

The money–health link



How finances can affect physical and emotional health.

DOES THINKING ABOUT MONEY MAKE YOU TENSE? If you have ever wondered what would happen if you lost your job tomorrow or worried about running out of money in your old age, then you are not alone.

A recent study shows that only 34 per cent of Canadians surveyed feel financially well. That means 66 per cent of Canadians feel financially unwell or just okay¹ – and research shows that there’s a strong link between how financially well we feel and our mental and physical health. Canadians who feel financially unwell are nearly five times less likely to participate in healthy physical activity and are more likely to experience financial stressors.²

On the flip side, Canadians who feel financially well are significantly more likely to say their physical health is excellent or good. They eat more fruits and vegetables. They get more exercise. They get health checkups more regularly, and they tend to educate themselves on being healthier. They are also less likely to worry about finances or stress over managing their money.³

This suggests that good financial habits – those that make us feel financially well – can help improve our physical and emotional health. The first step, however, is to take action to relieve money worries. Here are some ideas.

1. Don’t go it alone

Everyone runs into financial hurdles. However, often people keep such problems to themselves. They’re reluctant to talk to friends and family about the financial strain they’re under, and the stress that comes with it. They may feel a sense of stigma that they’re in trouble, and a sense of shame that they weren’t better prepared.

Seeking social support can help. Talking things through with people who listen without judging may lead to fresh approaches and new solutions. More importantly, it’s a stress reliever. It provides an opportunity to vent, as well as a powerful reminder that everyone is surrounded by a community of people, many of whom have experienced financial challenges, too.

2. Get perspective

Financial crises can feel like the end of the world – but they're not. Whether it's a sudden drop in income, a big unexpected expense or too much debt, the consequences generally aren't life and death.

It helps to ask, What's the worst that can happen? The answer may be a significant lifestyle change, such as moving into a different home, dramatically reducing expenses or stopping all use of credit cards for a time. Each outcome is challenging, but surmountable.

3. Take control

People cope with stressful situations in various ways. One is to seek comfort in the moment. "Comfort coping" may mean escaping into a fun activity and forgetting problems for a while. It may help temporarily, but doesn't solve any underlying issues.

"Active coping" is different. It's about getting information and making a plan. It will probably be more work. It may be uncomfortable. But gaining more control over a situation can help make it better over the longer term. And, even before goals are reached, feeling in control may help reduce stress.

4. Write it down

Writing worries down can make them feel less overwhelming – and what specifically goes into a "worry journal" matters.

In one study,⁴ participants were asked to record what worried them, what they predicted would happen based on each worry and how much each worry was affecting them. They also tracked what actually happened and compared it to their predictions. Being that specific led to significantly lower levels of stress than among the control group, who simply kept a journal of thoughts and how each thought was affecting them.

Try adding a column for solutions, which may include everything from the big (for example, creating a schedule to pay off a large debt) to the small (say, planning a call to get more information tomorrow at 10 a.m.).

5. Build a financial plan

The most effective solution to financial stress is to create a comprehensive financial plan with guidance from an advisor. An expert can recommend steps that boost feelings of financial preparedness, such as making a budget, consolidating debt and saving for the long term.

With well-designed financial strategies in place, it becomes possible to shift mental energies away from financial challenges and towards the more positive aspects of life – including activities that further promote physical and emotional health. A financial plan can help you stop worrying and get back to living. ■

⁴www.medscape.com/viewarticle/878427



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MK2870E WINTER 2017 AODA

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