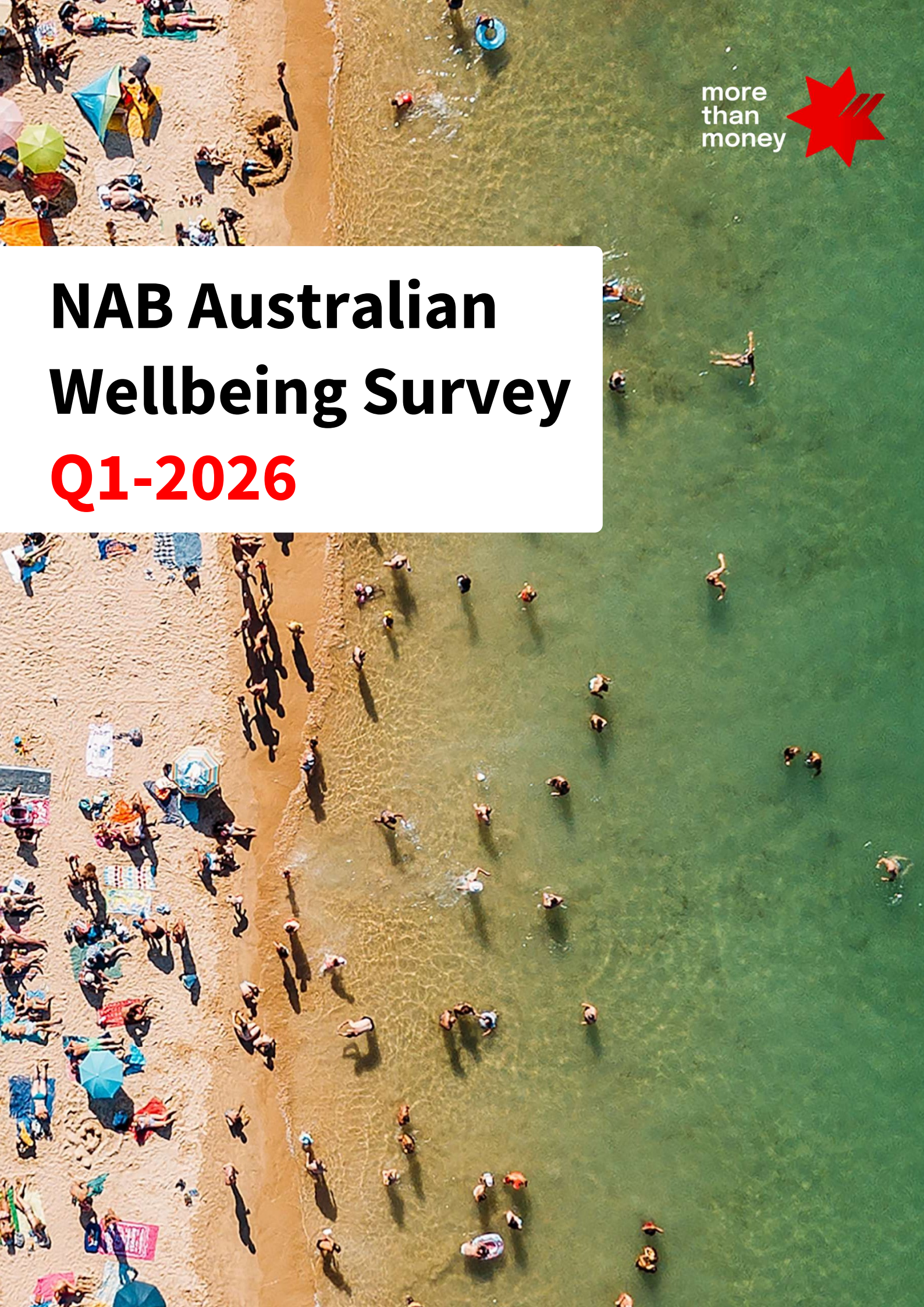


more
than
money



NAB Australian Wellbeing Survey

Q1-2026



Executive Summary

Resilience Fuels Wellbeing Gains Amid Persistent Pressures

Australians' wellbeing improved in the first quarter of 2026, despite little relief from the economic and financial pressures that have dominated household experience over the past two years. Wellbeing has improved not because life has become easier, but because many households appear to have adjusted expectations, re-prioritised spending, leaned on support networks, and regained a sense of control in navigating a challenging environment. And, while resilience has strengthened overall, it is unevenly distributed. Overall, the survey paints a nuanced picture. Australians are not free from pressure, but they are adapting. Over 40% report delaying or avoiding major life decisions (such as housing, family formation, and mobility) in the past year due to financial uncertainty. A similar share actively drew down savings or financial buffers to manage day-to-day living costs in the first quarter of the year. Resilience has re-emerged through adjustment, support and regained agency, allowing wellbeing to improve even as economic and financial challenges remain firmly in place. This research was carried out from 16 February to 3 March 2026 - before the recent escalation in the Iran conflict. As global events continue to shift, these developments have the potential to shape Australians' outlook in the coming months. But at least for now, our findings reflect genuine improvements in resilience and wellbeing.

The Central Paradox: Improving Wellbeing Amid Ongoing Strain

The NAB Australian Wellbeing Index rose to 64.1 in Q1 2026, broadly in line with its long run average, with gains recorded across life satisfaction, happiness and life worth, alongside a modest easing in anxiety. This improvement was broad based rather than driven by a single factor, signalling a general lift in how people feel about their lives rather than a narrowing of specific stresses, with economic and financial stress dominating concerns. Concerns about the economy are widespread across all age cohorts, affecting around half of those aged 18-49 (45-50%) and remaining elevated even among older Australians (41% for those 65+). Uncertainty about the future is even more pronounced for younger respondents, peaking at 57% among 18-29 year olds, before steadily declining with age to just 28% among those aged 65+. These stresses are profoundly influencing how people cope, seek support, and plan ahead. More than four in ten Australians report having delayed or avoided major life decisions in the past year, like housing, family formation and mobility, due to financial uncertainty, highlighting how caution is shaping behaviour well beyond those under acute stress.

Social and emotional challenges are particularly apparent among younger people. Feelings of loneliness or social disconnection are reported by 43% of 18-29 year olds, compared with only 16% of those aged 65+, while hopelessness or loss of control affects 30% of the youngest cohort versus 11% of the oldest. Work related pressures also fall sharply with age, with balancing work, study and caring responsibilities cited by 45% of 18-29 year olds. Job insecurity is similarly concentrated among younger respondents.

Despite this, overall wellbeing has lifted. This apparent paradox is resolved by looking beyond headline stress measures to coping capacity and perceived control. The share of Australians who felt more in control of their lives than a year earlier rose sharply in Q1 2026, with gains recorded across all age and income groups. Even cohorts facing the greatest financial pressure, including younger and lower-income households, reported meaningful improvements in perceived control, albeit from weaker starting points. This regained sense of control is a critical linkage in the report. It helps explain why wellbeing can improve even when pressures persist. Feeling able to manage circumstances, adjust behaviour and make trade-offs appears to buffer the psychological impact of sustained cost pressures, supporting emotional stability even as financial conditions remain tight. These trends point to a broader redefinition of what it means to thrive during economic uncertainty, with greater emphasis on resilience, adaptability, and social support.

Uneven Resilience: Who Is Coping, and Who Remains Exposed

But, while resilience has strengthened overall, it is unevenly distributed. Wellbeing outcomes remain strongly shaped by life stage, income, housing and employment status. Older Australians, retirees and outright homeowners continue to report the highest wellbeing, reflecting stronger financial buffers, lower exposure to housing costs and reduced labour market risk. By contrast, younger adults, low-income households, the unemployed and women in mid-life continue to report materially lower wellbeing and higher financial stress.

Age gradients are particularly stark. Younger Australians face the greatest overlap of challenges - financial stress, uncertainty about the future, job insecurity, social disconnection and difficulty balancing work and caring responsibilities. They are also the most likely to have drawn down savings, to have limited capacity to withstand an income shock, and to delay major life decisions due to financial uncertainty. At the same time, younger cohorts recorded some of the strongest gains in perceived control, suggesting a rebound from particularly low points rather than the absence of pressure.

Income differences reinforce this pattern. Lower-income households remain the most financially exposed, with thinner buffers, higher incidence of missed payments and greater reliance on informal or high-cost credit. While higher-income households are

better positioned overall, recent quarters have seen rising concern, greater savings drawdowns and increased missed payments even among these groups, indicating that financial pressure is broadening rather than retreating.

Financial Buffers Declining: But Support Seeking Behaviour a Key Stabiliser

Household financial anxiety showed a slight improvement in Q1 2026, albeit remains higher than historical norms. Concerns are most pronounced around long term financial security, especially financing retirement, which is the single largest stress point across most groups. Many households continue to report deteriorating incomes and savings positions in real terms. Day to day expenses also remain a significant source of strain. Stress related to groceries, utilities and other monthly household expenses is materially higher for Australians on lower incomes, while housing related costs continue to weigh on younger Australians, with anxiety around mortgage, rent and housing costs highest among 18-29 year olds and 30-49 year olds. Nearly half of people under 50 (48-49%) report difficulty paying bills, rent or mortgages, compared with just 21% of those aged 65+, highlighting the much heavier financial burden on working age Australians.

Missed payments remain most common for essential bills and short term credit, with some signs of deterioration between Q4 2025 and Q1 2026. The sharpest increase is in utility bills (electricity, gas and water), where the share missing a payment rose from 10% to 12%, the highest level across all categories. Missed payments on phone and internet bills also edged higher to 10%. By contrast, housing-related payments were comparatively stable, suggesting households continue to prioritise these obligations. The share missing a home loan or mortgage payment was unchanged at 4%, while missed investment loan repayments fell from 2% to 1%. Rent shows a modest increase from 4% to 5%. Lower income households are consistently the most exposed across almost every category - 18% missed a core utility bill and 17% a phone or internet bill - around 6-7 percentage points higher than the overall average. Missed payments on rent reach 10% for lower- income households, double the overall rate of 5%, while reliance on informal and short term support is also far more pronounced, with 15% missing repayments on loans from friends or family (compared with 7% overall) and 11% missing BNPL repayments (6% overall).

Financial buffers remain thin for many households. Australian households report they could cover essential expenses for an average of 5.6 months if their main source of income was lost, but this masks significant disparities. Households earning under \$35,000 expect to be able to last just 3.5 months on average and 41% unable to cover essentials for more than a month. Nearly half of young adults (18-29) could only last three months or less.

A significant share of Australians (42%) actively drew down financial buffers to manage day to day living costs in Q1 2026. Notably, 7% indicated that they do not have any savings at all, pointing to a non-trivial group with no financial buffer to absorb rising costs. Accessing savings or emergency funds was most evident among younger and mid-life Australians. Almost half of those aged 18-29 and 30-49 reported dipping into savings.

Support-seeking behaviours are playing a key stabilising role. Informal networks, particularly family and friends, are the primary source of assistance for those facing challenges, helping to soften the emotional impact of financial strain. Formal services such as GPs and mental health professionals provide an important secondary layer of support, with around 28-35% of people across most age groups turning to a GP or other health professional, however, use of mental health services declines sharply with age, from 21% among 18-29 year olds to just 7% for those aged 65+. Women are almost twice as likely as men to use mental health services (21% versus 12%).

Looking Ahead: Optimism Rises, But Cost of Living Remains Key Concern

Cost of living remains the dominant concern for Australians looking ahead, cited by three quarters of respondents and far outweighing other long term issues such as housing affordability, health care access or job security. Notably, emerging and structural themes attract limited concern. Only 12% highlighted artificial intelligence and automation as an issue, while social inequality (8%) and education and skills development (5%) sat near the bottom of the list. Overall, the pattern suggests Australians remain firmly focused on immediate financial sustainability and living costs, with less attention given to longer-term transformational or systemic issues unless they directly affect household budgets.

Age differences in medium to long-term concerns among Australians are striking. Younger adults (18-29) are most worried about housing affordability, with over half citing it as a key issue, while older Australians (65+) are significantly more anxious about health care access and politicians' readiness to address critical challenges. Job security is another major concern for young people. Meanwhile, climate change and artificial intelligence are second-tier concerns across all ages, though climate change resonates more with older Australians.

Optimism about the future has improved, but largely because fewer people feel actively pessimistic rather than because confidence has become widespread. Neutrality and uncertainty remain elevated, indicating that expectations are cautious and conditional. This matters for consumer behaviour and the broader economy. Households that feel more in control may be better placed to stabilise spending and engagement over time, but persistent cost pressures, eroding buffers and delayed decisions suggest that recovery in confidence and activity is likely to remain uneven. Until financial conditions improve more materially for vulnerable groups, resilience will continue to be tested.

Overall Wellbeing

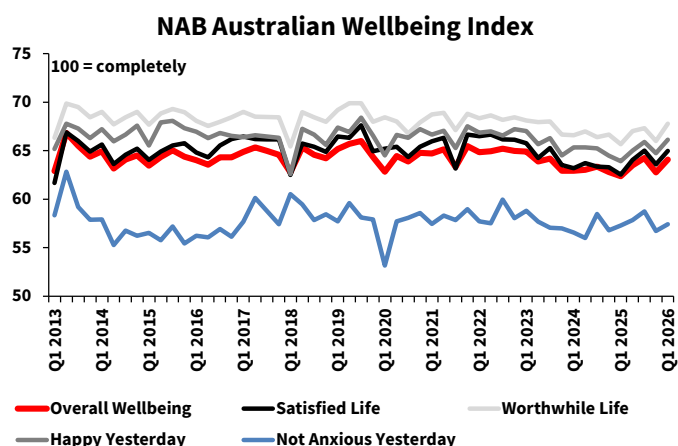
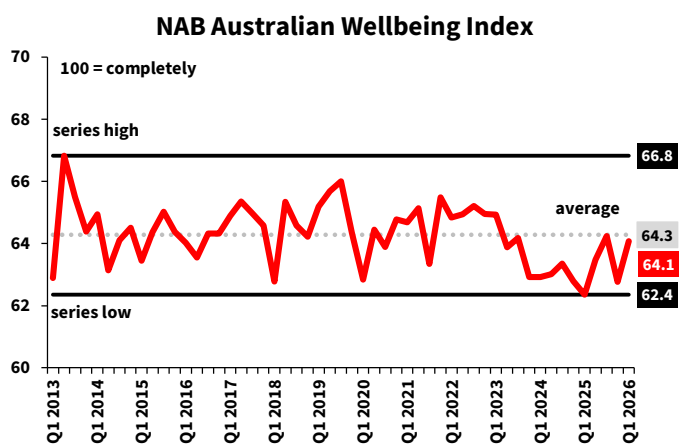
NAB has tracked Australians’ wellbeing since 2013, measuring subjective perceptions of happiness, life satisfaction, life worth and anxiety - core indicators of how people feel about their lives overall.

The NAB Australian Wellbeing Index rose to 64.1 in the March quarter 2026, up from 62.8 in the previous and from 62.4 at the same time last year, and broadly in line with the long-term survey average of 64.3. The improvement was broad-based, with index components improving to near average levels - life worth up 1.8 to 67.8 (68.1 average), happiness to up 1.4 to 66.1 (66.3 average), and life satisfaction up 1.4 to 65.0 (65.1 average). Anxiety also moderated, with the ‘not anxious yesterday’ measure rising to 57.4 from 56.7, also returning close its long-term average of 57.7. The improvement in all index components indicates a pervasive shift in sentiment among Australians rather than isolated issues over the quarter.

The latest NAB Wellbeing Survey also highlights a notable disconnect between financial pressure and reported wellbeing. While cost of living concerns remain elevated (**NAB Consumer Sentiment Survey Q1 2026**), many Australians reported improved wellbeing, indicating growing resilience rather than an easing of financial strain. Households appear to be adapting by recalibrating expectations, managing stress more effectively, and deriving satisfaction from non-financial aspects of life.

This adjustment reflects acceptance of a “new normal” of higher prices, with a shift away from material consumption towards family, community, and personal wellbeing. Financial concerns are increasingly compartmentalised, allowing individuals to prioritise stability and emotional balance over wealth accumulation. These trends point to a broader redefinition of what it means to thrive during economic uncertainty, with greater emphasis on resilience, adaptability, and social support.

However, the improvement in overall wellbeing in Q1 2026 masks growing divergence across the population. Vulnerable groups, including lower-income households and those experiencing persistent stress, often lack the resources that support resilience. This underscores the need for targeted policy responses to ensure wellbeing gains are more evenly distributed.



Although the national uplift in wellbeing in the March quarter was meaningful, outcomes remained uneven across demographic cohorts. Wellbeing improved across most groups, with 37 of 44 monitored cohorts recording higher scores, while six saw declines - notably Tasmania, women aged 30-49 and 60+, married people, widows and part-time workers. Wellbeing was unchanged among men aged 18-29.

By state, Western Australia recorded the strongest improvement in Q1 2026, rising 3.5 to 65.9 and well above average (64.5). Victoria also improved materially to 63.1 (up 2.0), though it remained slightly below average (63.4). Wellbeing in NSW/ACT rose 1.2 to 64.3, broadly in line with its average (64.4), while Queensland was broadly flat, edging up 0.2 to 64.9 and slightly above average (64.8). Tasmania was a clear outlier, with wellbeing falling sharply by 3.3 to 60.4, well below its average (65.1) and lowest of all states. Wellbeing in SA/NT rose modestly (up 0.7 to 63.0) but also remained below average (64.6).

Regional wellbeing improved, though at differing rates. In capital cities, wellbeing lifted 1.4 to 64.4, in line with the long-term average (64.3). Regional cities rose to 63.8 (up 1.0), while rural areas increased 1.5 to 62.7, with both remaining below their respective averages (64.2 and 64.3).

