

Support in Financial Hard Times

Interview with Financial Counsellor Jan Bean

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Have you ever felt like your money isn't going to stretch to the end of the month? Do you feel embarrassed to ask for support, or maybe not sure where to go for help?

Tania Nelson sits down with financial counsellor, Jan Bean, to discuss where to find support, – and hope - in financially hard times.

Tania: So, I have Jan Bean here who is a volunteer financial counsellor at Vinnies in the Adelaide Hills. Jan, can you tell me a little bit about yourself and your experience?

Jan: I've been a financial counsellor for 27 years, 24 with Lutheran Care and now three years volunteer with Vinny's, I'm a grandma 15 grandchildren and sometimes that's very overwhelming, but I love it. It keeps you young, I believe. And it's very challenging at times with children and all the things that are happening in the world, including some of them having difficulty with finances because of housing.

Tania: What do you do in your, financial counselling role?

Jan: We have in-depth interviews, where we look at doing a statement of financial position or budget. Then we see what debts they have and we prioritise those debts. Obviously, we look at rent and electricity first, and see how we may negotiate with those people to catch up on any arrears or debts they have.

The financial system now is very complex, whatever it is, even electricity bills we have at the moment. And bills are going up 500 a quarter, and the complexity of it is really difficult to manage. And insurances, mobile phone contracts, internet, all these things are very complex.

Coupled with that we have clients with complex needs - it could be mental health often, they can have history of abuse for themselves or in their family, that it means they don't know how to make decisions on money because their mind isn't in clear thinking mode. So, financial counsellors come in and help to clarify some of those things, explain the complexities of the financial system and help them through that. And you can see it in their eyes that and their demeanour that suddenly they go, "aha, okay, that's what it means!" And perhaps that's what we can do. So, helping them understand is a huge step in helping them to manage their money.

Tania: Why would you seek out a financial counsellor?

Jan: You would seek a financial counsellor when you can't pay all your bills on time. You're not sure what you're doing with them, or there's some contract you don't understand, or you think you've been even scammed, you could go to a financial counsellor. So, when

things go wrong or, you're feeling like you're losing your footing on everything with your finances.

Don't think it's just for poor people. I've seen some people owning many houses and they got into trouble because they over invested. When I set out black and white what was happening in their life with their finances, they go, "Oh, that's why we can't afford it."

You may only see the financial counsellor for one time, and that just may set things in place for you.

So, it could be for someone who has got a lot of income, but they just have made a mess of it and they don't understand what's going on.

Tania: So, Jan, what are some of the barriers to people becoming financially stable?

Jan: People who can't afford often are charged more for things. Even borrowing money for a home loan, if you're poorer or have less deposit or less security, you'll be charged higher interest. The financial world is a little bit upside down that way.

So, people on low incomes or limited incomes, have got lots of barriers for many things.

Tania: It sounds depressing to hear of more and more people facing financial challenges in what seems like a system that is difficult to navigate.

So, Jan, in your volunteering role as a financial counsellor, where do you see hope? And what encourages you to try and help these people?

Jan: Helping the person, see their financial situation in a different light.

It's hard sometimes, but I know just me being here and they can ring me up at any time asking, "what should we do with the school fees?" "How could we manage that?" And sometimes it's just over the phone.

And so, you don't want them to rely on you, but you are looking at them learning from this so that then they can take it forward and make their own plans in the future.

Tania: The whole area of budgeting is an interesting one. I mean I certainly know of friends who budget down to the nth degree and others who just have a really high-level focus on their budget but aren't budgeting in detail.

Have you got any recommendations?

Jan: For me, the biggest thing and how I manage it is I look at all the key bills, add up what we need to save per fortnight and put it in a separate account.

For me, that's the key issue. And then whether you do direct debits or pay BPAY, it comes out of that account, but all the money's there.

So that works really well for people who are on a medium to high wage. But when it comes to people on a low wage or Centrelink benefits, that can be problematic because they never have enough money for their bills and they're always on the back foot. And that's when they come in to get food help from welfare agencies or they come to financial counselling because their electricity bill is 1500 in arrears, and we can do some helps for that.

