviewer. So we see people for half an hour and chat about what we can give them, like a food parcel or petrol voucher. And my boss said, Oh, I think we'll train you up to be a financial counselor. So that, that was 23 years ago. And I loved it.

Celia: I'm really interested to know what drove you to volunteer in the first place?

Jan: Well I guess, I guess that started from the fact that we never set out to be wealthy. Because rich, well, rich doesn't make you happy. It doesn't get you friends. It doesn't give you relationships. I'm about people, so yeah, I guess I'd volunteered for a few different places, I've volunteered for teen challenge, staying overnight with drug rehab people, and I learned a lot there. I volunteered with Vinnies van at night, the food van that they went on the streets with. I did that once a week. So I was always wanting to work with people. I always wanted to be interacting with people who were struggling.

Celia: So where does heart for caring about people come from for you?

Jan: Okay, well my, my faith is important, God is important to me. The fact that I have Jesus in my life and Jesus saves me, died for me and loves me. That is the key thing. I mean, Jesus walked simply in life, right?

Celia: Because Jesus was all about relationships wasn't he.

Jan: That's right.

Celia: To be with the people where they were at, and that was what was important to him.

Jan: So yeah. It's just very natural that I want to help people, to share the love of God with people and I love working with the people I see at work, the clients, I just love them all. Just my heart goes out to them.

Celia: Hearing the stories of people going through tough times must get emotionally draining at times, or does it invigorate you?

Jan: Mostly invigorates me. It's always a challenge. Everyone's different, so no one's stories the same. So I'm always having to pull deep from within myself, resources or compassion, understanding. It's very heavy to listen to a lot of stories. So I talked to myself and I said, Oh, I asked God. I said, just put a little God sponge in me and that will absorb all stories and take it in. But it's the God's sponge. It takes it in

Celia: Tell me about this God sponge. Explain that because that really intrigues me, that visual image.

Jan: Okay. So God's in you, with you all the time. God is there with me to take on those stories. So it's a little, it'll be absorbed like water absorbs up this mess. So he's the one who absorbs all the mess. I can't, I don't have to take on board everything because I can't. I listen and I help to empower them, help them take the next steps. But they have to do it. God has them in his hand

Celia: Yes, that's lovely. I like that. That God can, that God can absorb and take in the mess.

Jan: Yeah, well, he's the one I don't have the power to change people or anything, so, yeah. Yeah.

Celia: Jan what would be your top advice or tips for keeping on top of our finances?

Jan: This is before you get into trouble, okay! The tips before you get into trouble plan.

So just to budget, really, you need to look at the budget?

Celia: What does a budget look like?

Jan: Okay. So a budget is putting down in black and white on a piece of paper or on a spreadsheet, all your expenses and your income and it's averaged out. So for a lot of people that can be frightening, but also they've never seen it before.

Celia: Why is it so important?

Jan: Because that means they have to start to think about it and take it into account. Not just randomly go to the shops every day and just spend some money. And at the end of the week, instead of being 200 a week, it's 300 a week. So they have to have take an account.

Celia: What about tip 2?

Jan: Don't get credit. I would say don't get credit. That's probably right at the top. There is no need for credit, like credit cards or after pay. After pay is still credit because you haven't paid it yet. So, and if you don't pay on time there's fees.

Celia: But everybody has a credit card

Jan: Tell me a reason why you need a credit card. That's what I'd ask people. Why do you need a credit card? Because you want something before you save for it. So it's only when people want something now but do they need it now? I get clients to think about, do you need it today? Can it wait a week? Do you really need it? Is it essential?

Celia: Okay we're on a roll, tip number 3?

Jan: For people who can save a little bit, it is very highly recommended that there's three months living costs saved in a certain bank account. Okay. So if you earn a thousand a week, so that would be \$13,000 in a savings account. A thousand a week, 13 weeks, that's right, three months. And so that if suddenly you lose your job, you get sick, relationship breakdown, you actually have got three months where you don't have to stress. All the bills will be paid. Some savings for a rainy day.

Celia: But what if it doesn't work out and you can't save.

Jan: If you do get into trouble, you know, you do lose your job, you do get sick. These things happen. Contact your creditors and just say, I'm having a hard time. Every company has to have a hardship policy. So they give you three months of no payments or low payments or you know, adjustments. But if you really can't manage that, that's when you see a financial counsellor.

Celia: We've got time for one more final thought Jan, what do you want to leave people with?

Jan: One client I had a number of years ago, she had a job. She was data entry, had a boyfriend, was renting a nice little unit. Everything was fine. She started to lose her eyesight. So she lost her job. She lost her boyfriend and then she lost her unit because she couldn't pay. She was living in her car in the front yard of a friend's place. So that was all within a few months!

So you sort of think, can this happen to anybody in our society? How close are we away from being destitute or losing our house or losing our rental. So nothing is secure here on earth, is it, really? So as God said, you do not store up riches on earth, you know?

But there is help out there. It's best to seek help before it gets real bad, but it doesn't matter where, what level, what step along the way you are, if you're in absolute crisis, at the end of your wits end. There is help out there. There's people who will listen, there's services that are free, that you can go to. And there is hope. So please come and talk to someone who you can trust. You don't have to do it on your own.

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