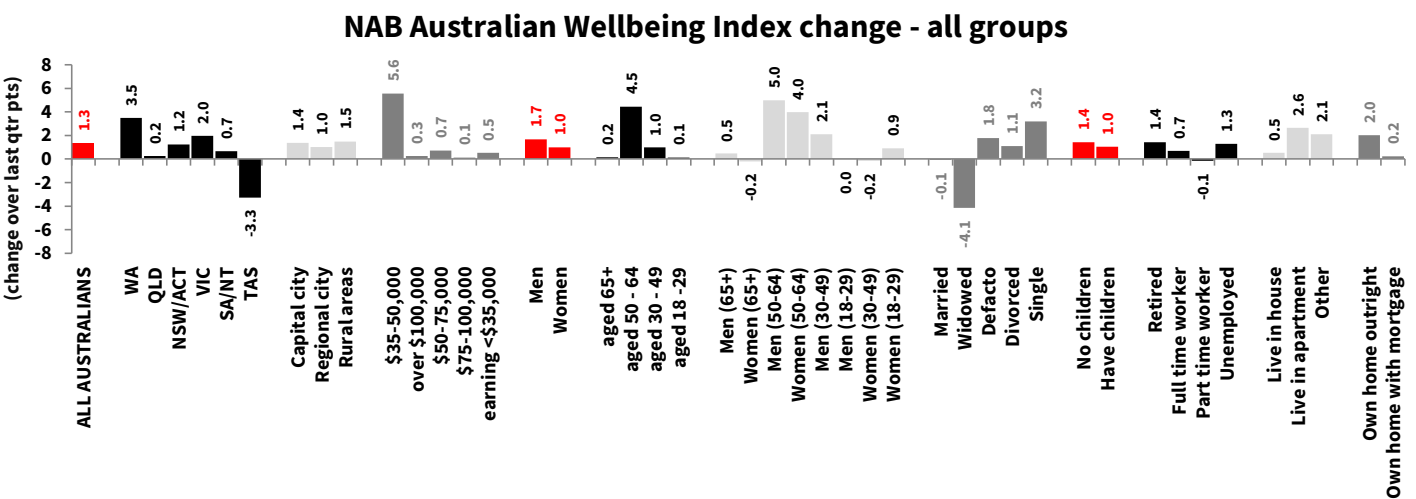
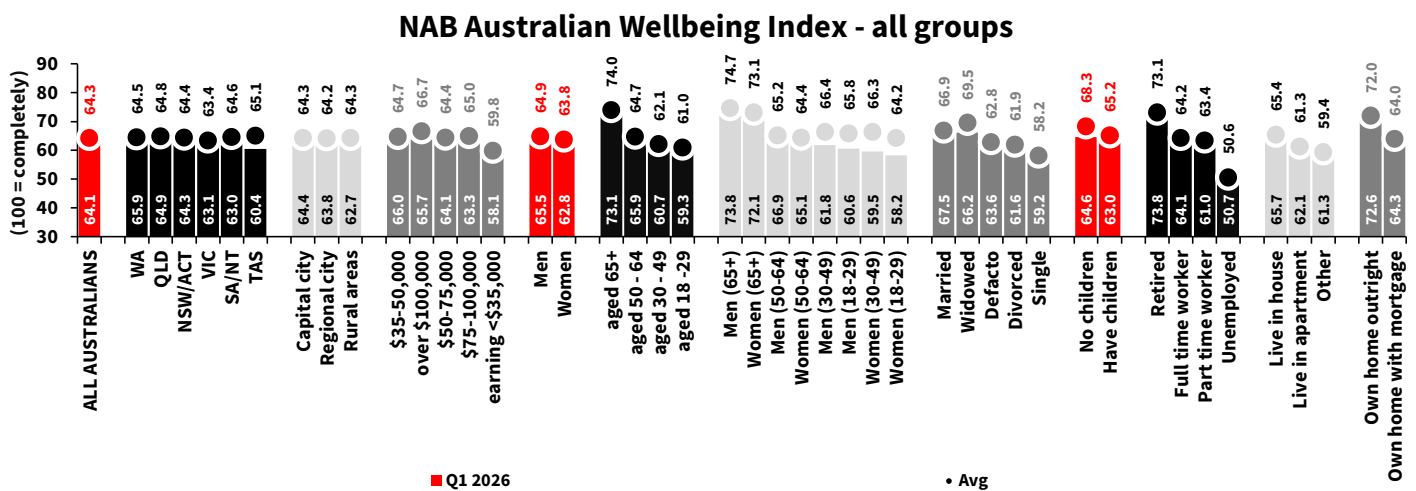
Trends diverged sharply by income. Those earning \$35-50,000 recorded the largest quarterly improvement, up 5.6 to 66.0 and notably above the long-term average (64.7). In contrast, wellbeing for those earning under \$35,000 remained lowest at 58.1, despite a modest 0.5 increase, and continued to sit below average (59.8). Higher-income groups experienced only minor changes, with wellbeing at 64.1 for those earning \$50-75,000 (up 0.7), 63.3 for \$75-100,000 (up 0.1), and 65.7 for those earning over \$100,000 (up 0.3), with all these groups remaining below their respective long-term averages.

A persistent gender gap remains evident. Men’s wellbeing rose 1.7 to 65.5, sitting slightly above average (64.9), while women’s wellbeing increased to 62.8 (up 1.0), but remained below average (63.8). Moreover, the historical gender wellbeing gap widened to 2.7 points (from 2.0) and well above the average (1.1).

Age continues to be one of the strongest differentiators. Wellbeing among 18-29 year-olds remained lowest at 59.3 (up 0.1), followed by those aged 30-49 (up 1.0 to 60.7). In contrast, 50-64-year-olds recorded a sharp improvement, rising 4.5 to 64.7. Australians aged 65+ continued to report the highest wellbeing at 73.1 (up 0.2). These patterns were evident across genders, with wellbeing rising most among men aged 50-64 (up 5.0 to 66.9) and women in the same age group (up 4.0 to 65.1), while for women aged 30-49 it slipped slightly (down 0.2 to 59.5), remaining well below average.

Employment status also showed stark differences. Wellbeing among full-time workers rose 0.7 to 64.1, while part-time workers fell slightly by 0.1 to 61.0. Unemployed Australians continue to report the lowest wellbeing of any group at 50.7, despite rising 1.3. Retirees continued to record the highest wellbeing overall at 73.8 (up 1.4).

Housing outcomes reinforce the importance of financial security for wellbeing. Australians who own their home outright recorded higher wellbeing in Q1 2026 at 72.6 (up 2.0), well above those with a mortgage at 64.3 (up 0.2). Those living in houses (65.7) also scored wellbeing higher than those living in apartments (62.1).



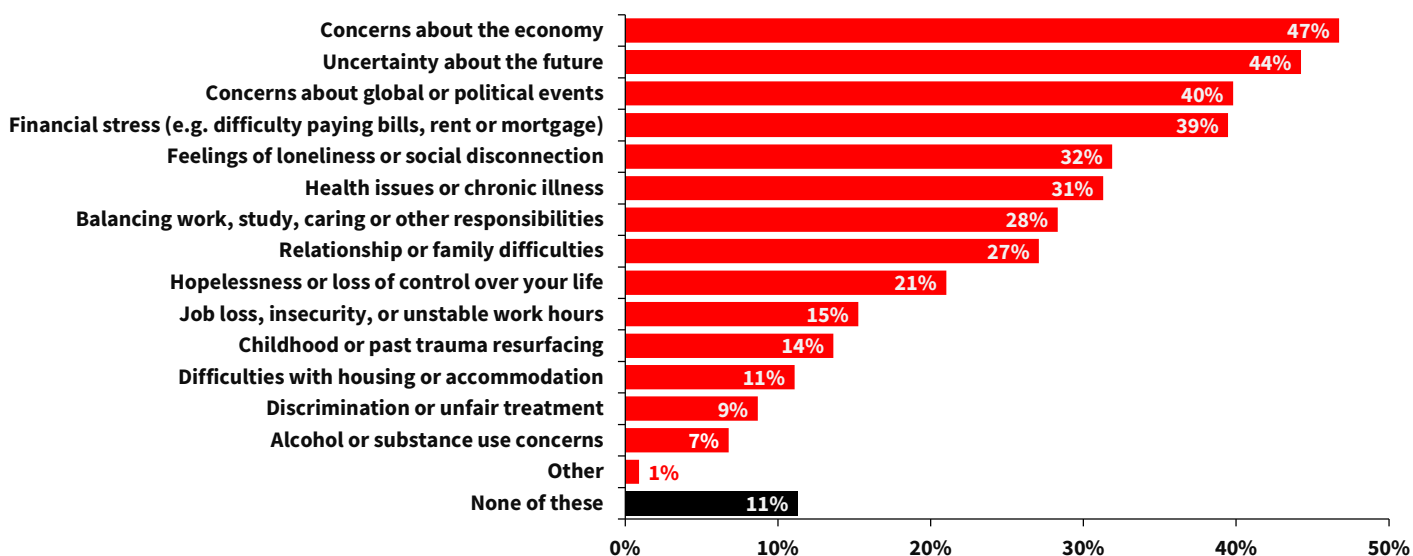
Taken together, wellbeing among Australians overall improved in early-2026 but was uneven. While most cohorts reported wellbeing gains over the quarter, higher wellbeing is still conditional on financial security, housing and life-stage, with stronger outcomes among older Australians, retirees and homeowners, and persistently low wellbeing among younger adults, low-income earners, the unemployed and women in mid-life.

Geographic disparities reinforce this patchiness, with sharp state-based divergences underscoring that recovery is not being felt uniformly. Overall, the data points to a population that is adapting to pressure and stabilising at the margins, but where underlying insecurity and inequality continue to shape how wellbeing is experienced.

To better understand the broader factors shaping people’s wellbeing, NAB asked for the first time a small number of additional questions about recent life challenges, sources of support, and how people are feeling about their future. Asking these questions is critical because they capture wellbeing as a lived, multi-dimensional experience rather than a single abstract feeling. Together, they link day-to-day pressures (such as financial stress, housing difficulties, health issues, job insecurity and social disconnection) with coping capacity and agency (whether people feel more or less in control of their lives), future outlook (optimism, pessimism or uncertainty), and structural concerns shaping longer-term wellbeing (cost of living, housing affordability, job security, climate, and trust in political leadership).

This combination allows us to distinguish between people who are struggling but supported, those who are struggling in isolation, and those whose wellbeing is being eroded by persistent uncertainty about the future. It also identifies whether challenges are translating into help-seeking behaviour, or whether barriers to support remain, as well as how economic, social and psychological pressures interact to shape resilience, confidence and quality of life over time.

Experienced any of these challenges in the past 6 months



Many Australians have experience challenges over the past six months, shaped by forces that feel largely outside their control. Almost half were concerned about the economy (47%), while 44% were uncertain about the future, suggesting that anxiety is not just about current conditions, but about what lies ahead. These worries are amplified by the wider world, with 40% worried about global or political events.

Against this backdrop, financial and personal pressures were deeply intertwined. Financial stress, such as difficulty paying bills, rent or mortgages, affected 39% of Australians overall, 32% felt loneliness or social disconnection, while 31% experienced health issues or chronic illness. Many also juggled competing demands, with 28% struggling to balance work, study, caring or other responsibilities. These figures suggest that economic strain often coincides with stretched time, declining wellbeing and reduced social support, compounding the overall burden people feel.

For a significant minority, challenges were even more personal and destabilising. More than a quarter reported relationship or family difficulties (27%), 21% felt a sense of hopelessness or loss of control over their lives, 15% experienced job loss, insecurity or unstable hours, and 11% faced housing or accommodation difficulties.

Notably, only 11% indicated that they experienced none of these challenges, highlighting how uncommon it was to be untouched by at least one source of stress in the past 6 months. Clearly, Australians are not facing isolated pressures, but overlapping challenges that shape how they feel, cope and plan for the future.

Overall, the data show that economic and financial pressures has dominated recent challenges among Australians, but these pressures are experienced very unevenly across age and income groups.

Concerns about the economy are widespread across all cohorts, affecting around half of those aged 18-49 (45-50%) and remaining elevated even among older Australians (41% for those 65+). Uncertainty about the future is even more pronounced for younger respondents, peaking at 57% among 18-29 year olds, before steadily declining with age to just 28% among those aged 65+. Financial stress follows a similar pattern, with nearly half of people under 50 (48-49%) reporting difficulty paying bills, rent or mortgages, compared with just 21% of those aged 65+, highlighting the much heavier financial burden on working-age Australians - table below.

Age gradients are particularly stark for social and emotional challenges. Feelings of loneliness or social disconnection are reported by 43% of 18-29 year olds, compared with only 16% of those aged 65+, while hopelessness or loss of control affects 30% of the youngest cohort versus 11% of the oldest. Work-related pressures also fall sharply with age, with balancing work, study and caring responsibilities cited by 45% of 18-29 year olds and 38% of those aged 30-49, but just 3% of people aged 65+. Job insecurity is similarly concentrated among younger respondents (26% for 18-29 year olds, 19% for 30-49 year olds) and is almost negligible among retirees (2% for 65+).

Experienced any of these challenges in the past 6 months

	All	18-29	30-49	50-64	65+	Men	Women	<\$35,000	\$35-50,000	\$50-75,000	\$75-100,000	\$100,000+
Concerns about the economy	47%	45%	50%	48%	41%	45%	48%	41%	41%	41%	48%	51%
Uncertainty about the future	44%	57%	47%	42%	28%	40%	48%	52%	44%	41%	46%	43%
Concerns about global or political events	40%	36%	41%	37%	45%	41%	38%	39%	38%	37%	40%	41%
Financial stress (e.g. difficulty paying bills)	39%	49%	48%	34%	21%	34%	45%	50%	42%	37%	48%	36%
Feelings of loneliness/ social disconnection	32%	43%	35%	30%	16%	26%	37%	39%	27%	27%	34%	32%
Health issues or chronic illness	31%	26%	28%	35%	38%	26%	36%	39%	40%	30%	27%	30%
Balancing work/study/caring/other	28%	45%	38%	19%	3%	23%	34%	19%	20%	22%	25%	36%
Relationship or family difficulties	27%	31%	32%	26%	16%	23%	32%	30%	23%	26%	29%	27%
Hopelessness or loss of control over life	21%	30%	23%	18%	11%	17%	24%	30%	18%	19%	26%	18%
Job loss, insecurity, or unstable work hours	15%	26%	19%	11%	2%	13%	18%	21%	14%	15%	15%	14%
Childhood or past trauma resurfacing	14%	19%	15%	13%	6%	7%	20%	23%	13%	10%	15%	12%
Difficulties with housing /accommodation	11%	22%	11%	8%	3%	10%	12%	17%	13%	14%	11%	8%
Discrimination or unfair treatment	9%	10%	11%	10%	3%	7%	10%	14%	6%	7%	6%	9%
Alcohol or substance use concerns	7%	8%	9%	6%	3%	8%	6%	10%	7%	6%	5%	7%
Other	1%	0%	1%	1%	2%	0%	1%	1%	1%	1%	0%	1%
None of these	11%	8%	7%	13%	22%	14%	9%	11%	11%	13%	8%	11%

Income differences reinforce this picture of uneven strain. Financial stress is most acute among lower-income households, affecting 50% of those earning under \$35,000, compared with 36% of those earning over \$100,000. Uncertainty about the future is also higher at the lower end of the income distribution (52% for under \$35,000 versus 43% for \$100,000+). Housing difficulties show a similar skew, reported by 17% of those earning under \$35,000 but only 8% of those on incomes above \$100,000. These patterns suggest cost of living pressures are not just widespread but structurally embedded among lower-income groups.

Finally, while global or political concerns are relatively consistent across demographics (generally around 36-45%), health issues increase with age, rising from 26% among 18-29 year olds to 38% among those aged 65+. Notably, the share reporting “none of these” challenges increased sharply with age, from just 8% among 18-29 year olds to 22% among those aged 65+, underscoring how much more exposed younger cohorts are to overlapping economic, financial and emotional pressures. Taken together, this points to a cost of living and wellbeing challenge that is most intense for younger and lower-income Australians.

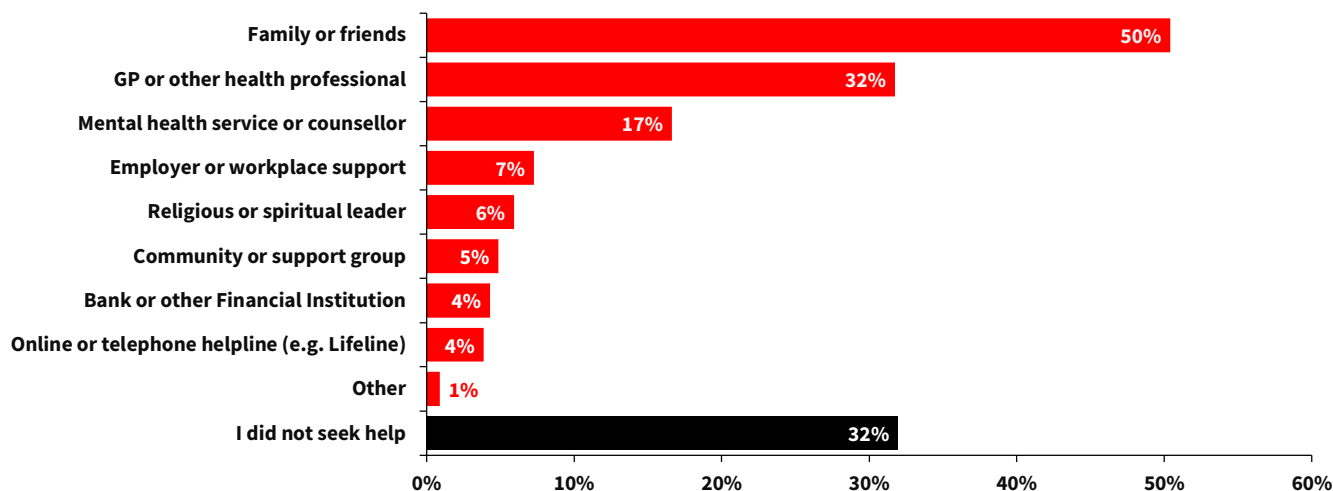
Australians who had faced any of these challenges were also asked if they had reached out for support or assistance. Support-seeking was widespread, but highly informal. Half of respondents (50%) said they reached out to family or friends, making this by far the most common source of assistance. In contrast, 32% did not seek help at all, indicating that nearly one-third of people experiencing challenges either chose not to engage with support services or felt unable or unwilling to do so. This split highlights a strong reliance on personal networks alongside a sizable cohort remaining unsupported.

Formal health and professional channels play an important but secondary role. Around one-third sought medical or psychological support, with 32% consulting a GP or other health professional and 17% engaging with a mental health service or counsellor. This suggests that while professional care is significant, it is accessed by a smaller share than informal support, potentially reflecting barriers such as cost, access, stigma, or perceptions about when professional help is warranted.

