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With all the health concerns Canadians are facing with the global COVID-19 pandemic, it's easy to push financial planning to the wayside. But, if Canadians don't keep a close eye on their money right now, serious problems could occur later on.

"We have to get past whatever is being thrown at us," says Scott Plaskett, CFP®, CEO and Senior Financial Planner at IRONSHIELD Financial Planning. "If we have a job loss, a business slow down, or whatever it happens to be, an emphasis and focus needs to be on short-term planning."

Returning to long-term planning, on the other hand, is a "guiding light" Canadians should work towards, Plaskett says, once they've overcome their immediate financial hurdles during a crisis.



Focus on the here and now

Regardless of whether you live alone, have a family, or own a business, cash flow is key to managing your short-term situation during the pandemic.

"The short-term really forces us to identify what's important and what's not," Plaskett says.

Revisit your budget regularly and understand where your money is going. Now is the time to consider which household expenses can reasonably be cut back on. For instance, if everyone in the family is streaming Netflix, then it might be time to review your cable tv package. Or, if you've cut back on the amount of driving you do, you might be able to negotiate savings on your car insurance.

However, be realistic: you don't have to eliminate all expenses that bring you comfort or happiness. These small changes do have to be manageable in the long run.

If your financial situation does decline and you're experiencing trouble paying bills, loans, and other expenses, considering getting in touch with lenders, loan services and other creditors. There may be a number of options available to you, especially if you reach out early. In addition, make sure you're up to speed on the various government support programs available to you.

Look to the future

Once a short-term plan has been established, it's time to reflect on how smooth that process went and whether you need to make different preparations for unexpected situations that may arise in the future.

“This is where long-term planning now comes in,” Plaskett says. “You can start making adjustments to build emergency funds and reserve accounts so that you’re protected the next time there is a crisis. And there will be a next time.”

If you’re sitting on some cash, now might also be the time to take advantage of long-term investment opportunities, since market volatility can drive down the price (but not the value) of stocks, Plaskett says.

Curious how to best take care of your finances right now? The support of a professional planner, such as a CFP professional or QAFP™ professional, can help you manage both your short-term and long-term financial planning.

To find a Certified Financial Planner® professional or Qualified Associate Financial Planner™ professional in your area that will help guide you financially, use our [Find a Planner tool](#).

To learn more about the impacts of COVID-19 on your personal finances, including government resources that are available, visit www.financialplanningforcanadians.ca/covid19.