The financial evolution

Finance Editor Susanna Stuart reflects on the increasing financial maturity of Kiwi women – and suggests how we can get even more clued up

THE FACE OF the New Zealand household is changing, the 2006 Census report tells us, and with it we're seeing an evolution in the way women are taking responsibility for their finances.

In part, we can put this down to the age of self-sufficiency. The days of leaving all the 'money stuff' to the man of the house are over and today, women are just as likely to be money savvy.

It's also due to our increasing maturity as a population. Just 11 years ago, New Zealanders aged 15-39 outnumbered those aged 40-64 by two to one. Today, the numbers in each age group are almost equal thanks to a declining birth rate and the effect of baby boomers moving into their 50s.

On average, we're simply more likely to have experience with money and there are also major social shifts that have contributed to this. They include:

• The complication of the financial landscape

Not everybody is adjusting to the immense freedom we have to clock up debts and expose ourselves to market risks – but many of us are.

• Relationship changes

Women today are more likely than our mothers were to have had more than one serious partner. And with every separation or divorce comes a moment of truth when financial self-sufficiency is vital for our survival.

• Increases in marketing and political pressure

The banks are throwing financial products at us. Credit card companies are telling us that debt is "priceless". Websites such as www.sorted.org.nz, and the introduction of KiwiSaver are pushing individuals to think about their financial future.

These trends were revealed in a recent survey commissioned by Wizard Home Loans. They confirm figures I've seen elsewhere about women seeking financial security, especially through achieving home ownership and increased personal income. But despite encouraging signs, the survey still shows that women under 30 lack a depth of financial knowledge.

To support and promote financial security for women, Wizard Home Loans have set up an online interactive community dedicated to sharing knowledge and success. Visit www.wizard.co.nz/wizard_women.

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Joined at the wallet

If your relationship's getting serious, my advice (before you rush into a permanent arrangement) is to:

- Talk with your partner about how you'd like to run your finances.
- Decide whether you want to keep your existing assets separate and if so, draw up an agreement. If you don't do this, after three years together all your assets will be technically 'commingled' and upon death or separation will be more or less cut down the middle.
- Set joint goals for things like home or holidays, as well as personal goals.
- Prepare wills.