



STAYING ON COURSE

Separation, divorce and your finances



SEPARATION , DIVORCE AND YOUR FINANCES

For many reasons, relationships that we hope will stand the test of time sometimes don't. If you find yourself going through a relationship breakdown, coping with the emotional aspects is just one step in a long journey. There are also many legal and financial issues that need to be addressed – whether your relationship is common-law, a civil marriage or a civil union.

If you have children, custody and access issues will have to be worked out. Financial support for you, your children or your spouse must also be considered. In addition, the division of property needs to be settled.

Managing your finances can be challenging even in the best of times. However, it is often the decisions that you make, or don't make, during transitional periods in your life that will have the most impact on your overall financial picture.

Whether you are currently contemplating a separation from your spouse, or you are in the final stages of divorce, it's never too early, or too late, to start planning your own finances. Even if you remain with your partner, or reconcile at a later date, it is a good idea to know where you are at, and where you are going, financially.

HOW RELATIONSHIPS ARE DEFINED IN CANADA

MARRIAGE

In Canada, the responsibility for marriage is divided between the federal and provincial governments. The federal government is responsible for the definition of marriage and for laws governing divorce, while the provinces are responsible for the licensing and registration of marriage.

LEGALLY RECOGNIZED RELATIONSHIPS

Civil marriage

Governments are concerned only with civil marriage. Religious marriages, by themselves, have no legal effect. The difference between religious and civil marriage is often invisible in Canada. In most provinces, religious officials are licensed to simultaneously conduct the religious and civil marriage.

Civil union/domestic partnership

A civil union or domestic partnership is different from a civil marriage. It is a registration system that allows two individuals to register their relationship in order to trigger legal consequences. This system is only available in certain provinces.

Common-law relationships

Common-law relationships are legally recognized in Canada, provided that the couple can show they have been living in a marriage-like relationship for a certain amount of time. Under most federal laws, that time is one year. Under most provincial laws, it is two or three years.

SAME-SEX MARRIAGES

In December of 2004, the Supreme Court of Canada ruled that a federal proposal to extend marriage rights to same-sex couples would be constitutional.

In this guide, we use the term "spouse" to refer to all the above relationships.