There are things we can do, but in the long run, they're always chasing their tail so to speak. There's always a catch-up plan.

And for people with an okay wage or higher wage, I think this bill account is fantastic. For people on limited income, it can still work, but it's harder.

Tania: So have you got advice for someone who is on a lower wage? How to manage their wage or their expenses?

Jan: The main thing really is the key things: you must pay your rent; you must pay electricity. Some things you can do without short term. With Centrelink there is Centre Pay, it's highly recommended particularly with electricity or gas or water. That's very helpful and it eases their mind so that when the bill comes, there may not be much owing or nothing at all.

We can't become a slave to our money. We need the money to work for us.

Tania: What would you say to someone who is wondering whether they should go to a church organisation or a welfare organisation to ask for help, but they're feeling a bit uncomfortable about doing that? What's your advice?

Jan: That can be understandable because they feel like they should be able to cope, maybe they have a normal job, and they think they should. But this world is, and the financial world is so tricky. Sometimes you can get into strife without anything that you've done wrong. And welfare agencies and financial counsellors are there for everyone and it's confidential. No one else will know about it. So please feel free to come and we can help you.

Tania: Jan, you've mentioned mental health and other areas of difficulty that have influenced financial difficulties. Going to a financial counsellor, is that the solution?

Jan: It will not be the solution for everything, but it will be a good base to start addressing the other issues better with. If you are not caught up in your financial stresses and your debts so much, you can address your mental health. If you're left in a domestic violence situation, you can address those issues better.

Tania: Jan, do you have any personal principles on how you live your life with regards to your money?

Jan: I live as simple of a life as possible. I buy the fewest clothes as possible. We eat healthily, we cook mostly at home. We help our children out as much as we can. We are also lucky because we have a little bit of money in the bank that we can fall back on; we have a home. We have those basic securities in life so we are freer to do that.

The love of money is a curse. And that's where the problem comes, isn't it? The love of money.

Tania: It sounds to me like you're using your money as a means to an end to provide the food and clothing that you require, the security or home that you require, but also using your money if there is more than you need, to bless others.

Jan: Yes, that's right, yes.

Tania: And I can tell, Jan, that you have a love of people. And so hearing their stories is a privilege and a joy. And you're shining the light of God into that situation. How has your faith helped you in your financial counselling?

Jan: I think without my faith I probably would have had trauma from listening to those stories, whereas I can hand it over to God. I don't always pray beforehand, but I often pray for my clients in my own heart.

I think having faith in God means that God can take on some of those burdens too and I'm not taking them all on.

Tania: I've really got no experience in financial counselling. What can people like myself do to help?

Jan: Listen carefully. Neighbours, friends, family, whoever it is, listen to their story. Be non-judgmental, don't assume anything, no matter what you see. And listen to the backstory if it comes. But we can't judge other people. We don't know what's gone before this.

We may give money to welfare agencies, but our time is probably our most precious commodity. And so, as you're walking along the street and you see a homeless person or someone in dire straits sitting there asking for money, I'm not saying they don't need it, I'm just saying that what they may need is you to sit there with them and listen to their story. If you feel comfortable, take them to a local cafe and buy them a meal.

There will always be poor with us because there is greed. Therefore, there will always be poor people. So, we need to allocate space in our life where we do nothing, time in our life where we have nothing planned, so that if something comes up, we can help that person.

If someone comes up to you in need, you can say "yes, I've got some time, I can see you tomorrow morning."

And I'm so glad if I look back over my life, what would I choose to do if I could start again? I could have been a doctor. I could have been a nurse (I was a nurse for a while). I could have been a teacher – a math teacher. But I look back and go, no, financial counselling, because I was supporting people in this complex financial system, which has become more and more complex.

And so I've learned so much and it's a privilege to learn about their lives and to somehow help them on the next step so they can step through the crises they have.

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