



Get on top of your finances post COVID-19

As lockdown restrictions begin to ease Australia-wide, a new normal is emerging for businesses and employees.

While it's too soon to say what the post-lockdown economy will bring, for many Australians life won't be quite the same as it was before COVID-19. Record job losses, reduced hours of work and the deferral of dividend payments by listed companies are all set to impact on household budgets in the coming months. So, what does the path out of lockdown look like? And how can you recover financially if your income has been affected?

Lifting of restrictions

The National Cabinet has agreed a three-step plan to gradually remove quarantine restrictions. The carefully staged approach involves winding back limits on the size of group gatherings, allowing certain businesses to reopen and permitting sports, recreation and travel to restart.

Each state or territory will move through the stages at their own pace, depending on their circumstances, so always consult your local state or territory health department website for up to date information on what's happening in your area.

The new normal

The relaxing of restrictions is great news for business owners and employees. However, it's clear that things won't completely return to the pre-COVID19 normal for some time to come. Social distancing requirements will continue to have an impact on many businesses, particularly those in retail and hospitality. For many workers who've been forced to drop hours or accept lower pay, this could mean adapting to life with a reduced income for the foreseeable future.

Stay on top of your financial health

While it may be tempting to splash out after so long in lockdown, try to keep one eye on your longer-term financial health. That means, continue building your savings, and avoid taking on more debt where possible. Take the time for a financial health check, to make sure you can sustain yourself over the coming months and years as the economy returns to growth.

If you took reduced hours, find out from your employer whether this will continue and when it's likely to be reviewed. Many businesses won't be able to return to their previous levels straight away. So, be honest with your employer about how long you'll be able to sustain yourself financially if the reduction in wages continues past a certain point.

Replacing your income

If you're unable to get your old job or hours back, don't despair. Now is the time to be flexible and proactive. Review your resume and consider how you could apply your skills to a different industry or role, to widen your opportunities to find work.

Consider taking an online course to upskill into a new or related area. There are many free and low-cost courses available online. Investigate industries with future growth potential, such as digital and data specialists, healthcare, science and technology.

In the meantime, seek to conserve your cashflow. Contact your service providers and ask to renegotiate bills and/or delay payment until you're more secure. Speak to your bank about pausing mortgage repayments; or ask your landlord about rent relief.

Source: Money and Life

If you would like some help doing a financial health check, please give Shaun or Vicky from Evans Edwards Financial Advisors | Wealth Creators a call.

We will guide you with a tailored approach that works for your circumstances. Give us a call on 4927 4588 (Rockhampton) or 4939 1766 (Yeppoon) to see how we can help.



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