The use of institutional, workplace, and community-based supports was comparatively limited. Only 7% reached out to an employer or workplace support service, 6% to a religious or spiritual leader, and 5% to a community or support group. Financial institutions and helplines were each used by just 4% of respondents, while only 1% cited “other” sources.

Taken together, this points to an underutilisation of structured and organisational support options, reinforcing the central role of close personal relationships play in wellbeing. It also strongly suggests more scope to improve awareness, accessibility, or trust in formal support pathways.

Where if anywhere have you reached out for support or assistance with any challenges in the past 6m



A deeper dive across key groups show that informal support networks dominate how people respond to challenges, particularly among younger Australians. Family and friends are by far the most common source of support, used by 65% of 18-29 year olds, falling steadily to 34% among those aged 65+. Women are notably more likely than men to rely on family or friends (57% versus 43%). Use of informal support is also broadly consistent across income groups, remaining around 47-52% even at higher income levels, suggesting that social networks play a central role regardless of financial capacity.

Where if anywhere, have you reached out for support or assistance with any challenges in the past 6 months

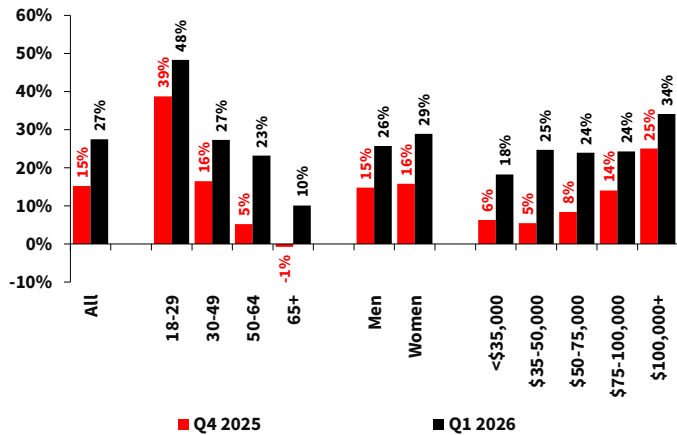
	All	18-29	30-49	50-64	65+	Men	Women	<\$35,000	\$35-50,000	\$50-75,000	\$75-100,000	\$100,000+
Family or friends	50%	65%	55%	41%	34%	43%	57%	49%	52%	47%	49%	52%
I did not seek help	32%	19%	28%	41%	44%	38%	27%	28%	32%	37%	33%	30%
GP or other health professional	32%	28%	32%	32%	35%	27%	36%	35%	34%	30%	34%	31%
Mental health service or counsellor	17%	21%	20%	15%	7%	12%	21%	24%	16%	14%	18%	15%
Employer or workplace support	7%	12%	8%	6%	0%	7%	7%	4%	2%	8%	7%	9%
Religious or spiritual leader	6%	7%	7%	5%	4%	6%	6%	5%	6%	4%	4%	8%
Community or support group	5%	6%	5%	4%	3%	5%	5%	10%	5%	4%	6%	4%
Bank or other Financial Institution	4%	6%	6%	3%	1%	5%	4%	2%	4%	3%	5%	5%
Online or telephone helpline (e.g. Lifeline, Beyond Blue)	4%	7%	4%	3%	1%	3%	4%	5%	7%	2%	2%	4%
Other	1%	0%	1%	1%	2%	1%	1%	1%	1%	2%	1%	1%

In contrast, a substantial and rising share of older Australians do not seek help at all. Only 19% of 18-29 year-olds report not seeking help, but this rises sharply to 41% among those aged 50-64 and 44% among those aged 65+. Men are significantly more likely than women to avoid seeking support (38% versus 27%). Non-help seeking also increases with income, peaking at 37% among those earning \$50-75,000 before easing slightly at higher income levels. This suggests both age and gender based barriers to engagement, even when resources are available.

Formal health channels play a secondary but meaningful role, with around 28-35% of people across most age groups turning to a GP or other health professional, rising modestly with age from 28% among 18-29 year olds to 35% among those 65+. However, use of mental health services declines sharply with age, from 21% among 18-29 year olds to just 7% for those aged 65+ indicating, indicating a strong generational divide in how mental health support is accessed. Women are almost twice as likely as men to use mental health services (21% versus 12%).

Other support channels remain marginal across the population. Employer or workplace support is used by fewer than 10% overall and is effectively absent among those aged 65+. Community groups, helplines, religious leaders, and financial institutions each attract generally less than 6-7% of respondents, with particularly low engagement among older Australians. Taken together, the results point to a system where support is highly personalised, informal, and unevenly accessed, with older people and men most likely to disengage altogether, and formal services playing a limited but stabilising role rather than acting as the primary support mechanism.

More or less in control of your life than 12 months ago (net balance)



Perceptions of being in control of their lives improved markedly among Australians in early-2026. The share who said they felt more in control of their life than a year ago rose from a net +15% in Q4 2025 to +27% in Q1 2026, pointing to a broad-based improvement in sentiment around agency and personal circumstances as the year began.

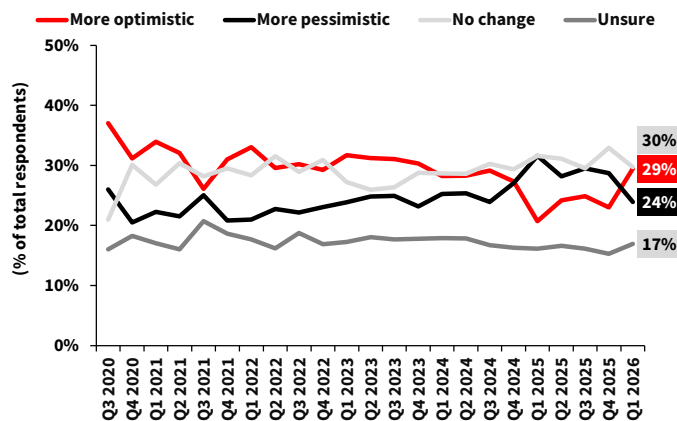
The improvement was also evident across all age groups but was strongest among younger people. Australians aged 18-29 already reported feeling relatively high levels of control in Q4 2025 (+39%), and this rose further to +48% in Q1 2026. Notably, large gains were also recorded among older cohorts, with the net number of 50-64 year olds feeling in control of their lives up sharply from +5% to +23%, while those aged 65+ moved from -1% to +10%, indicating a meaningful turnaround from net negative perceptions. Perceptions of feeling in control among middle-aged Australians (30-49) also improved materially from +16% to +27%.

Gender differences were modest, with both groups recording similar improvements. The net number of men reporting greater control increased from +15% to +26%, while women rose from +16% to +29%, leaving women marginally more positive in Q1 2026. This points to a broadly shared uplift rather than a gender-specific shift.

Income differences remain evident, though improvements were seen in all income levels. Higher-income respondents continue to feel more in control of their life, with the number feeling this way among those earning \$100,000+ up from +25% to +34%, the highest of any income group. However, lower, and middle-income groups also recorded sizeable gains. Australians earning \$35-50k increased from +5% to +25%, while those with incomes of \$35,000 rose from +6% to +18%. This suggests that while financial security still matters for perceived control, sentiment improved broadly rather than being confined to top earners.

Taken together, the data point to a clear and widespread improvement in how Australians perceive their control over their lives compared to a year ago entering 2026, with particularly strong rebounds among older age groups and lower-income households, albeit from weaker starting points.

How does thinking about the future in general make you feel?



Across 2025, sentiment about the future was consistently cautious, with pessimism about how thinking about the future made Australians feel outweighing optimism throughout the year. A clear shift however emerged in Q1 2026, where the number of Australians who said that thinking about the future made them feel more optimistic rose sharply to 29%, from 23% in the previous quarter. It also marked the first time since Q3 2024 when optimists outweighed pessimists.

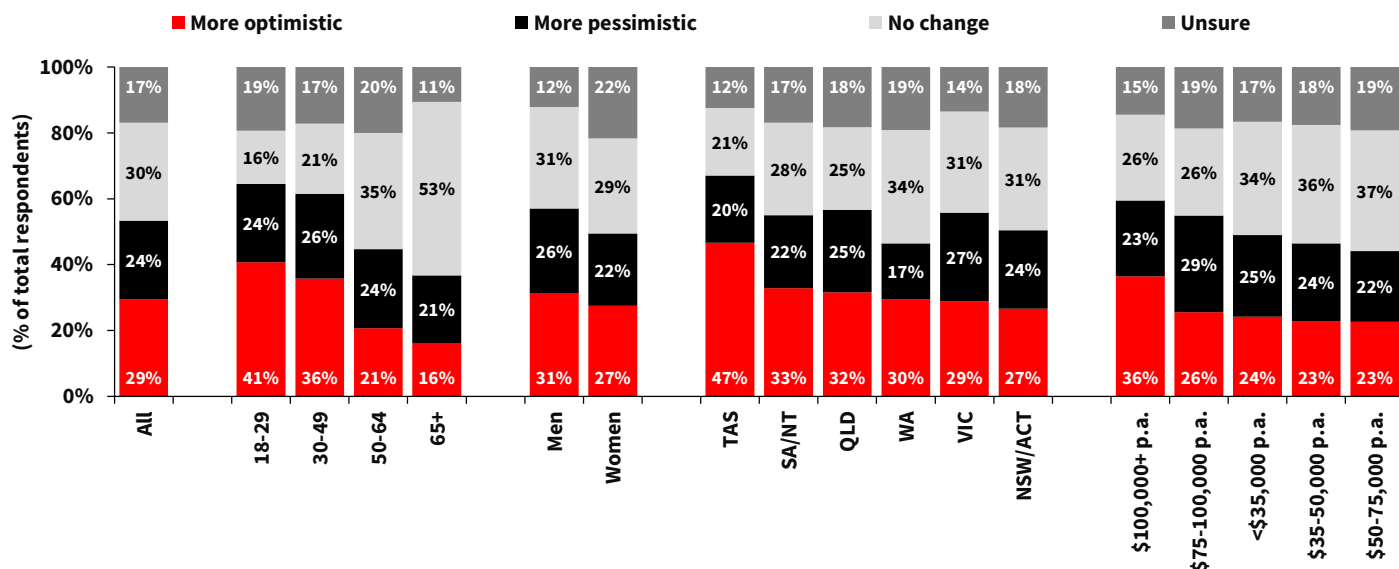
But this improvement did not come from a collapse in caution. Optimism seems to have risen because fewer consumers felt actively negative (24%) rather than because confidence has become widespread. Around 30% of Australians still reported no change and 17% were unsure, broadly in line with late-2025 outcomes. In other words, expectations have improved, but they remain conditional and fragile, rather than decisive.

Age is the clearest differentiator when Australians are asked how thinking about the future makes them feel. Younger adults aged 18-29 (41%) are markedly more optimistic than those aged 65+ (16%). Optimism also steadily declines with age, while

neutrality rises sharply with a majority of older Australians 65+ reporting no change (53%). This pattern points to younger cohorts retaining a forward-looking mindset, while older groups appear more resigned or settled rather than overtly pessimistic.

Gender differences are also present but modest. Men are slightly more optimistic than women (31% versus 27%), and less likely to be unsure (12% versus 22%). Women are more evenly spread across optimism, neutrality, and uncertainty, suggesting greater hesitancy or mixed feelings about the future rather than stronger pessimism by itself.

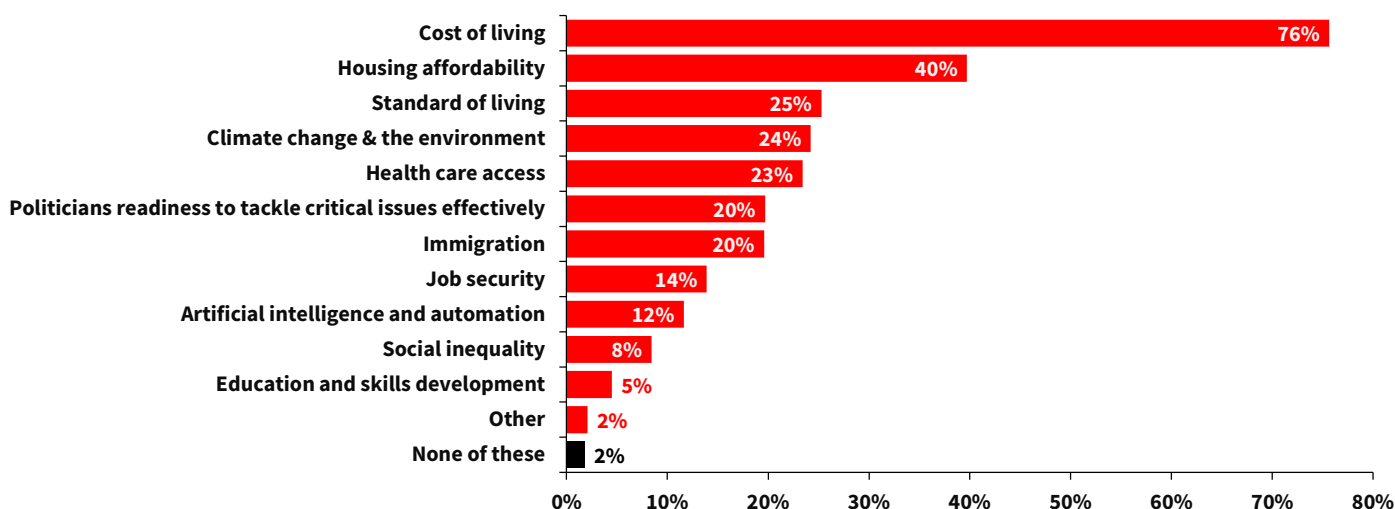
How does thinking about future in general make you feel (Q1 2026)



State results were mixed. Tasmania stands out with the highest optimism (47%), while neutrality dominates in WA (34%) and VIC (31%). By income, optimism rises with earnings. Only 23-24% of Australians earning \$75,000 or less feel more optimistic, compared with 36% among those earning \$100,000+. Lower-income groups are also more likely to report no change (mid-30% range), indicating constrained expectations rather than outright pessimism.

Together, these results suggest that confidence about the future is strongest where economic buffers are largest, while financial pressure is associated with emotional flatness and caution rather than despair.

Issues that concern you the most about the future looking ahead to the medium to longer-term



Looking ahead to the medium to longer-term, cost of living pressures overwhelmingly is the most common issue of concern according to 76% of Australians overall. This is nearly double the next most common issue, housing affordability (40%), highlighting that everyday price pressures remain far more salient to households than structural or longer-run challenges. The

next most common issues of concern sat well below the headline issues, with worries about standard of living (25%), climate change and the environment (24%), and health care access (23%) clustered closely together.

Concerns over institutional effectiveness and broader economic settings are present but less widespread. Around 1 in 5 Australians highlighted politicians’ readiness to tackle critical issues effectively (20%) and immigration (20%) as key issues, suggesting moderate unease but not widespread alarm. Traditional labour-market anxiety appears relatively muted, with job security cited as an issue by just 14% of Australians, indicating that longer-term worries are currently being shaped more by affordability and service access than by employment risk.

Notably, emerging and structural themes attract limited concern. Only 12% highlighted artificial intelligence and automation as an issue, while social inequality (8%) and education and skills development (5%) sat near the bottom of the list. Very few Australians said that “none of these” issues concern them (2%) and just 2% “other” issues, reinforcing that most consumers hold clear views about future risks. Overall, the pattern suggests consumers remain firmly focused on immediate financial sustainability and living costs, with less attention given to longer-term transformational or systemic issues unless they directly affect household budgets.

Issues that concern you the most about the future looking ahead to the medium to longer term

	All	18-29	30-49	50-64	65+	Men	Women	<\$35,000	\$35-50,000	\$50-75,000	\$75-100,000	\$100,000+
Cost of living	76%	74%	80%	78%	68%	72%	79%	76%	74%	77%	73%	76%
Housing affordability	40%	56%	45%	33%	19%	39%	40%	38%	31%	40%	42%	41%
Standard of living	25%	27%	26%	28%	20%	27%	24%	28%	24%	24%	29%	25%
Climate change & the environment	24%	23%	24%	22%	28%	23%	26%	16%	25%	25%	28%	24%
Health care access	23%	11%	19%	28%	40%	22%	25%	30%	29%	30%	24%	19%
Politicians’ readiness to tackle critical issues effectively	20%	12%	16%	20%	32%	22%	17%	15%	23%	19%	18%	21%
Immigration	20%	16%	15%	23%	27%	23%	16%	24%	20%	20%	19%	18%
Job security	14%	23%	18%	11%	1%	13%	14%	14%	12%	12%	14%	15%
Artificial intelligence and automation	12%	10%	10%	9%	18%	12%	11%	12%	17%	13%	9%	10%
Social inequality	8%	7%	10%	8%	8%	8%	8%	11%	7%	6%	9%	8%
Education and skills development	5%	6%	5%	3%	3%	5%	4%	4%	5%	2%	5%	6%
None of these	2%	2%	1%	2%	3%	2%	2%	3%	3%	2%	1%	2%
Other	2%	1%	2%	3%	3%	2%	2%	3%	0%	3%	2%	2%

Cost of living pressures dominate medium to long-term concerns in every demographic, with roughly three-quarters of respondents selecting it regardless of age, gender, or income. Concern is highest among 30-49 year olds (80%) and women (79%) and remains elevated even among higher income earners (\$100,000+ at 76%). While concern eases slightly among those aged 65+ (68%), cost of living is still by far the most salient issue for older Australians, underscoring that inflationary pressures are broadly felt rather than confined to specific cohorts.

Housing affordability shows the clearest age gradient, highlighting structural, life-stage driven pressures. A majority of younger adults aged 18-29 (56%) cite housing affordability as a key concern, compared with just 19% of those aged 65+. Concerns are also higher among higher-income earners (\$75-100,000 at 42% and \$100k+ at 41%) than middle-income groups, suggesting that affordability challenges persist even for households with stronger earnings. This pattern reinforces that housing stress is not just a low-income issue, but one that increasingly affects aspirational and established buyers.

Other concerns vary more meaningfully by age. Health care access rises sharply with age, from just 11% among 18-29 year olds to 40% among those aged 65+, making it one of the most age-polarised issues. Similarly, concern about politicians’ readiness to tackle critical issues increases steadily with age, peaking at 32% among older Australians. By contrast, job security is primarily a younger-person concern (23% among 18-29 year olds), falling to just 1% among those aged 65+, consistent with retirement reducing labour market exposure.

