



MEMBER UPDATE

ReFresh

October 13, 2021



Wealth and Well-Being

You do not have to be rich to be healthy. But it helps to be financially stable!

Members who ***have financial problems are more likely to suffer with stress and anxiety***, be less productive at work, and have strained family relations. Those with better financial well-being generally enjoy greater physical and mental health. Therefore, considering your financial well-being is an important component of your overall health!

Financial well-being is defined as the extent to which you can comfortably meet all your current financial commitments and needs while having the financial resilience to continue doing so in the future, such as meeting financial commitments and having money in reserve for emergencies. It is also about having the financial freedom to make choices that allow you to enjoy life.

Small Changes Make a Difference

Here are some practical tips to establish a good financial foundation for well-being (see below for more detail!):

1. Pay yourself first: The first payment out of your pay cheque should be to your savings account
2. Make savings automatic: Consider automatic money transfers into your savings account
3. Sacrifice for savings: Cut impulse spending
4. Pay down debt
5. Set financial goals: short term, medium term (3 – 7 years), long term (> 10 years)
6. Establish an emergency fund: aim to cover 3 – 6 months of living expenses
7. Take thorough stock of your finances: gather all your documentation
8. Invest in your future: Upgrade job skills, save for kids' education, or for retirement
9. Design an investment plan: seek out a professional
10. Stay up-to-date and involved with your financial progress

For more tips on good debt, bad debt, and other ways to achieve financial wellness: click [here](#).

Want to learn more?

In 2019, The Financial Consumer Agency of Canada participated in a multi-country initiative that sought to measure financial well-being. It is an interesting read with some fun, quick visual case studies and financial well-being 'scoring' to consider. [Click here for the full report](#).

Remember: this was a pre-pandemic survey! But the key messages coming from the report included:

- Many Canadians are doing reasonably well financially
- Financial well-being has a stronger relation to behaviours than to economic factors
- Canadians who actively save have higher levels of financial well-being than those with similar incomes who don't save
- Canadians who avoid borrowing to meet daily expenses have higher levels of financial well-being than those who borrow regularly, regardless of income
- Financial confidence and a mindful attitude toward spending, saving, and borrowing are important
- For people with less financial well-being, financial confidence and feeling in control of the future are strongly related to financial well-being
- Generally, older Canadians who make positive financial choices and have the benefit of experience have the highest levels of financial well-being

Factors that influence financial well-being include:



Do you like podcasts?

In looking for financial podcasts that were not 30 – 60 minutes (and frankly, put me to sleep!), I found this great, Canadian show called: [Simple Money](#). Most podcasts were under 12 minutes and covered a variety of timely topics.

For fun: here is a [4 minute podcast](#) on how our spending has changed due to COVID-19.

If you would like to contribute, or have ideas about what you would like to see in the [ReFresh](#) series, we would love to hear from you: contact rochelle@bcpvpa.bc.ca.

Sources

Canadian Immigrant | [10 tips to improve your financial wellbeing](#)

Government of Canada | [Financial well-being in Canada: Survey results](#)

Willis Towers Watson | [Financial wellbeing – more important in the ‘new normal’ than ever before](#)