

## Retrenchment or financial loss - health issues

Job loss, retrenchment or unexpected loss of income can cause financial and emotional distress and hardship. It is normal to experience a range of reactions, which may include shock, anger, guilt and a sense of powerlessness. The stress of dealing with changing circumstances that are out of your control can increase the risk of health problems such as anxiety and depression.

It is important to take care of your health and wellbeing – and that of your family – during difficult times. There are a number of practical steps you can take to regain a sense of control over your current situation and get help for you and your family.

### Finances can be affected by many life events

There are a number of situations that can affect a person's income or financial security. Some of these include:

- Unemployment
- Redundancy or retrenchment
- Redeployment
- Loss of a job
- Large investment losses
- Loss of retirement income
- Loss of investment income.

### Common reactions to unexpected loss

Losing your job or financial security can cause a range of emotional reactions. Common reactions to loss include:

- Shock, confusion and a feeling of numbness or disbelief. You might say to yourself – 'It can't be real', 'Why has this happened to me?'
- A sense of loss related to dreams and plans for the future
- Anger, which may be directed at an organisation (former employer, financial advisor) or at family members
- Anxiety and fear
- Feeling embarrassed, guilty or powerless. You might be thinking – 'I wish I'd done things differently', 'I've disappointed my family'
- A sense of isolation from others and feeling alone in the loss.

### Seek help if you feel you are not coping

For most people, the distress they first feel after job loss or financial problems reduces with time. However, if you feel distressed or anxious for more than a few weeks, you could be at risk of developing depression or anxiety. It's important you talk to a doctor or other health professional so you can get help early.

Early warning signs to look out for include:

- Finding it hard to do your normal everyday activities like going for a walk, preparing meals or talking to your friends and family
- Using alcohol or drugs to help you cope or feel better

- Finding it difficult to relax and sleep
- Being angry, irritable or intolerant around other people
- Feeling overwhelmed, not able to cope and thinking about suicide.

## Tips to help you stay on top of your emotions

Some suggestions include:

- **Write down your worries** – identify your concerns and decide which issues to tackle first.
- **Become informed** – understanding financial issues such as budgeting, saving, investing and managing debts will help you feel more in control.
- **Get support** – identify friends and family members who you can talk to and who will help you to remain positive.
- **Manage stress** – talk to your doctor about ways to reduce the negative effects of stress.
- **Stay healthy** – try to maintain a balanced diet and get regular exercise to help boost your mood. Avoid drugs and alcohol, which make your emotional state worse and increase your risk of developing depression and anxiety.
- **Be patient** – don't expect to have all the answers right now. Recovery from any major loss takes time. Think about other tough times you've had in the past and how you overcame them. Apply this to your current situation.
- **Try to see the positives** – difficult as your situation is, try to view this time of uncertainty as an opportunity to re-evaluate your goals and perhaps take on new challenges.
- **Don't become obsessive** – it may be tempting to keep constantly checking your financial situation or to completely ignore your financial problems. Stick to the routine you had before your situation changed wherever possible – for example, paying bills as you receive them or making alternate arrangements.
- **Make a contribution** – for many people, the most difficult part of job loss or retrenchment is the loss of a sense of 'contribution' and lack of interaction with friends and colleagues in a work environment. Working as a volunteer for an organisation that interests you may fill this gap while you're between jobs.

## Taking care of your family

Be aware that family members may be having a difficult time too. Suggestions include:

- Discuss the situation with your partner, including how these changed circumstances will affect your family.
- Think about how you can discuss these issues with your children in a way that doesn't distress or scare them. Emphasise that this isn't anyone's fault and that it happens to a lot of other families.
- Explain carefully to your family the impact that your situation may have on household spending and that this reduction in spending (for example, cutting back on your children's after-school or sporting activities) is likely to be only for a limited time.
- Check that everyone in your family is OK. Do they need extra emotional support to help them get through this difficult time?
- Try to make sure that life remains as 'normal' as possible and that familiar routines are maintained.
- Try to set aside time to participate in regular activities with your family, especially your children.

## Tips to get through the tough times

Adjusting to a loss or financial hardship can bring challenges on a practical level. You can't always change the situation, but you can take steps to look after your financial and emotional wellbeing. Some suggestions include:

- **Seek advice** – about your entitlements, options for managing your income and support services available to you.
- **Draw up a budget** – a budget can help you work out how much money you'll need to cover costs while you're going through financial difficulty or unemployment.
- **Set up your own 'pay system' for living expenses** – deposit your redundancy payment, if you have one, into a separate account and arrange for regular weekly or fortnightly payments to be transferred into your living expenses account. This helps with budgeting and creates a sense of normality and regularity to your cash flow.

- **Take control over your financial situation** – contact your bank or any organisation you owe money to as soon as you can. Most of these organisations will have policies to help customers who are experiencing financial hardship.
- **Seek financial support if necessary** – financial support is available to people who are facing difficulties or experiencing an unexpected change. To arrange an appointment, call 131 794 (or 131 202 for languages other than English) or visit a Centrelink Customer Service Centre.

## Financial advice

It is important to get good advice to help you understand your entitlements and make decisions about how to best manage redundancy payments, superannuation or other forms of income. You will also need to investigate any income support that may be available while you find another job. Financial advice is available from:

- A financial advisor
- A financial counsellor – for referral to your nearest financial counsellor, contact Consumer Affairs Victoria on 1300 55 81 81
- Your superannuation fund advice service
- Centrelink Financial Information Service (FIS) Tel. 132 300 – for financial advice for retrenched workers
- Australian Government's General Employee Entitlements and Redundancy Scheme (GEERS) Hotline Tel. 1300 135 040
- Job Network Tel. 13 62 68 – for help finding a job.

## Where to get help

- Your doctor
- Your local community health centre
- Find a GP or mental health professional near you who specialises in mental health issues through the *beyondblue* website
- *beyondblue* Info Line Tel. 1300 224 636
- SANE Mental Health Information Line Tel. 1800 187 263, Monday to Friday, 9am to 5pm
- National Psychologist Referral Service Tel. 1800 333 497
- MoneyHelp Tel. 1800 149 689 Monday to Friday, 9.30 am to 5.00 pm – a free financial counselling and debt advice phone service for Victorians (includes interpreter services)
- SuicideLine Victoria Tel. 1300 651 251 – for counselling, **crisis intervention, information and referral** (24 hours, 7 days)

## Things to remember

- It is normal to experience a range of reactions to retrenchment or financial loss.
- The stress of dealing with changing circumstances can lead to health problems such as anxiety and depression.
- It is important to take care of your health and wellbeing – and that of your family – during difficult times.
- There are a range of support services available and practical steps you can take to regain a sense of control over your current situation.

**This page has been produced in consultation with, and approved by:**

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