Issues like climate change, immigration and artificial intelligence sit firmly in the second tier of concern, each nominated by around one-quarter or less in all groups, with modest variation by demographic. Climate change is slightly higher for women (26%) and the 65+ age group (28%), while AI and automation concern is most pronounced in older cohorts (18% among 65+ versus around 10% for younger groups). Those not concerned ranged from (1-3%) across all groups, reinforcing that most Australians do have substantive medium to long-term concerns, even if they differ in emphasis by age and life stage.

Taken together, new research from NAB strongly suggests that the improvement in wellbeing in Q1 2026 did not occur because pressures suddenly disappeared. In fact, Australians continue to report widespread economic, financial, and personal challenges, with cost of living pressures, uncertainty about the future and financial stress still affecting large parts of the population.

What changed in early-2026 was how people felt they were coping with those pressures, rather than the pressures themselves. Throughout the past six months, Australians have faced overlapping challenges that cut across finances, health, work, and social connection. Only a small minority experienced no stressors at all, underscoring that strain has been widespread rather than isolated.

But by Q1 2026, wellbeing indicators began to lift because many people appeared to have moved from acute stress toward adjustment. Instead of feeling overwhelmed or losing control, more Australians reported a growing sense that they were managing their circumstances better than a year earlier. This shift is most clearly captured in the sharp rise in perceived control over life, which improved markedly across all age and income groups entering 2026.

This regained sense of agency is a critical link between persistent pressure and improving wellbeing. Even though cost of living concerns remains dominant and uncertainty about the future is still elevated, particularly among younger and lower-income Australians, people increasingly feel less powerless in the face of these challenges. The data suggests that households have begun to adapt, reassessing budgets, resetting expectations, leaning on social networks, and finding ways to stabilise day-to-day, even if longer-term risks remain unresolved.

Support-seeking behaviour helps explain why this adaptation has translated into improved wellbeing. Half of Australians who experienced challenges reached out to family or friends, making informal support the backbone of coping strategies. While formal services such as GPs and mental health professionals played a secondary role, their presence provided an important stabilising layer, particularly for younger people. This reliance on personal networks appears to have softened the psychological impact of economic strain, helping people feel less isolated even when pressures persisted.

At the same time, the improvement in wellbeing did not reflect a surge in confidence about the future. Optimism did rise in Q1 2026, but largely because fewer Australians felt actively pessimistic rather than because confidence became widespread. A sizeable share still reported feeling neutral or unsure, indicating that the lift in wellbeing is best understood as relief and resilience, not exuberance. People are feeling better because things feel more manageable, not because risks have disappeared.

Age and income dynamics reinforce this interpretation. Younger Australians remain more exposed to financial stress, uncertainty, and emotional challenges, yet they also showed the strongest gains in perceived control, suggesting a rebound from particularly low points. Older Australians, while facing fewer acute stressors, recorded meaningful improvements as well, indicating a broad-based normalisation rather than a narrow recovery. Lower-income households still face heavier structural pressures, but even here, perceived control improved, pointing to psychological recovery occurring alongside economic strain rather than after it.

Taken together, the Q1 2026 wellbeing lift reflects a transition from shock to endurance. Australians are still worried about costs, housing, and the future, but they feel more capable of navigating these realities than they did a year earlier. The data suggests that wellbeing improved not because life became easier, but because people regained a sense of control, leaned on support networks, and adjusted expectations, allowing resilience to re-emerge even in a challenging environment.

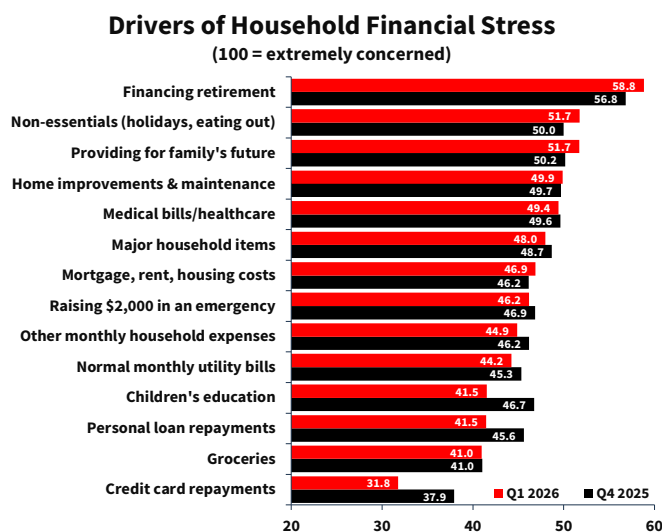
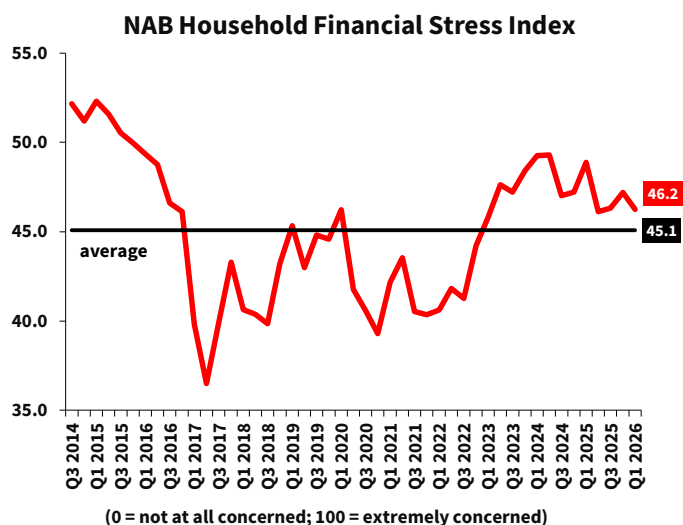
Financial Wellbeing and Resilience

The NAB Household Financial Stress Index focuses on how financial pressures shape Australians' wellbeing. It brings together multiple cost-related stressors - including healthcare, housing, utilities, credit and personal loans, education, groceries, insurance, holidays, entertainment, unexpected expenses, retirement funding, household items, and home maintenance. Despite these pressures, many households continue to show strong financial resilience. Importantly, financial stress and resilience often coexist. Understanding this relationship helps reveal how people adapt during periods of strain. Not all groups however experience stress equally.

Household financial anxiety eased modestly in Q1 2026 but remained elevated overall. The NAB Financial Anxiety Index declined from 47.2 in Q4 2025 to 46.2 in Q1 2026, still above its long-run average of 45.1. This suggests some improvement in households perceived financial position at the margin, though anxiety remains widespread across most expense categories, pointing to a cautious rather than confident consumer mindset.

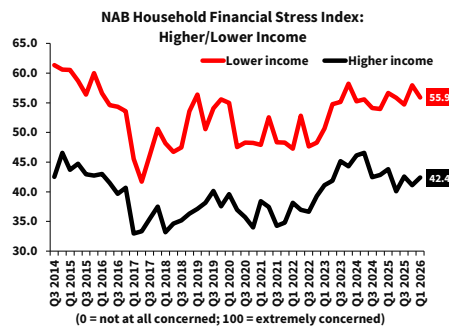
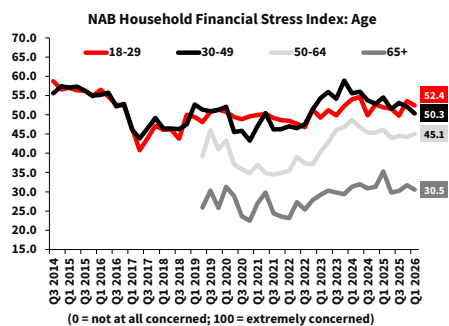
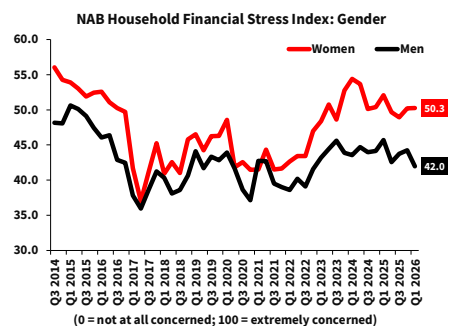
Cost of living pressures continue to be a major source of stress, although conditions appear to be stabilising. Anxiety around groceries was unchanged at 41.0 in Q1 2026, slightly above its long-run average of 39.1, while concern about normal monthly utility bills eased from 45.3 to 44.2. Housing related anxiety remains elevated, with concern about mortgage, rent and housing

costs edging up to 46.9, above its historical average of 45.0. Together, these results suggest essential expenses are no longer worsening sharply, but they continue to weigh heavily on household confidence.



Debt related anxiety shows some of the clearest improvement. Anxiety around credit card repayments fell sharply from 37.9 in Q4 2025 to 31.8 in Q1 2026, well below its long-run average of 35.2. Concern about personal loan repayments also declined, from 45.6 to 41.5, close to its historical norm. This points to households adjusting to higher interest rates, paying down debt, or experiencing a slowing in debt-servicing pressures compared with earlier periods.

By contrast, longer-term financial concerns remain the most acute. Anxiety about financing retirement rose further to 58.8 in Q1 2026 (from 56.8), the highest of all categories and well above its long-run average of 56.2. Concerns about providing for the family's future also increased to 51.7 (from 50.2) broadly in line with historical levels. These elevated longer-term concerns suggest that while near-term pressures and debt anxieties are easing, uncertainty about future financial security continues to anchor overall household anxiety and reinforce a defensive approach to spending and saving.



Across key groups, financial stress is consistently higher for women (50.3) than men (42.0), and peaks among younger and mid-life households, with those aged 18-29 (52.4) and 30-49 (50.3) reporting materially higher stress than older Australians, particularly those 65+ (30.5). This age gradient suggests financial pressure is most acute among cohorts still building assets, servicing housing costs and managing family-related expenses.

Concerns are most pronounced around long-term financial security, especially financing retirement, which is the single largest stress point across most groups. Anxiety here reaches 62.7 for women and 68.8 for lower-income households, compared with 54.8 for men and 55.6 for higher-income households. Similarly elevated stress is evident around providing for the family's future, particularly among 18-29 year olds (59.5) and lower-income households (57.1). This suggests that uncertainty about future affordability and financial resilience is a central driver of overall stress, even beyond immediate cost of living pressures.

Day-to-day expenses also remain a significant source of strain, especially for lower-income households. Stress related to groceries (54.3), utilities (57.8) and other monthly household expenses (57.0) is materially higher for Australians on lower income than for those on higher income (all near or below 40). Housing-related costs continue to weigh on younger Australians, with anxiety around mortgage, rent and housing costs highest among 18-29 year olds (54.9) and 30-49 year olds (51.0), compared with just 28.2 for those aged 65+. This reinforces the view that housing affordability remains a key pressure point shaping financial sentiment for working age households.

NAB Household Financial Stress Index: Key groups (Q1 2026)

	All	Women	Men	18-29	30-49	50-64	65+	Lower income	Higher income
Financing retirement	58.8	62.7	54.8	58.8	64.1	62.8	44.0	68.8	55.6
Non-essentials (holidays, eating out)	51.7	57.1	46.2	58.2	56.1	50.0	38.6	58.9	49.2
Providing for family's future	51.7	56.5	46.7	59.5	56.8	49.9	32.3	57.1	48.8
Home improvements & maintenance	49.9	53.9	45.5	54.6	53.8	51.3	35.4	56.7	48.0
Medical bills/healthcare	49.4	54.0	44.5	53.7	52.3	50.5	38.6	60.4	44.7
Major household items	48.0	52.2	43.3	53.0	52.6	48.6	33.5	59.4	44.7
Mortgage, rent, housing costs	46.9	50.6	42.9	54.9	51.0	43.3	28.2	54.8	42.8
Raising \$2,000 in an emergency	46.2	50.8	41.1	56.0	50.6	43.7	30.7	62.3	40.4
Other monthly household expenses	44.9	49.5	39.9	51.1	48.4	44.4	32.6	57.0	39.4
Normal monthly utility bills	44.2	48.9	39.2	50.4	48.1	43.9	31.4	57.8	39.2
Children's education	41.5	43.9	38.9	48.0	47.1	34.2	12.5	42.3	40.3
Personal loan repayments	41.5	44.2	38.8	49.7	44.0	37.0	23.7	54.8	36.6
Groceries	41.0	45.2	36.3	47.5	45.3	40.6	26.9	54.3	35.0
Credit card repayments	31.8	34.3	29.4	38.8	34.4	30.7	19.4	38.0	28.9
NAB Financial Stress Index	46.2	50.3	42.0	52.4	50.3	45.1	30.5	55.9	42.4

Financial buffers remain thin for many households. Stress associated with raising \$2,000 in an emergency sits at 46.2 overall, but rises sharply to 50.8 for women, 56.0 for 18-29 for year olds and 62.3 for lower-income households, underscoring limited short-term resilience. Combined with elevated anxiety around discretionary spending such as non-essentials (57.1 for women, 58.2 for 18-29 year olds and 58.9 in the lower-income group), this suggests households are continuing to prioritise essentials, defer larger purchases, and are still cautious in their spending behaviour.

NAB Household Financial Stress Index: States & Regions (Q1 2026)

	NSW/ACT	VIC	QLD	WA	SA/NT	TAS	Capital	Regional	Rural
Financing retirement	59.6	57.7	61.5	54.5	60.0	52.9	57.3	61.6	62.9
Non-essentials (holidays, eating out)	52.4	50.4	52.9	49.5	53.8	50.3	50.4	54.3	54.8
Providing for family's future	53.0	49.6	54.4	48.2	52.6	45.3	50.1	54.4	55.9
Home improvements & maintenance	49.0	49.7	52.8	47.4	51.1	47.1	48.7	51.8	53.1
Medical bills/healthcare	50.6	48.8	50.5	46.7	47.3	49.9	47.3	52.9	55.0
Major household items	48.4	47.1	49.6	45.2	48.5	47.3	46.1	51.1	52.6
Mortgage, rent, housing costs	47.5	46.0	49.3	44.3	45.2	45.3	45.4	47.6	54.4
Raising \$2,000 in an emergency	46.9	45.4	47.4	42.2	48.1	46.2	43.8	50.8	51.6
Other monthly household expenses	46.3	43.0	45.5	42.2	47.1	43.2	42.6	48.2	51.6
Normal monthly utility bills	45.7	42.1	45.6	41.5	45.9	42.1	42.3	46.4	51.4
Children's education	41.2	40.5	42.6	45.6	39.4	36.7	41.1	41.1	44.9
Personal loan repayments	42.8	38.6	43.4	35.7	46.9	44.6	40.3	42.0	47.5
Groceries	42.0	38.8	42.2	38.9	43.3	40.5	38.9	43.7	47.7
Credit card repayments	33.2	31.5	31.3	32.0	29.8	24.4	30.4	33.2	37.9
NAB Financial Stress Index	47.0	44.9	47.8	43.9	47.1	44.0	44.6	48.5	51.5

Household financial stress remains elevated across Australia, with the NAB Financial Stress Index highest in rural areas (51.5) and regional areas (48.5), compared with capital cities (44.6). By state, stress was most pronounced in Queensland (47.8), SA/NT (47.1) and NSW/ACT (47.0), while Western Australia (43.9), Tasmania (44.0) and Victoria (44.9) reported comparatively lower overall stress. The regional skew highlights that financial pressures are more acute outside capital cities, reflecting lower incomes, higher exposure to essential cost increases, and fewer financial buffers.

Across all states and regions, long-term financial concerns dominate, with financing retirement the single largest source of anxiety. Stress in this area exceeds 60 in Queensland (61.5), SA/NT (60.0) and is highest in rural Australia (62.9) and regional areas (61.6). Similarly, concern about providing for the family's future is elevated in Queensland (54.4) and rural areas (55.9),

compared with 45.3 in Tasmania. These results suggest that uncertainty about long-term financial security remains a key driver of overall stress, particularly outside major cities.

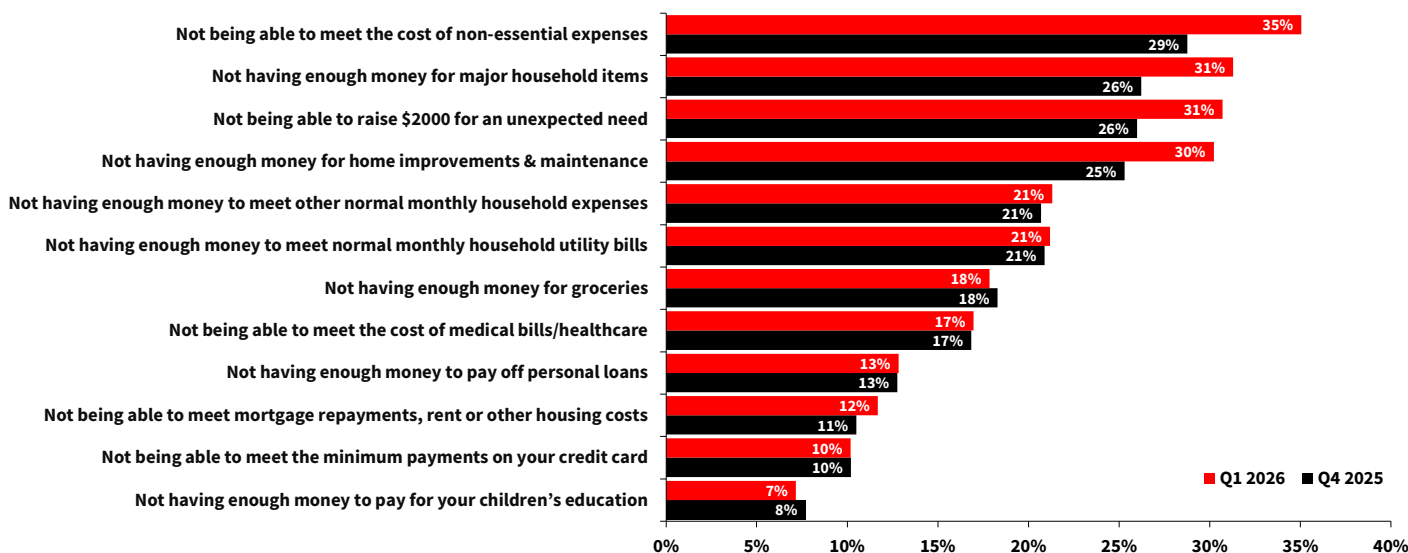
Cost of living pressures continue to weigh heavily, especially in regional and rural areas. Anxiety around non-essential spending is higher in regional (54.3) and rural areas (54.8) than in capital cities (50.4), indicating reduced discretionary capacity. Stress related to groceries rises sharply from 38.9 in capital cities to 47.7 in rural areas, while concern about normal utility bills increases from 42.3 in capitals to 51.4 in rural regions. This gradient suggests households outside capital cities are experiencing more intense pressure from everyday expenses.

