

Heart of Vancouver: The risk of financial instability and how it's linked to your relationship status

Not finding love may be costing you more than heartache

BY AMY YEW, CONTRIBUTING WRITER APRIL 30, 2013

There are two kinds of security in life: love and money. These often go hand in hand and orient our behaviors towards them. Vancouver is unique in that we live in the most expensive city in North America. Statistics Canada revealed that 43.5 per cent of Vancouverites are single and living on an average income of \$35,000 per year. It certainly doesn't seem like a lot of money when the average rent downtown hovers around \$1,200 a month. This has implications in our decisions we make when it comes to how important money becomes in our lives. Your relationship status also has more impact on your bank account than you think. It's no secret that when it comes to a financial advantage having a partner to split the cost is a benefit.

Being single in the city certainly has its perks if you're out to have fun. However, if you're ready to nest and find someone to settle down with, the city certainly poses challenges. Singles are getting the shaft when it comes to paying high prices for an apartment in the city and having to pay for the high cost of living on their own. It's no wonder that couples who are unhappy continue to stay together because it's sometimes simply too pricey to split. The reason may be due to a lowered ability to make sound decisions when we are under stress and when our basic need such as shelter is threatened.

If you're not one for marrying out of convenience and avoid the high cost of living trap, be sure to have a good grasp on your finances. It seems like singles have to safeguard themselves financially more than couples and some much needed advice is due. I consulted Blair Mantin, a financial expert and trustee at Sands and Associates. Mantin says recently single individuals are usually the worst off financially. It's a huge adjustment for those who are newly single and most people aren't as aware of the cost of being alone. Nights in with your sweetheart cuddling while watching a movie are now being traded for drinks and nights out which increases your expense.

Mantin also shares that an average single person also carries approximately \$37,000 of debt. This is a large amount to take on and a large proportion of that is on self-indulgence of some kind. Add on a mortgage and the weight becomes heavier to take on all by yourself. It only becomes natural that people are now adopting a do it all mentality because it seems like we're going to have to if we choose to stay single. Perhaps the best security single people can provide for themselves is the knowledge about what creates financial success. Mantin shares some financial tips for singles to keep in mind:

1. Get a grasp of your financial situation. Know where your money is going.
2. Don't spend more than you have. Create a budget that works for you and put money

away for an emergency fund for approximately six months of your living cost.

3. Know your options. Visit a trustee who will give you a free consultation. They are a safe way to go because they are regulated and can provide you with credit counselling.

4. Adjust your lifestyle to how much you make. Debt accumulates when you spend beyond your means.

It's clear that relationship status is making its way into family law as Martin advises us about a new policy that has been implemented. Couples that have been dating for two years or more are now entitled to each other's assets and include your partner's debt. Unlike the terms and conditions tied to common law couples who are cohabiting, this new policy applies to couples who are dating but not cohabiting. It may not be the most romantic way to start off a relationship by getting your date to sign an agreement to protect your assets but it looks like we're certainly heading that way.

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