



# Financial Wellness Impacts Mental Health

by Kathy Taylor-Rogers

Over the past few years there have been a significant number of challenges that have impacted us and our financial well-being. Financial challenges such as: rising interest rates, the rising cost of groceries, the higher price of gas, the higher cost of post-secondary courses, higher cost of vehicles, and the lack of affordable housing. These are just some of the challenges that have changed the demand on our money and potentially negatively impacted our financial wellness.

Increasing financial pressures have created more stress for many of us and this stress is further increased by the looming threat of tariffs and uncertainty regarding how these tariffs will impact us. Another factor that has played a role in some peoples decreased financial wellness is that the pandemic thrust us into online shopping, which has had a negative impact on those that are impulse buyers. Even if you were aware of your weakness regarding overspending online, you were left with little choice, particularly if you were afraid to venture into stores. The pandemic also encouraged us to use our credit cards more than we ever did, as many stores did not want customers to buy with cash. This again was hardest for those that were unable to keep up with the credit card debt or did not budget. The result has been a perfect storm of variables that led many into a worse financial situation than normal.

Another factor that can make it harder for people to be realistic about their financial issues is that it is a “taboo” subject. Many of us do not feel comfortable discussing our financial issues and feel ashamed about our debt. This can cause us to ignore it and just hope it will go away. The potential symptoms of depression that can develop from financial strain can also make it harder to deal with the issue. Some may even resort to gambling, in hope of the big win that will solve all their problems. Unfortunately, gambling typically makes our problems worse.

It is very important for us to be aware that financial strain and worry can negatively impact our mental and physical health. Anyone who has experienced significant financial insecurity can confirm the toll that the worry and anxiety can take on us. Some of the potential negative impacts to physical and mental health are:

- Increased heart rate
- Sweating
- Panic attacks
- Lack of sleep
- Headaches
- High blood pressure
- Gastrointestinal problems with significant weight loss or gain
- Feelings of despair
- Overuse of alcohol or drugs to cope
- Symptoms of depression
- Significant anxiety
- Relationship issues

This list just names some of the common problems and highlights why it is so important to take control of your finances. Ignoring them will not help your situation.

Some of the pitfalls that lead to financial issues according to Emily Norris in a Personal Finance article are:

- Unnecessary spending
- Never-ending payments
- Living large on credit cards
- Buying new vehicles when the one you have is reliable
- Overspending on your home
- Misusing Home Equity
- Not saving
- Paying off debt with retirement savings
- Not having a financial plan

The good news is that deciding to regain control of your finances can help get you on the road to

improving all the negative impacts that financial stress can create.

What to do:

- Be honest with yourself and talk to someone about the problem. This can help you to put things in perspective and gain the courage to take control.
- Be honest with your significant other and figure out how to take control of the situation together.
- Take inventory of your finances and stop ignoring the problem – do up a detailed inventory of all sources of income and all monthly expenses including all sources of debt.
- Try to identify all spending habits, particularly those that are adding to the financial burden. Sometimes something as simple as not bringing a lunch to work and running out for fast food can really add up over time. We can't change problem habits until we recognize them.
- Once you have made an inventory of your income and expenses, if the picture is too overwhelming to deal with on your own contact a credit counselling agency, such as Credit Counselling Services of Newfoundland and Labrador (CCSNL), and they will assist you in developing a plan to tackle the issues at no cost to you.

Spending money has become way too easy and access to credit has gotten easier right along with it. It is important to be aware of where your pitfalls are when it comes to money management. Once you see where you tend to go off track, you have a better chance of gaining control of your relationship with money and learning how to avoid falling into unhealthy habits. If you choose the option of contacting a credit counselling agency, they will be happy to help you figure out your financial situation. They can help you make decisions regarding how you can gain control of your financial situation and get past the financial stress. They will map out the possible solutions and then you will decide which route is best for you and your situation. Financial education helps to limit stressors that impact both mental and physical health. The more that we can learn money management, which is the process of budgeting, saving, investing, and spending in a way that meets our financial goals, the less finances will negatively impact our mental and physical health.

When facing financial stress, it is important to recognize the negative impact that it is having on your life and your relationships. Being in tune to this will hopefully be the motivator you need to make changes. I cannot emphasize enough the importance of good self care in the face of financial stressors. Some self care strategies could be: staying active, not

using alcohol or drugs to self medicate, remaining connected to your support network, focusing on the things that you can change, trying to be mindful and in the present, doing online yoga, taking a hot bath, doing things that you enjoy like listening to music, reading books, playing board games and spending quality time with loved ones. Self care is very individual, the key is to spend some time each day doing activities that make you feel good or bring you joy.

For confidential assistance contact Lori Hewitt (ext. 242) at [lhewitt@eapnlteachers.ca](mailto:lhewitt@eapnlteachers.ca), or Nancy Ivany (ext. 269) at [nivany@eapnlteachers.ca](mailto:nivany@eapnlteachers.ca). More information on the Employee Assistance Program can be found at [nlta.nl.ca/employee-assistance-program/](http://nlta.nl.ca/employee-assistance-program/).

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