Housing-related and liquidity concerns further reinforce this pattern. Stress associated with mortgage, rent and housing costs reaches 54.4 in rural areas, well above 45.4 in capital cities, while anxiety about raising \$2,000 in an emergency is highest in rural Australia (51.6) and regional areas (50.8). Together, these indicators point to thinner financial buffers and greater vulnerability to shocks outside metropolitan areas, reinforcing cautious household behaviour and ongoing restraint on both discretionary and major spending decisions.

Experiences of financial stress

In this section, we look at how many people actually experienced each type of stress in the past three months to find out which pressures are genuinely biting and who is being hit hardest. This matters because though the NAB Financial Stress Index alone can imply broad stress, incidence data tells us where the pressure points actually are - for example whether households are missing bills, struggling with essentials, or facing liquidity shocks. It helps distinguish between groups that are coping and groups that are slipping.

Experienced any of these stresses in the last 3 months



Incidence data points to a persistent level of financial pressure for Australian households into early 2026, with little improvement across many essential expense categories. In Q1 2026, 21% of respondents reported not having enough money to meet normal monthly household utility bills, unchanged from Q4 2025, while the same share (21%) struggled to cover other normal household expenses. Cost pressures around groceries also remain elevated, with 18% reporting difficulty affording groceries in both quarters. These flat outcomes suggest that cost of living stress has become entrenched rather than cyclical, particularly for day-to-day essentials that households have limited ability to substitute away from.

Housing and debt-related pressures show similarly limited relief. The share of respondents unable to meet mortgage repayments, rent or other housing costs edged up slightly from 11% in Q4 2025 to 12% in Q1 2026, while difficulty meeting minimum credit card repayments remained steady at 10%. Struggles to pay off personal loans were also unchanged at 13%. Together, these results indicate that while acute deterioration has not occurred, a meaningful minority of households continue to face tight cash flow conditions across both secured and unsecured debt obligations.

More notable deterioration is evident in discretionary and resilience-related measures. The share of consumers unable to meet the cost of non-essential expenses rose sharply from 29% to 35% over the quarter, while those unable to raise \$2,000 for an unexpected expense increased from 26% to 31%. Similar increases were recorded for major household items (26% to 31%) and home improvements and maintenance (25% to 30%). These shifts suggest that households are increasingly pulling back on discretionary spending and losing financial buffers, which has implications for consumption momentum and economic resilience even if essential spending pressures appear broadly stable.

Experienced any of these financial stresses in the last 3 months (Q1 2026)

	All	18-29	30-49	50-64	65+	Men	Women	Lower income	Higher income
Not being able to meet the cost of non-essential expenses	35%	43%	41%	31%	20%	28%	42%	46%	32%
Not having enough money for major household items	31%	33%	37%	31%	20%	25%	37%	46%	27%
Not being able to raise \$2000 for an unexpected need	31%	38%	35%	28%	18%	25%	36%	50%	24%
Not having enough money for home improvements & maintenance	30%	31%	35%	33%	19%	24%	36%	39%	29%
Not having enough money to meet normal monthly household utility bills	21%	25%	24%	21%	14%	16%	25%	36%	16%
Not having enough money to meet other normal monthly household expenses	21%	27%	23%	21%	12%	16%	26%	37%	15%
Not having enough money for groceries	18%	24%	19%	19%	8%	13%	22%	36%	13%
Not being able to meet the cost of medical bills/healthcare	17%	24%	18%	16%	8%	12%	21%	28%	14%
Not having enough money to pay off personal loans	13%	24%	15%	9%	2%	12%	13%	21%	11%
Not being able to meet mortgage repayments, rent or other housing costs	12%	17%	14%	10%	4%	11%	12%	18%	9%
Not being able to meet the minimum payments on your credit card	10%	11%	13%	10%	4%	10%	11%	15%	10%
Not having enough money to pay for your children's education	7%	9%	11%	5%	1%	6%	8%	12%	7%

Age differences were pronounced, with consistently more younger Australians experiencing these stresses. Difficulty meeting non-essential costs affected 43% of 18-29 and 41% of 30-49 year olds, compared just 20% of those 65 and over. Inability to raise \$2,000 was reported by 38% of 18-29 year olds compared to 18% in the 65+ age group, while these not having enough for groceries fell from 24% to 8% across the same age groups. Debt-related pressures were also heavily skewed to younger cohorts, with 24% of 18-29s struggling to pay personal loans compared with just 2% of older Australians.

More women than men experienced all these financial stresses in the past 3 months. For example, 42% of women could not meet non-essential expenses compared with 28% of men, and 36% of women were unable to raise \$2,000 compared to 25% of men. Gaps are also evident for essentials, including utilities (25% versus 16%) and groceries (22% versus 13%), pointing to broader cost of living pressures among women.

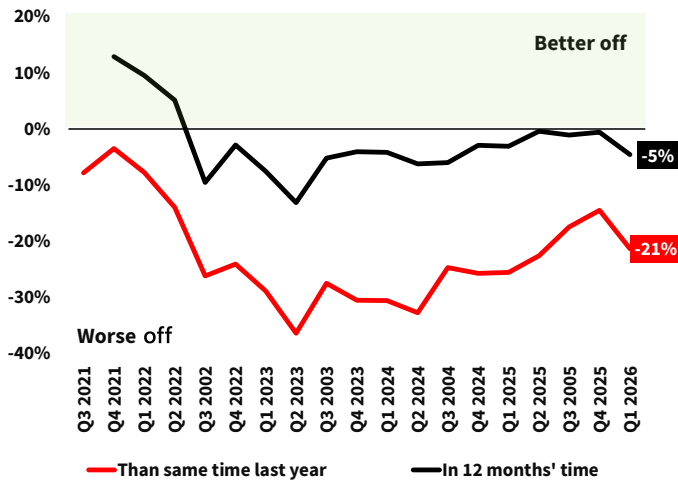
Nearly half of lower-income Australians reported difficulty meeting non-essential expenses (46%) and affording major household items (46%), compared with around a third of higher-income households (32% and 27% respectively). Lower-income households were also far more likely to have struggled with essentials - utilities (36% versus 16%), groceries (36% versus 13%) and healthcare (28% versus 14%), indicating that for this group, financial stress extends well beyond discretionary spending into core household needs.

How households feel they are travelling financially

Australians' perceptions of their financial position over the past year remained firmly negative through 2025 and into early 2026, pointing to persistent cost of living pressure. In Q1 2025, the net balance who felt worse than better off financially stood at -26%, improving only modestly to -23% in Q2 2025. Conditions appeared to ease in the second half of the year, lifting to -17% in Q3 2025 and -15% in Q4 2025, the least negative outcomes since mid-2022. However, this improvement proved fragile, with perceptions in Q1 2026 falling back to -21%, signalling a renewed rise in financial stress.

Forward-looking expectations mirrored this pattern. While the net number who felt they would be worse than better off in a year from now briefly improved from -3% in Q1 2025 to 0% in Q2 2025, they slipped back into negative territory in Q3 and Q4 2025 (1%), before weakening further to -5% in Q1 2026. Together, these results suggest that any late-2025 relief was short-lived, with households entering 2026 both feeling worse off than a year earlier and increasingly pessimistic about their financial outlook over the year ahead.

Better or worse of financially (net)

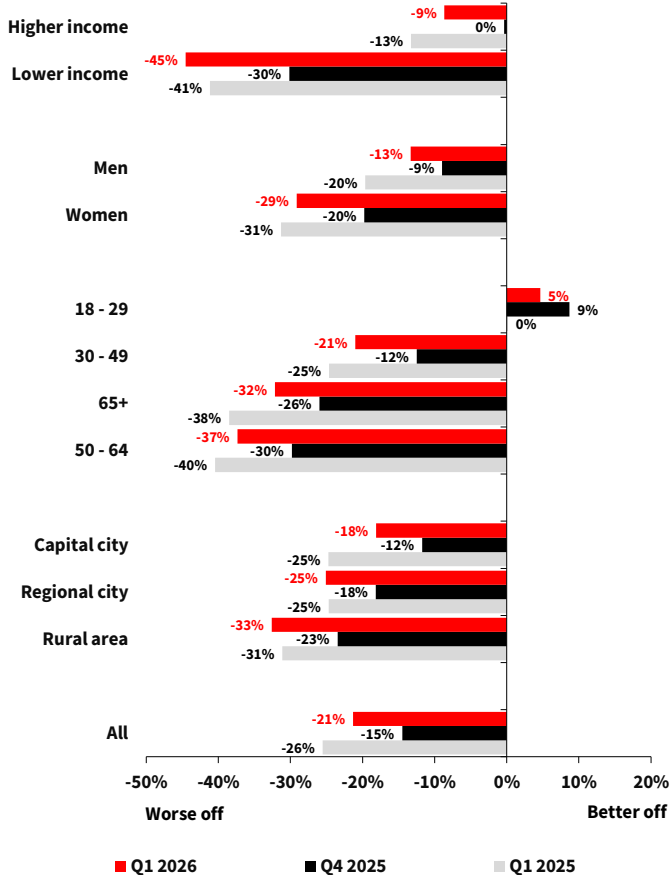


More Australians on balance continue to report that their household finances are worse than a year ago, with the deterioration broad-based but uneven across key groups. Financial pressure was most acute in lower income households (-45%), for women (-29%), and older Australians, particularly those 50-64 (-37%) and 65+ (-32%). These outcomes are consistent with groups that tend to have less flexibility to absorb higher living costs or are more exposed to essential expenses, suggesting that cost of living pressures remain a dominant constraint on household finances.

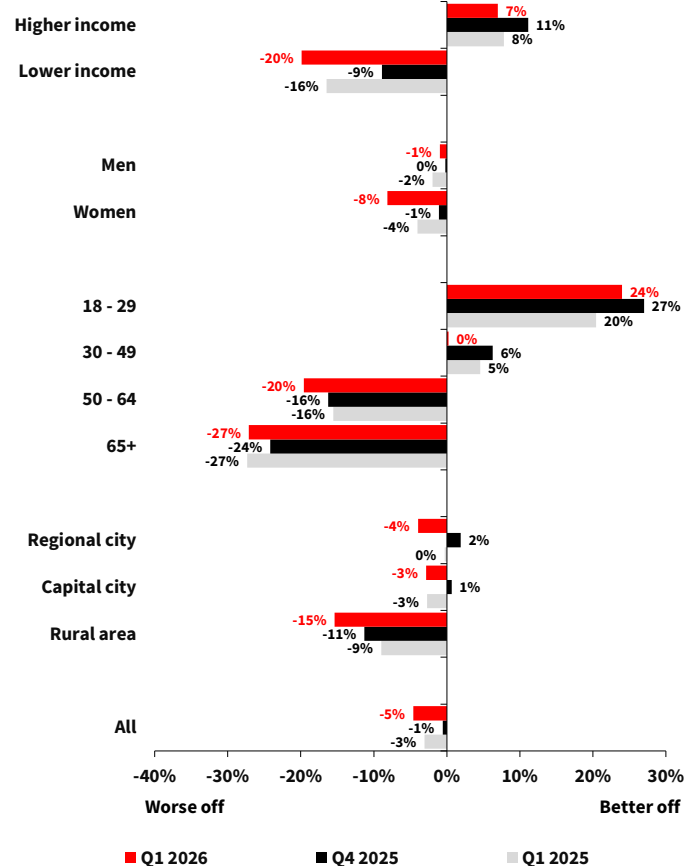
Geographically, those feeling worse off was more pronounced outside capital cities, led by rural areas (-33%) versus -18% in capital cities. This points to ongoing differences in financial resilience by location, potentially reflecting weaker income growth, higher transport and essential service costs, or fewer opportunities to adjust spending in non-metro areas. Taken together, this suggest that while financial pressure is widespread, it is being felt most intensely by households with fewer buffers or less scope to smooth shocks.

While assessments of the past year remain firmly negative, expectations for the year ahead are comparatively less pessimistic, though they have softened. Importantly, the same pattern of divergence persists in forward-looking views. Lower income households (-20%), rural residents (-15%), and Australians 65 and older (-27%) continue to expect their finances to deteriorate, indicating that many households under pressure do not yet see clear relief ahead. This suggests that concerns around income growth, living costs, and financial security remain unresolved for these groups.

Better or worse off financially than same time last year (net balance)



Better or worse off financially in 12 months' time (net balance)



By contrast, higher income households remain net positive (+7%), and 18-29 year olds are strongly optimistic (+24%), reinforcing a growing split between households that expect conditions to stabilise or improve and those bracing for further

strain. This divergence matters for consumer behaviour. Households with persistently negative assessments and expectations are more likely to remain cautious, prioritising essential spending and financial resilience, while more optimistic cohorts may be better positioned to normalise discretionary spending over time. Overall, the results point to a recovery in confidence that remains uneven and conditional, with aggregate improvements likely to be constrained until financial conditions improve more broadly across vulnerable groups.

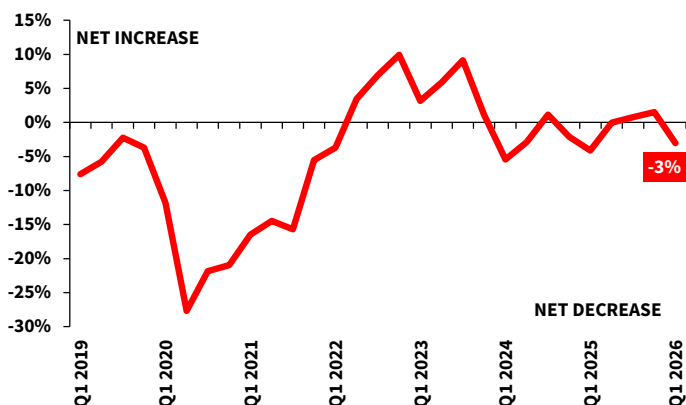
The impact of income, savings, and debt

The ABS Australian Wage Price Index rose by 0.8% in the December quarter, bringing annual growth to 3.4%. Annual wage growth has fallen slightly behind inflation (3.8%), signalling a reduction in real wages. This is consistent with self-reported income movements in the survey showing that more Australian in Q1 2026 on balance reported income declines than increases (-3%). This marked a clear deterioration from the previous quarter when more on balance reported income increases (+2%).

Beneath the headline, the survey also revealed meaningful distributional differences. Men (+3 down from 6%) and higher-income earners (+4% from +10%) continued to report relatively better outcomes, although even these groups saw momentum ease. In contrast, more women (-9% from -3%), low-income earners (-16% from -4%), and older workers particularly those aged 50-64 (-10% from -8%) experienced a decrease in self-reported incomes.

Overall, the results imply a labour market that remains tight enough to support ongoing wage growth, but not tight enough to deliver broad-based real income gains. Instead, income outcomes are becoming more polarised, with resilience concentrated among higher-income and prime-age workers, while others face growing financial strain. From a consumer behaviour perspective, this pattern is likely to weigh on discretionary spending, particularly among older and lower-income households, even as aggregate wage indicators appear relatively stable.

What happened to your level of household income in last 3 months (net balance)



What happened to your level of household income (net balance)

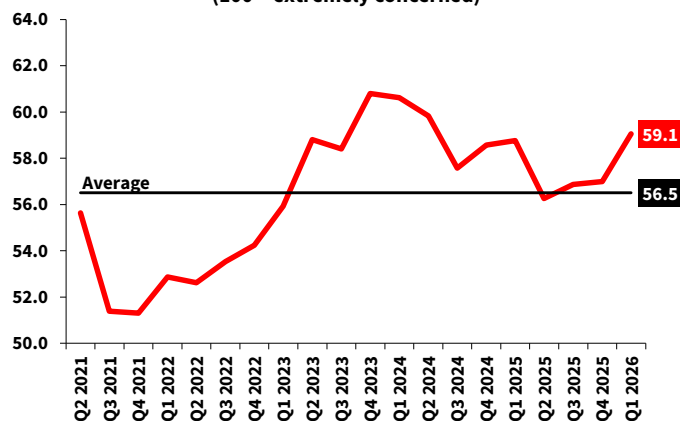
	Last 3 months	Previous Quarter
Women	-9%	-3%
Men	+3%	+6%
Age 18-29	0%	+3%
Age 30-49	-2%	+5%
Age 50-64	-10%	-8%
Age 65+	0%	+3%
Lower income	-16%	-4%
Higher income	+4%	+10%

Australians’ concern about their income or pay edged higher in the March quarter, rising to 59.1 from 57.0 in Q4 2025 and printed well above the long-run average 59.1.0

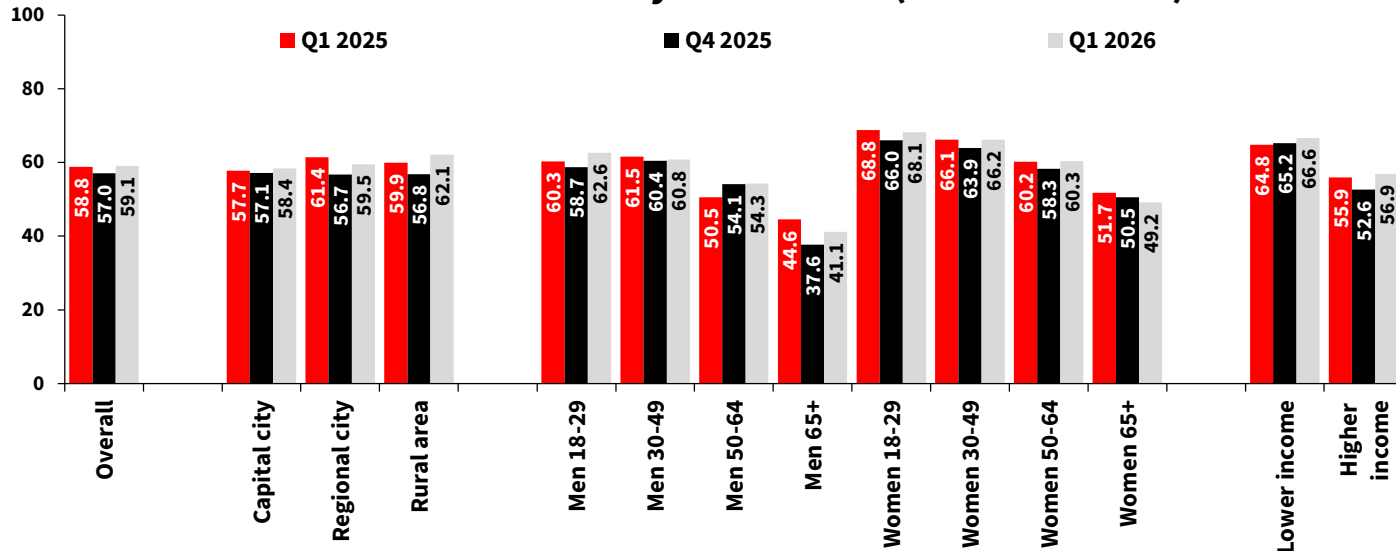
The increase was evident across geographies and most notable outside major cities. Concern rose modestly in capital cities (57.1 to 58.4) and more strongly in regional cities (56.7 to 59.5), while rural areas recorded the largest jump, climbing 5.3 points from 56.8 to 62.1, leaving rural Australians the most concerned about income and pay in Q1 2026.

