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PRESS RELEASE

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Something borrowed, something new: Newlyweds saying 'I don't to merging finances

- Two-thirds of Aussie newlyweds don't combine their financial accounts
- 43% of recently married Aussies have separate transaction accounts; 32% have separate savings accounts
- Tips: What to keep in mind when joining financial accounts

14 February, 2017, Sydney, Australia – Two thirds of recently married Australians aren't saying 'I do' to merging financial accounts, according to finder.com.au, Australia's most visited comparison website[1].

A finder.com.au study of 1,006 recently-married Aussies found almost half (43%) have separate daily transaction accounts, while nearly a third (32%) have standalone savings accounts.

Twenty one percent of Aussies have separate credit card accounts, while only 7% of newlyweds don't share the financial responsibility of a mortgage.

Interestingly, a separate survey of 1,035 Aussies in 2016 found 22% of couples have secret spending habits their partners don't know about – predominantly for clothes, gambling and guilt food purchases.

Bessie Hassan, Money Expert at finder.com.au says the research shows couples may be more inclined to share 'debt' rather than savings.

"Newlyweds will join forces with savings or transaction accounts rather than finance accounts.

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[1] Experian Hitwise 2015

“This may be due to the perception that if things go sour, a joint savings account has less risk or administrative work required to release the account, compared to a more complex financial account, like a mortgage,” she says.

Ms Hassan says getting married doesn’t mean you have to merge finances with your spouse, but it can make financial sense for couples with similar money goals in mind.

“It’s fine to keep accounts separate as long as you’re being transparent and honest about your financial behaviour.

“Some couples may also be concerned about enabling their partner to share control of their finances, while others may be worried about their partner’s spending habits.

“However, merging your accounts can make financial sense as it often means fewer account-keeping fees and it can also be easier to track joint expenditure.

“If you trust your partner implicitly and you’re both working towards similar financial goals, such as saving for a home deposit, a joint account can be effective.

“However, there are some situations where having two separate accounts can have benefits. For example, some savings accounts have a higher rate of interest up to a certain balance. Having a savings account each effectively doubles the amount you can save at the higher rate, so do your research.

“Lay down the ground rules early on. Decide who will be responsible for approving transactions and what level of security is required for the account,” she says.

Ms Hassan said money issues can put a huge strain on a relationship.

“Disclosing your financial situation with your partner before saying ‘I Do’ is essential, so have a frank conversation with your other half about whether you’ll combine accounts or keep them separate.

“Being upfront about any outstanding debts and plans for the future is also something you need to discuss from day dot,” she says.

Men vs Women

- Women (44%) are more likely to claim to have separate transactions accounts than men (40%).
- Women (23%) are slightly more likely to keep spending secret from their partners (20%).
- Almost one quarter of men (24%) have a separate credit card, compared to only one fifth of women (20%).

Generation breakdown

- Younger couples are more likely to share their finances, 37% of Generation Y merge all their accounts compared to 33% of Generation X.
- Generation X (45%) are more likely than Generation Y (41%) to have separate transactions accounts.