Clear demographic differences also persist. Women reported materially higher concern than men in all age groups. Concern among women 18-29 was 68.1, compared to 62.6 for 18-29 year old men, with a wide gap also seen in the 30-49 group (66.2 women versus 60.8 men). This pattern extended into older age groups, with women aged 50-64 (60.3 versus 54.3) and women 65+ (49.2 versus 41.1) more concerned than men. Younger adults remain the most stressed overall, particularly young women, with men 65+ least concerned.

Concern over your income (100 = extremely concerned)



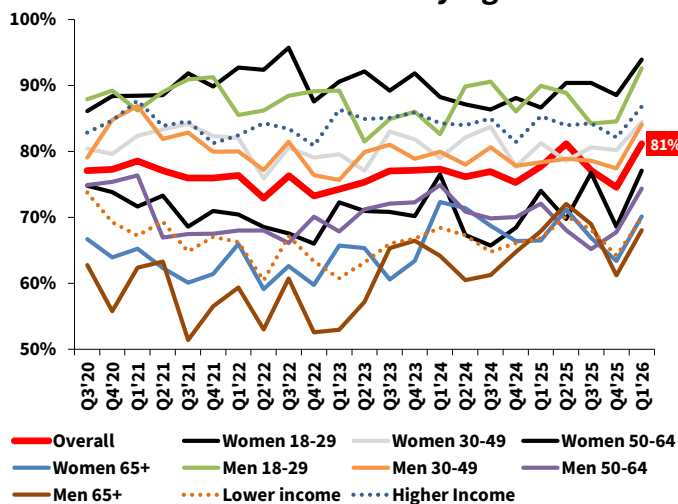
Level of concern over your income (100 = extreme)



By income, lower-income households remain the most concerned, with concern rising from 65.2 to 66.6 in Q1. However, the largest quarterly increase occurred among higher-income households, where stress jumped 4.3 points, from 52.6 to 56.9, suggesting income-related anxiety is broadening beyond traditionally vulnerable groups.

Taken together, the data point to a modest but widespread lift in income and pay stress in early 2026, with particularly sharp increases in rural areas, persistent gender gaps, and emerging signs of rising concern even among higher-income Australians.

Percent of Australians trying to save



The percentage of Australians trying to save rose notably in early-2026 to 81%, from 75% in the previous quarter and above average (77%). This uplift in savings intentions was broad-based, with every group reporting an increase over the quarter and most also printing above long term average levels.

Younger Australians are the most highly motivated savers - women 18-29 (94% up from 89%) and men 18-29 (93% up from 85%). Even in the lowest-saving groups - men 65 and over (68% up from 61%), women 65 and over (70% up from 63%) and in the lower income group (70% up from 64%) - around two-thirds to seven in ten report that they are trying to save, underscoring that saving remains a dominant financial priority.

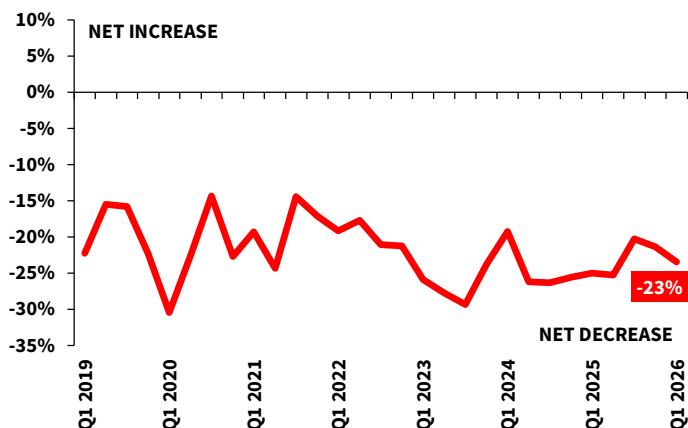
Overall, the data suggests Australians are doubling down on saving behaviour, with already-high saving cohorts becoming more entrenched and lower-saving groups also moving higher. At the behavioural level, strong and rising savings aspirations among Australians alongside falling real incomes and heightened concern over income or pay in Q1 2026 can also be seen as a classic precautionary response to heightened uncertainty.

The latest data from the ABS shows that the household saving to income ratio increased to 6.9 % in the December quarter, up from 6.1% in the September quarter. The ratio is now at its highest level since the September quarter 2022. Self-reported data from the NAB survey however found that more Australians said their savings fell in Q1 2026 compared to the previous quarter, with the overall balance negative at -23% (-21% in the previous quarter and -25% at the same time last year), indicating that many households still feel financially stretched.

More households reported that their savings decreased than increased in all key groups. There remains a clear gender gap, with considerably more women reporting weaker savings outcomes than men in Q1 2026 (-29% versus -17%), though the gap

narrowed marginally from the previous quarter (-28% versus -14%). This large and consistent differential, points to women being materially more likely to be drawing down savings (or not rebuilding buffers) relative to men.

What happened to your level of household savings in the last 3 months (net balance)



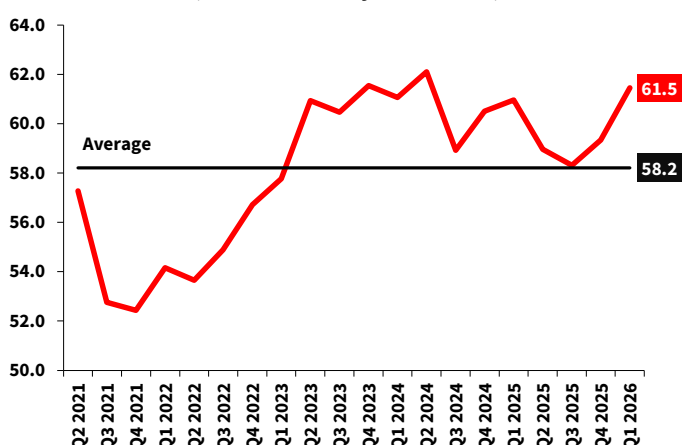
What happened to your level of household savings (net balance)

	Last 3 months	Previous Quarter
Women	-29%	-28%
Men	-17%	-14%
Age 18-29	-7%	-8%
Age 30-49	-27%	-19%
Age 50-64	-26%	-32%
Age 65+	-32%	-29%
Lower income	-38%	-42%
Higher income	-14%	-5%

By age, the oldest cohort was most strained. On balance, a net -35% of people 65 and over said their savings fell, up from -29%. In the 50-64 age group, -26% reported lower savings, though this improved from -32% in Q4 2025. In contrast, the number of 30-49 years who said their savings fell increased sharply to -27%, from -19% previously. More 18-29 year olds were also negative but far less so than older groups (-7%).

Income differences are even sharper. Lower income households are the clear outlier on the downside at -38% over the last 3 months (though down marginally from -42% in the previous quarter), signalling substantial ongoing pressure on their savings. Higher income households are also negative, but far less so at -14% in the last 3 months but up notably from -5% in the previous quarter, implying a meaningful deterioration in the latest period for higher incomes even if the level is still much stronger than lower income.

Concern over your level of savings (100 = extremely concerned)



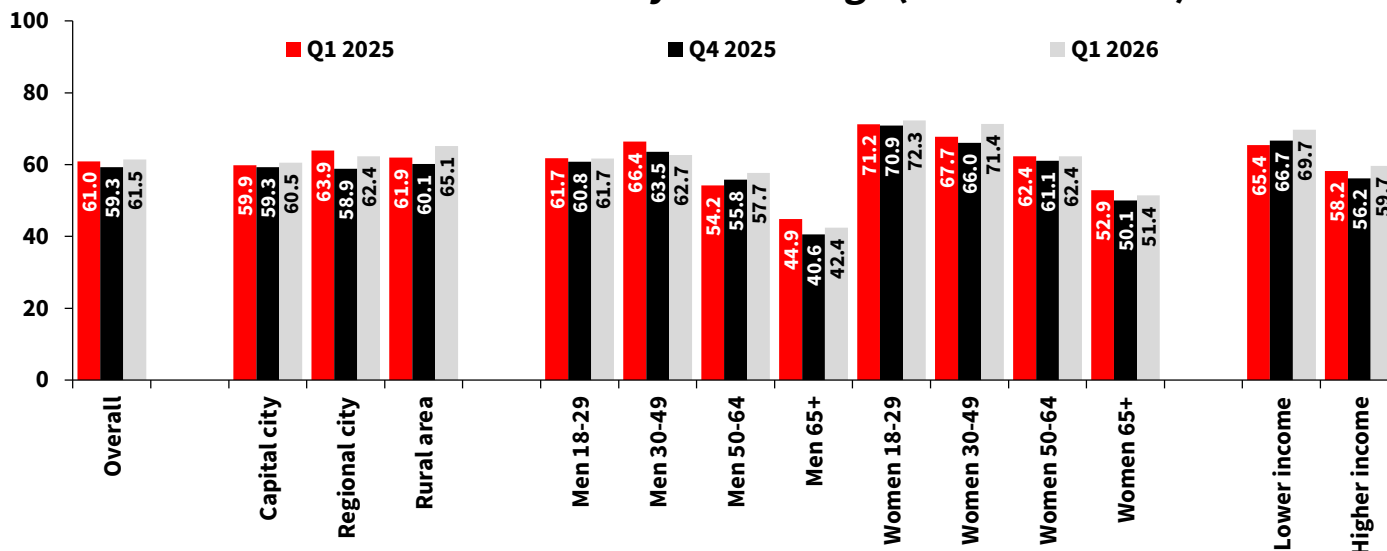
The overall level of concern among Australians about their savings rose in Q1 2026, lifting to 61.5 from 59.3 in Q4 2025, and remained comfortably above the series average (58.2).

Higher concern was most pronounced outside of capital cities. While concern in capital cities edged up only modestly (60.5 from 59.3), it rose more sharply in regional cities (62.4 from 58.9) and was highest and grew most in rural areas (65.1 from 60.1). This pattern implies that savings buffers (or confidence in being able to rebuild them) may have become more strained in non-metro areas over the quarter – see chart below.

By age and gender, women reported materially higher savings stress across every cohort, with some groups standing out as both high and rising. In Q1 2026, concern was highest for women 18-29 (72.3) and women 30-49 (71.4), with both age groups also scoring well above the national average. Women 30-49 also recorded the largest quarterly lift in the table (up 5.4 points). Men continue to report lower concern within all comparable age groups, with the lowest level of concern reported by men 65 and over (42.4), and far below every other monitored group.

Income differences are also sizeable, with lower-income households higher and still deteriorating. Australians in the lower income group scored their concern over their savings at 69.7, up from 66.7, while those in the higher income group scored 59.7, up from 56.2. While both groups worsened, the gap remained large at around 10 points, reinforcing that savings stress is much more acute among lower-income households even when conditions shift for everyone.

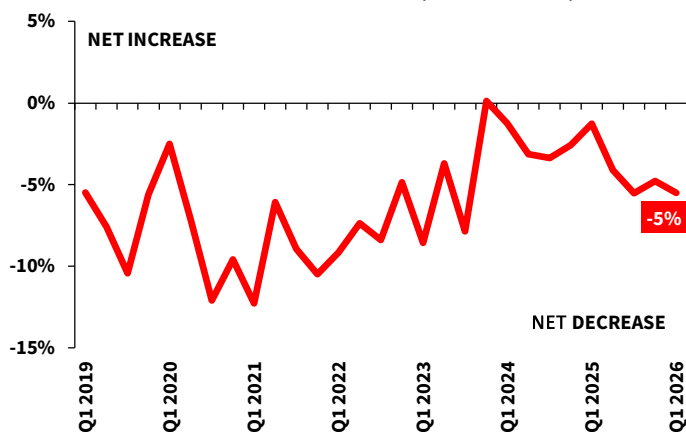
Level of concern over your savings (100 = extreme)



An unchanged number of Australians on balance (-5%) indicated that their household debt levels decreased in Q1 2026 but was higher than the number reported at the same time last year (-1%). Moreover, the net number that reported a decrease in household debt levels over the quarter exceeded the number who said debt levels increased in most key groups.

The clearest stand out was by income, with higher income households report the strongest net declines in debt (-11% versus -13% in the previous quarter), consistent with the idea that higher income earning Australians are most actively paying down liabilities. In contrast, Australians in lower income households were the only group in net positive territory, reporting rising debt levels on balance at +9%, and up +4% in the previous quarter suggesting that debt levels among these Australians are still building rather than being reduced.

What happened to your level of household debt in the last 3 months (net balance)



What happened to your level of household debt (net balance)

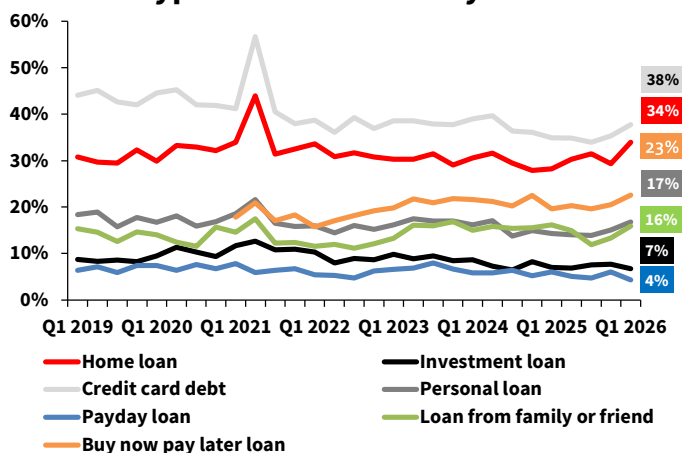
	Last 3 months	Previous Quarter
Women	-2%	-3%
Men	-10%	-7%
Age 18-29	-10%	-6%
Age 30-49	-4%	-2%
Age 50-64	-2%	-4%
Age 65+	-7%	-9%
Lower income	9%	+4%
Higher income	-11%	-13%

There also remains a meaningful gender gap. Substantially more men on balance reported a net decline in household debt levels than women (-10% versus -2%), and that divergence has persisted relative to the previous quarter (-7% versus -3%). In other words, men are not only more likely to be deleveraging, but the pace of deleveraging also looks stronger than for women in the most recent period.

By age, the most pronounced deleveraging was reported among younger consumers, with the net number of 18-29 year olds who said debt levels decreased reaching -10% (from -6% in the previous quarter), while slightly more 30-49 year olds on balance also reported lower debt at -4% (from -2%). More older cohorts on balance said debt levels fell in Q1 2026, but with slightly different momentum. In the 50-64 age group, those reporting lower debt in the last 3 months fell to -2% (from -4%), and in the 65+ group to -7% (from -9%). Overall, the age profile suggests deleveraging is broad-based, but strongest recently among 18-29 year olds and consistently material among those 65+.

Overall, our survey findings point to a two-speed household balance sheet story. On one side, most Australians, particularly higher income group and men, are reporting net debt reduction, while on the other side, lower income households are still accumulating debt with that pressure appearing to have also intensified from the previous quarter.

Types of debt currently held



Types of debts currently held (Q1 2026)

	Credit card	Home loan	BNPL	Pers. Loan	Family Friends	Invest loan	Payday loan
All	38%	34%	23%	17%	16%	7%	4%
Women	35%	32%	25%	16%	17%	6%	4%
Men	40%	35%	19%	17%	15%	8%	5%
18-29	20%	23%	28%	26%	24%	4%	5%
30-49	42%	51%	30%	22%	20%	9%	6%
50-64	47%	39%	18%	12%	12%	10%	3%
65+	39%	10%	9%	3%	5%	3%	1%
Low Inc	26%	11%	23%	14%	26%	3%	7%
High Inc	42%	51%	25%	20%	13%	9%	4%

NAB’s latest survey data showed a clear lift in the share of consumers holding debt in early-2026, particularly across housing and unsecured products. The proportion with a home loan rose sharply to 34% in Q1 2026, up from 29% in Q4 2025 and 28% a year earlier, marking the largest increase across debt types. Credit card debt remains the most common form of borrowing and also increased, rising to 38% in Q1 2026 from 35% in both Q1 and Q4 2025. Personal loans followed a similar pattern, edging up from 14% in Q1 2025 to 15% in Q4 2025 and 17% in Q1 2026.

Short-term and informal borrowing remain widespread. Buy now, pay later usage increased to 23% in Q1 2026, up from 20% in both Q1 and Q4 2025, while loans from family or friends returned to 16%, reversing a dip to 13% in Q4 2025 and matching the level seen a year earlier. In contrast, payday loan usage declined to 4% in Q1 2026, down from 6% in both Q1 and Q4 2025. Investment loan holdings were broadly stable across the period, sitting at 7% in Q1 2026 after 8% in Q4 2025.

Overall, the results point to a broad increase in the share of consumers carrying debt, particularly home loans, credit cards and BNPL, rather than a shift away from one product toward another.

Clear demographic differences emerge. Men are more likely to hold credit card debt (40% versus 35% for women), home loans (35% versus 32%), and investment loans (8% versus 6%), while women are more likely to use BNPL (25% versus 19%) and borrow from family or friends (17% vs 15%). This points to gendered differences in how consumers access credit, with women relatively more represented in alternative or informal borrowing channels, and men more exposed to traditional and asset-linked debt.

Debt profiles also vary sharply by life stage. Younger consumers (18-29) are far less likely to hold credit card debt (20%) or mortgages (23%), but show elevated use of BNPL (28%), personal loans (26%), and family or friend loans (24%), indicating greater reliance on short-term and non-bank credit early in the life cycle. Debt exposure peaks among those aged 30-49, who are the most likely to hold home loans (51%), BNPL (30%), and payday loans (6%), reflecting the financial pressures of mortgage servicing, family costs, and higher overall leverage.

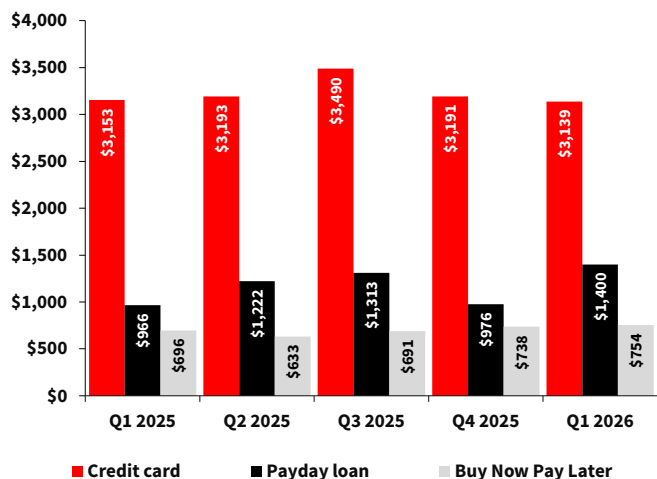
Among older cohorts, borrowing becomes more selective. Those aged 50-64 have the highest incidence of credit card debt (47%) and investment loans (10%), while consumers aged 65+ show very low exposure to most debt types, particularly home loans (10%), though credit cards remain common (39%).

Income differences are especially pronounced. High-income respondents are far more likely to hold home loans (51%), credit card debt (42%), and investment loans (9%), consistent with greater access to secured and mainstream credit. In contrast, low-income respondents are much more likely to rely on loans from family or friends (26%) and payday loans (7%), and far less likely to have a mortgage (11%). The 40-percentage-point gap in mortgage holding between high and low-income groups underscores how access to lower-cost, asset-backed credit remains strongly income-dependent, with lower-income households more exposed to informal or higher-cost borrowing.

Overall, the data points to a consumer credit landscape where alternative and short-term debt is now firmly embedded, particularly for younger and lower-income households, while traditional mortgage debt remains concentrated among higher-income and mid-life consumers. This composition suggests differing levels of financial resilience across groups, with implications for how households respond to ongoing cost of living pressures and interest rate settings.

To better measure financial wellbeing, the survey for the first time looks only at outstanding balances on unsecured and short-term credit products - credit cards, buy-now-pay-later and payday loans - because they are more directly associated with liquidity pressure, repayment strain and financial anxiety. These products typically carry higher effective interest rates, shorter repayment horizons and less flexibility, making outstanding balances a timely indicator of vulnerability. By contrast, larger secured debts such as owner-occupier and investment mortgages are long-duration, asset-backed liabilities, where the size of the balance alone provides limited insight into day-to-day wellbeing.

Loan amounts outstanding



Australians holding these debts estimated how much was also outstanding. It differed markedly by loan type and has evolved unevenly over the past year.

Credit card balances remain the largest form of short-term debt, averaging just over \$3,000 throughout the period. Balances edged up from \$3,153 in Q1 2025 to a peak of \$3,490 in Q3 2025, before easing back to \$3,139 by Q1 2026, suggesting a temporary mid-year build-up rather than a sustained increase.

By contrast, payday loan balances are smaller but far more volatile. Average outstanding amounts rose sharply from \$966 in Q1 2025 to \$1,313 in Q3 2025, fell back to \$976 in Q4 2025, and then surged to \$1,400 in Q1 2026, indicating renewed reliance on high-cost, short-term credit.

Buy Now Pay Later balances remain the lowest overall, but have trended gradually higher since mid-2025, lifting from \$633 in Q2 2025 to \$754 in Q1 2026.

Current outstanding balances on loans: Q1 2025

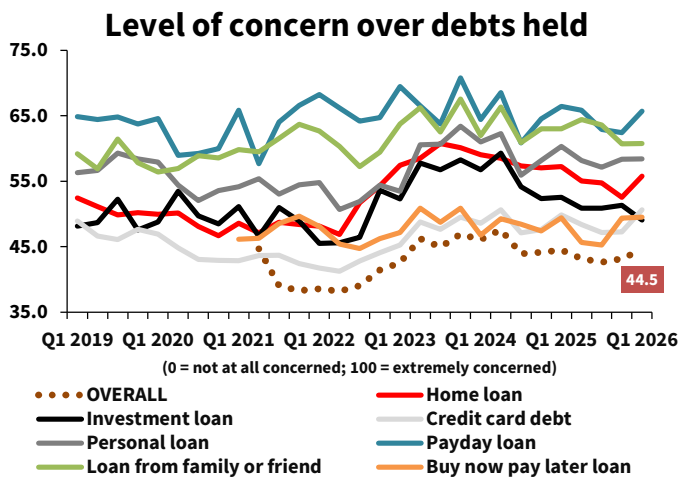
	All	18-29	30-49	50-64	65+	Men	Women	Lower income	Higher income
Credit card	\$3,139	\$2,244	\$3,473	\$3,893	\$2,086	\$2,888	\$3,410	\$2,926	\$3,846
Payday loan	\$1,400	\$1,122	\$1,384	\$3,368	\$1,487	\$1,792	\$1,020	\$475	\$1,944
Buy Now Pay Later	\$754	\$834	\$772	\$764	\$454	\$640	\$848	\$529	\$879

Outstanding balances vary materially by product type, demographic and income, highlighting different forms of financial exposure across households. Credit cards remain the largest source of unsecured debt, with the average balance at \$3,139 across all respondents. Balances are notably higher among those aged 30-49 (\$3,473) and 50-64 (\$3,893), consistent with peak earning and spending years, while balances fall sharply among those aged 65+ (\$2,086). Higher-income respondents carry materially larger credit card balances (\$3,846) than lower-income households (\$2,926), suggesting greater access to credit and capacity to hold revolving debt rather than necessarily higher stress.

Payday loan balances, while smaller in absolute terms, show sharper demographic divergence and potential vulnerability. Average balances sit at \$1,400 overall but rise markedly for those aged 50-64 (\$3,368), more than double the average. Higher-income respondents also report significantly larger payday loan balances (\$1,944) than lower-income respondents (\$475), indicating that payday borrowing is not confined to lower-income households and may be used episodically by higher-income borrowers facing liquidity constraints or shocks. Men also report higher payday loan balances (\$1,792) than women (\$1,020).

Buy Now, Pay Later balances are materially smaller than other debt types, averaging \$754, but skew towards younger and higher-income cohorts. Those aged 18-29 hold slightly higher BNPL balances (\$834) than older age groups, with balances falling to \$454 among those aged 65+. Higher-income respondents again report larger balances (\$879) than lower-income respondents (\$529), reinforcing the view that BNPL is being used more as a cash-flow management or convenience product rather than a last-resort credit option. Women also report higher BNPL balances (\$848) than men (\$640), consistent with broader evidence that BNPL is more embedded in everyday spending rather than emergency borrowing.

Taken together, the data suggests that financial risk is not evenly distributed across products. Credit card debt reflects lifecycle and income effects, BNPL appears to be a relatively contained but widespread form of short-term credit, while payday loan balances, particularly among older and higher-income cohorts, stand out as a potential signal of financial pressure or limited access to alternative short-term liquidity.



Overall concern over debts held increased in Q1 2026 to 44.5, from 43.2 in Q4 2025, and remains above the long-term survey average (43.0). The data also pointed to a modest but broad-based lift in unease for most types of debt.

The largest increases were for credit card debt (up 3.4 to 50.6), home loans (up 3.3 to 55.8) and payday loans (up 3.3 to 65.7), suggesting growing sensitivity to both everyday revolving credit and large, long-term commitments.

In contrast, the level of concern about investment loans eased (down 2.2 pts to 49.1), potentially reflecting stronger balance sheets or more stable income expectations among investor households.

Despite only small quarterly moves in some categories, concern remains highest for payday loans (65.7), borrowing from family or friends (60.8) and personal loans (58.4), reinforcing that the greatest debt concern is concentrated in higher-stress or non-traditional forms of borrowing, with a gradual lift in concern also evident across more mainstream debt types.

Concern over debts held (Q1 2026)

	All	Women	Men	18-29	30-49	50-64	65+	Lower income	Higher income
Home loan	55.8	57.0	54.4	62.9	56.9	52.0	45.0	62.7	54.0
Investment loan	49.1	46.4	50.1	48.9	52.9	47.4	32.6	49.3	48.6
Credit card debt	50.6	54.6	47.0	58.5	55.2	50.6	38.0	57.1	50.1
Personal loan	58.4	58.2	58.4	55.9	60.3	60.5	48.0	68.2	56.0
Payday loan	65.7	64.4	66.6	63.3	65.9	80.0	31.1	51.6	71.8
Loan from family or friend	60.8	63.2	58.0	53.8	62.9	62.7	77.0	63.6	55.0
Buy now pay later loan	49.5	51.8	46.5	53.5	50.7	45.4	38.4	55.3	44.2
Overall Debt	44.5	47.7	41.3	45.1	52.6	43.9	28.5	47.3	45.3

Though overall concern about household debt in Q1 2026 sits at a moderate level (44.5), the data show that anxiety is far from evenly distributed across debt types or demographic groups. Women consistently report higher concern than men across most debt types, with overall concern at 47.7 compared with 41.3 for men. The gender gap is particularly evident in unsecured and day-to-day credit products, including credit cards (54.6 versus 47.0 for men) and BNPL (51.8 versus 46.5), as well as borrowing from family or friends (63.2 versus 58.0). This suggests greater sensitivity to short-term cash-flow pressure and repayment risk among women, even where the same products are held.

Age differences are also pronounced. Concern peaks among those aged 30-49, with overall concern at 52.6, reflecting elevated worry across major debt types like home loans (56.9), investment loans (52.9) and credit cards (55.2). Younger adults 18-29 also report relatively high concern for core debts, including home loans (62.9) and credit cards (58.5). In contrast, concern drops sharply among those 65 and over, where overall concern is just 28.5, and concern for most debt types markedly lower. A notable exception is borrowing from family or friends, where concern among those aged 65+ is extremely high at 77.0, indicating strong unease with informal debt despite otherwise low exposure or anxiety.

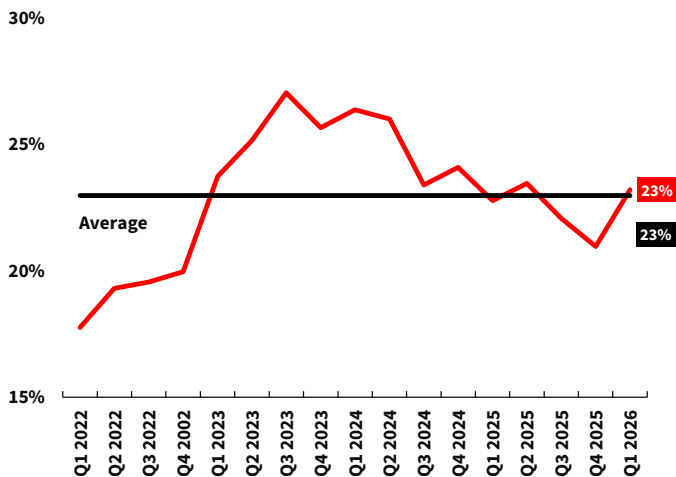
Income differences reinforce these patterns. Low-income households show higher concern across most forms of debt, particularly personal loans (68.2 versus 56.0 for high income), home loans (62.7 versus 54.0), credit cards (57.1 versus 50.1) and BNPL (55.3 versus 44.2). This points to thinner financial buffers amplifying debt anxiety. The main exception is payday loans, where concern is significantly higher among high-income respondents (71.8) than low-income respondents (51.6), suggesting a strong aversion to this form of credit among higher-income households even if usage is lower.

Taken together, the data indicates that debt concern in Q1 2026 was less about debt in general and more about which debts households hold and how exposed they feel. Concern was highest where borrowing signals financial strain, is unsecured, or carries social stigma, and is most acute among working-age and lower-income households, while older Australians appear broadly insulated from debt stress, with the notable exception of reliance on family or friends.

Household Financial Stress and Resilience

Missing loan or bill repayments can signal cash-flow stress, over-indebtedness, administrative or timing issues, budgeting difficulties or underlying vulnerability factors. In Q1 2026, the number of Australians who had missed a payment on a home loan, investment loan, credit card, personal loan, payday loan, loan from family or friend, BNPL, utilities or rent in the past 3 months rose to 23%, up from 21% in Q4 2025, but in line with the long-term average.

Missed a payment in last 3 months



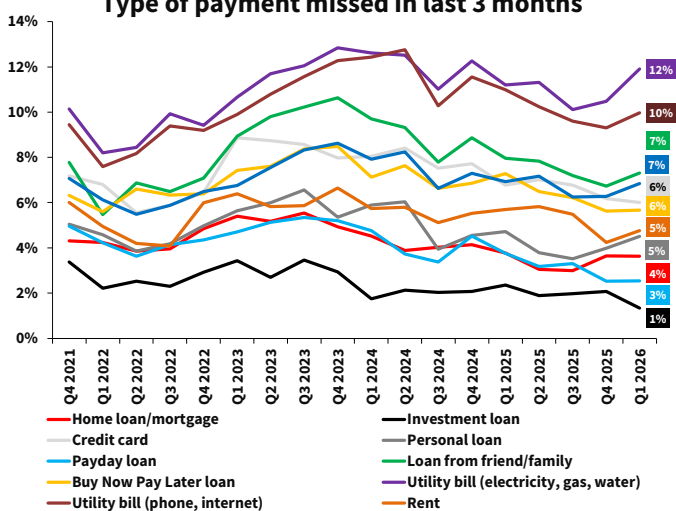
Missed a payment in last 3 months

	Q4 2025	Q1 2026
All Australians	21%	23%
18-29	29%	32%
30-49	26%	29%
50-64	18%	19%
65+	8%	9%
Men	20%	21%
Women	22%	25%
Lower income	30%	36%
Higher income	14%	21%

The increase was evident across most demographic groups, indicating that financial pressures remain widespread. Younger Australians continue to be the most exposed, with 32% 18-29 year olds missing a payment (up from 29%) while unchanged at 29% among 30-49 year olds. By contrast, older Australians remain were less affected, with missed payments rising only marginally among those aged 50-64 (18% to 19%) and 65+ (8% to 9%).

Gender differences also widened over the quarter. Among men, the share missing a loan payment increased slightly from 20% to 21%, while among women it rose more sharply from 22% to 25%. Income disparities remain pronounced. Over one-third of lower income Australians (36%) missed a bill payment in Q1 2026, up significantly from 30% in Q4 2025. However, the largest quarter-on-quarter deterioration occurred among higher income Australians, where the share missing a payment jumped from 14% to 21%. While lower income households remain the most affected in absolute terms, the sharp rise among higher income groups suggests that bill stress is broadening beyond traditionally vulnerable cohorts.

Type of payment missed in last 3 months



Missed payments remain most common for essential bills and short-term credit, with some signs of deterioration between Q4 2025 and Q1 2026.

The sharpest increase is in utility bills (electricity, gas and water), where the share missing a payment rose from 10% to 12%, the highest level across all categories. Missed payments on phone and internet bills also edge higher from 9% to 10%, reinforcing that pressure is increasingly evident in core household running costs rather than discretionary items.

By contrast, housing-related payments were comparatively stable, suggesting households continue to prioritise these obligations. The share missing a home loan or mortgage payment was unchanged at 4%, while missed investment loan repayments fell from 2% to 1%. Rent shows a modest increase from 4% to 5%, pointing to slightly rising stress among renters, who typically have fewer financial buffers.

Missed payments are persistently high for short-term and informal forms of credit, consistent with their role in managing day-to-day cashflow. Around 6% of Australians report missing credit card or Buy Now Pay Later repayments in both quarters, while loans from friends or family remain elevated at 7%. These figures suggest that while households may be protecting priority payments such as housing, strain is surfacing in more flexible or secondary obligations. There are also early signs of pressure spreading to other recurring commitments. Missed payments on personal loans rose from 4% to 5% and insurance

payments from 6% to 7%, consistent with households deferring or juggling non-immediate expenses when budgets are tight. Payday loan missed payments were unchanged at 3%.

Overall, this points to ongoing and broadening financial pressure. Households appear to be holding the line on mortgages, but rising missed payments on utilities, rent and other regular bills suggest that cost of living pressures are increasingly affecting essential expenses and cashflow management rather than easing.

Type of missed payment in last 3 months (Q1 2026)

	All	18-29	30-49	50-64	65+	Men	Women	Lower income	Higher income
Utility bill (electricity, gas, water)	12%	12%	16%	11%	6%	10%	14%	18%	10%
Utility bill (phone, internet)	10%	12%	13%	8%	4%	9%	11%	17%	7%
Loan from friend/family	7%	11%	10%	5%	2%	6%	8%	15%	5%
Insurances	7%	8%	9%	6%	2%	6%	7%	12%	6%
Credit card	6%	6%	9%	7%	1%	6%	6%	6%	7%
Buy Now Pay Later loan	6%	10%	8%	3%	0%	4%	7%	11%	4%
Rent	5%	9%	5%	3%	1%	6%	4%	10%	3%
Personal loan	5%	7%	7%	3%	0%	5%	4%	6%	4%
Home loan/mortgage	4%	6%	5%	2%	0%	4%	3%	5%	3%
Payday loan	3%	5%	3%	2%	0%	3%	2%	6%	2%
Investment loan	1%	4%	1%	0%	0%	2%	1%	2%	1%

The burden of missed payments is highly uneven across income groups, with lower-income households consistently the most exposed across almost every category. Among lower-income consumers, 18% missed a core utility bill and 17% a phone or internet bill - around 6-7 percentage points higher than the overall average. Missed payments on rent reach 10% for lower-income households, double the overall rate of 5%, while reliance on informal and short-term support is also far more pronounced, with 15% missing repayments on loans from friends or family (compared with 7% overall) and 11% missing BNPL repayments (6% overall). This breadth of elevated arrears suggests lower-income households are not just struggling with one-off shocks, but are facing systemic budget constraints across essentials, housing and credit, reflecting limited financial buffers.

Age differences further reinforce this pattern of pressure. Working-age households, particularly those aged 30-49, show elevated missed payments on core bills and credit, with 16% missing utility payments and 9% credit card repayments, both above the average. Australians aged 18-29 also stand out for missed BNPL repayments (10%), rent (9%), and loans from friends or family (11%), consistent with higher exposure to flexible credit and rental housing. In contrast, older Australians (65+) report the lowest missed payment rates across nearly all categories, indicating greater insulation from current cost pressures.

Gender differences are more modest, but women are more likely than men to miss essential household bills. In Q1 2026, 14% of women missed a core utility payment compared with 10% of men, and 11% missed phone or internet bills (9% men). By contrast, missed payments on credit cards were the same for men and women at 6%, suggesting the gender gap is most evident in household running costs rather than credit use.

Taken together, this suggests that financial pressure in Q1 2026 was broad-based but uneven, with households generally prioritising high-consequence commitments like mortgages, while strain is increasingly visible in essential bills, rent and short-term or informal credit. The concentration of missed payments among lower-income and working-age households points to persistent cashflow stress, rather than a temporary adjustment, reinforcing that cost of living pressures remain a material constraint on household financial resilience.

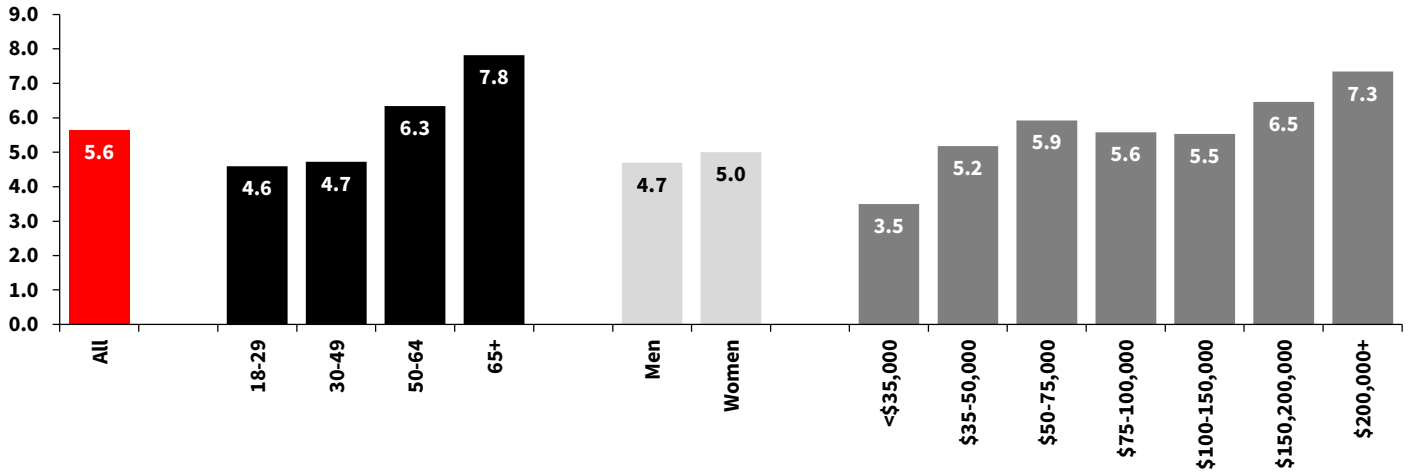
In this survey, we asked Australians for the first time, how long they think their household could manage to meet essential expenses if their main source of income were suddenly lost and without withdrawing money from retirement accounts or borrowing. Asking how long households could cope with an income shock without external support helps to identify underlying vulnerability and distinguish those who can manage from those at greater risk of rapid hardship if conditions worsen. It is a strong early indicator of economic insecurity and wellbeing risk.

On average, households report they could meet essential expenses for 5.6 months if their main source of income were suddenly lost, without borrowing or drawing on retirement savings - see chart below.

However, this headline figure masks substantial variation by age and income. Financial resilience rises markedly across the life cycle. Younger households report much shorter buffers, with those aged 18-29 able to cope for 4.6 months and those aged 30-49 for 4.7 months, compared with 6.3 months for people aged 50-64 and 7.8 months for those aged 65 and over. Income differences are even more pronounced. Households earning under \$35,000 report the lowest resilience at just 3.5 months, while buffers steadily increase with income, reaching 6.5 months for those on \$150-\$200,000 and 7.3 months for households earning \$200,000

or more. Middle-income groups tend to cluster around 5-6 months, suggesting that the sharpest vulnerability sits at the lower end of the income distribution. By contrast, gender differences are relatively small, with men estimating they could manage for 4.7 months and women 5.0 months on average.

How long could your household meet essential expenses if main source of income suddenly lost without withdrawing from retirement accounts or borrowing (average months)



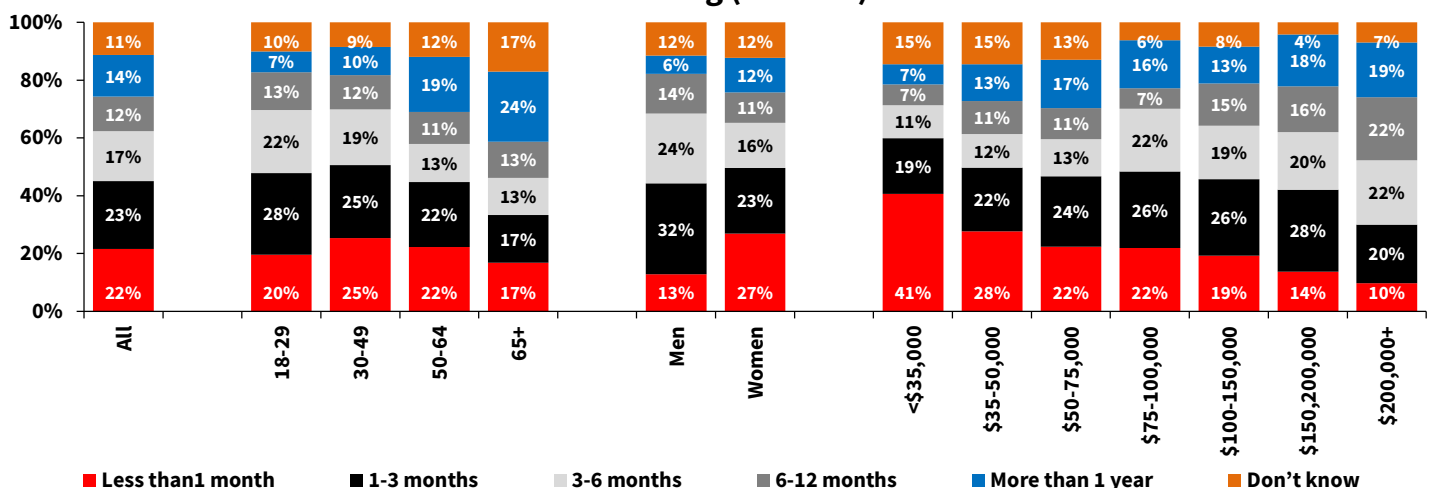
The average buffer of 5.6 months suggests moderate financial resilience overall. However, it also obscures a sizeable number with very limited capacity to absorb income shocks. Around 45% of households could not cover essentials beyond three months, with 22% less than one month and 23% around 1-3 months.

Most vulnerable groups stand out clearly. Low-income households are the most exposed, with 41% of those earning under \$35,000k reporting they could last less than one month, and just 14% could manage for more than six months, compared with 41% of households earning over 200,000 who could last six months or more (22% for 6-12 months and 19% more than a year).

Younger Australians are also more vulnerable. Among 18-29 year olds, nearly 1 in 2 or 48% could last 3 months or less, and only 20% could manage six months or more, compared with 37% of those aged 65+ who could last over a year, reflecting greater asset buffers among older cohorts.

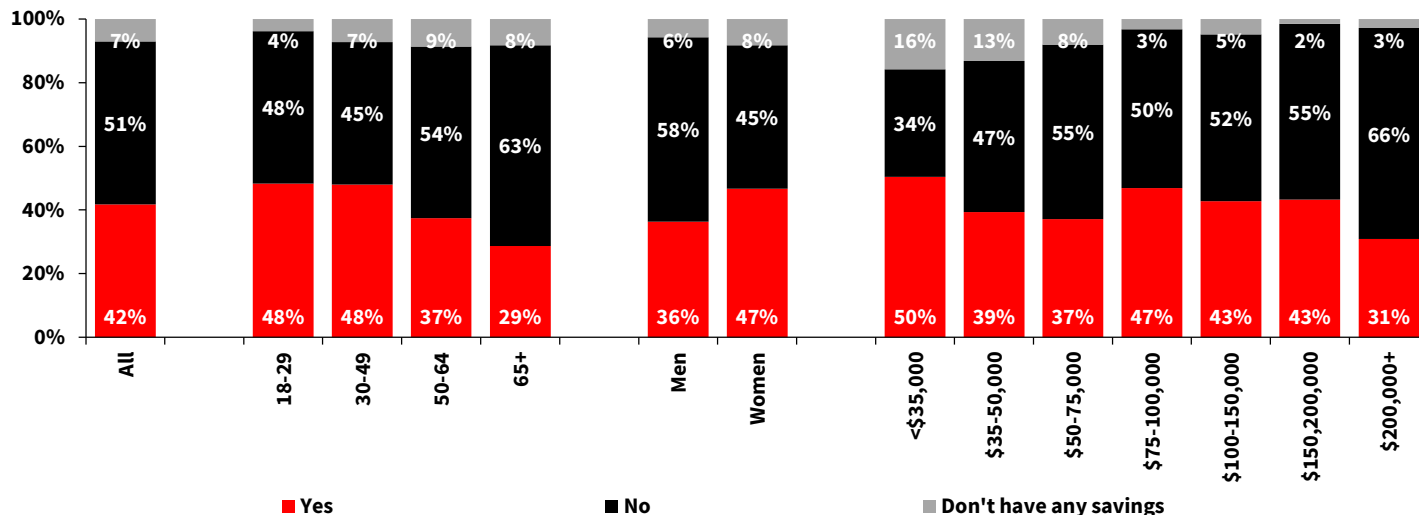
There is also a gender gap at the sharp end. Around 27% of women report being able to last less than one month, more than double the share of men (13%), even though men are more concentrated in the 1-6 month range. This suggests women are more likely to face immediate financial stress if income is disrupted.

How long could your household meet essential expenses if main source of income suddenly lost without withdrawing from retirement accounts or borrowing (months)



For the first time we also asked Australians if they have accessed their savings or emergency funds to cover everyday expenses in the past 3 months. This is important because it shows how households are coping, not just how they feel. Accessing savings to cover everyday expenses is a clear behavioural signal that income is no longer covering routine costs, meaning pressure is being absorbed by running down resilience rather than easing. It also identifies who is most vulnerable, especially those with no savings at all, providing an early warning of financial stress before it shows up in missed payments or hardship.

Accessed savings or emergency funds to cover everyday expenses in the last 3 months



A significant share of Australians actively drew down financial buffers to manage day-to-day living costs in Q1 2026. Overall, 42% accessed savings or emergency funds in the past 3 months to cover everyday expenses, while 51% did not need to do so. Notably, 7% also indicated that they do not have any savings at all, pointing to a non-trivial group with no financial buffer to absorb rising costs.

Accessing savings or emergency funds was most evident among younger and mid-life Australians. Almost half of those aged 18-29 and 30-49 (both 48%) reported dipping into savings, compared with 37% of those aged 50-64 and just 29% of Australians aged 65 and over. This life-stage gradient likely reflects greater exposure among working-age households to housing costs, family expenses and day-to-day cash-flow pressures, while older Australians appear more insulated from short-term expense shocks.

There is also a clear gender divide. Women are significantly more likely than men to have accessed savings to meet everyday expenses (47% versus 36%), while men are more likely to report not needing to draw down buffers (58% versus 45%). This suggests women are closer to the margin of household budgeting, with routine cost pressures more frequently translating into savings drawdowns rather than being absorbed through income.

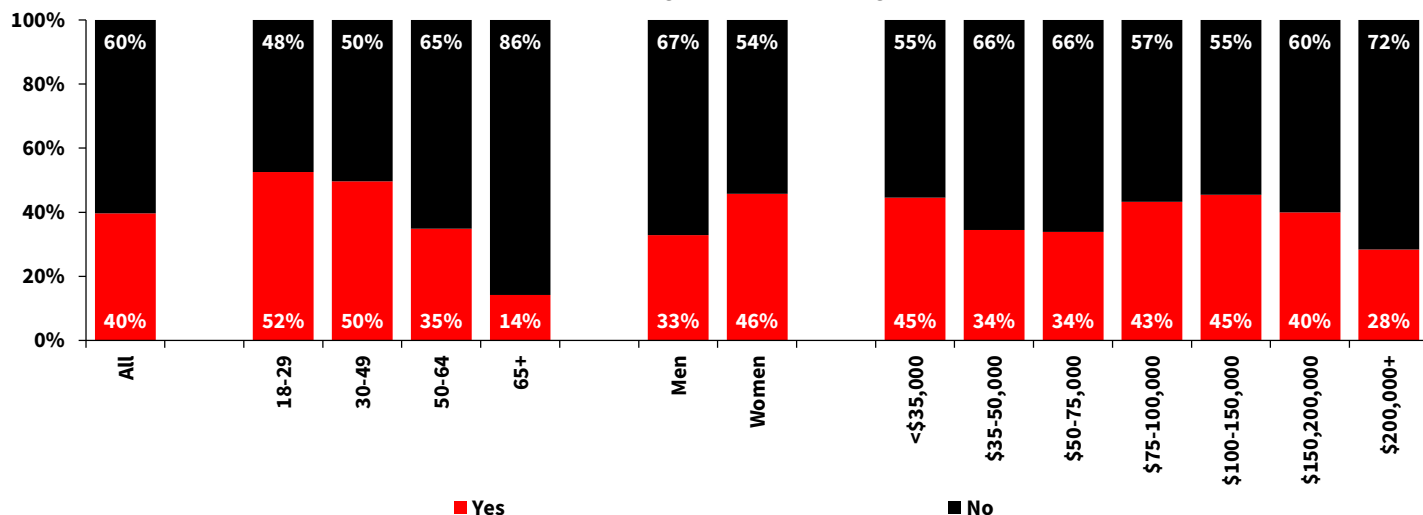
Income differences are stark and highlight where vulnerability is most acute. Among Australians earning under \$35,000, 50% accessed savings and a further 16% reported they had no savings at all, leaving just 34% who neither drew down nor lacked savings. While reliance on savings remains common through the middle of the income distribution, the share with no savings falls sharply as incomes rise - from 13% in \$35-50,000 and 8% in \$50-75,000 income groups, to just 2-5% in those above \$150,000. At the top end, only 31% of those earning \$200,000 or more accessed savings and 66% did not, underscoring far stronger financial buffers.

Taken together, the results suggest that cost of living pressures are being managed through active buffer drawdowns, particularly among younger Australians, women and lower-income households. While higher-income households may also be using savings to smooth cash flow, the much higher incidence of having no savings at the lower end of the income distribution points to structural vulnerability, where everyday expenses are eroding resilience rather than reflecting temporary or discretionary financial management.

Finally, new research asks if in the past year, Australians have delayed or avoided making important life decisions, such as starting a family, moving house or the like due to financial uncertainty. This can help capture how financial uncertainty can also affect people’s ability to move forward with their lives, not just how they feel about their finances. Delaying major life decisions signals deeper, often hidden impacts of financial stress - constraining long-term planning and quality of life, and shaping

behaviour in ways that don't always show up in standard financial metrics. It helps link economic conditions to lived outcomes, consumer behaviour, and longer-term social and economic scarring.

Delayed or avoided making important life decisions due to financial uncertainty in the past year



Financial uncertainty is having a clear and measurable impact on household behaviour, with 40% of Australians reporting that they have delayed or avoided making important life decisions in the past year, compared with 60% who have not. This indicates that uncertainty is not only affecting how people feel about their finances but is actively shaping real-world decisions around major commitments, encouraging caution and postponement rather than follow-through.

The effect is most pronounced among working-age Australians, particularly those in their prime decision-making years. Among 18-29 and 30-49 year olds, 52% and 50% respectively report delaying or avoiding major life decisions. This compares with 35% among those aged 50-64, and just 14% among Australians aged 65+. The steep age gradient suggests that financial uncertainty bites hardest when households are most exposed to large, often irreversible choices, such as housing, family formation, education or career moves, while older Australians, who are less likely to face new major commitments, are far less inclined to delay decisions despite ongoing cost pressures.

A clear gender gap is also evident. Women (46%) are significantly more likely than men (33%) to report delaying or avoiding important life decisions due to financial uncertainty. This 13-percentage-point gap indicates that uncertainty is more likely to translate into behavioural caution for women, consistent with greater exposure to income disruption, caring responsibilities, or a more conservative approach to committing under uncertain financial conditions.

By income, the relationship is notably non-linear. Decision delay is high among lower-income households, with 45% of those earning less than \$35,000 reporting that they have postponed important decisions. However, elevated shares are also evident in middle-to-upper income groups, including 43% of those earning \$75-100,000 and 45% in the \$100-150,000 group. This suggests that delaying decisions is not simply a function of insufficient income but also reflects exposure to large financial commitments and risk, such as mortgages, school fees or investment timing, where uncertainty increases the perceived cost of acting now. At the top end of the income distribution, financial buffers appear to provide greater insulation, with the share delaying decisions falling to just 28% among households earning \$200,000 or more.

Overall, the data point to a meaningful share of Australians responding to financial uncertainty by putting major life decisions on hold. The concentration of this behaviour among 18-49 year olds, women, and both lower-income and middle to upper income households highlights how uncertainty can suppress activity well beyond those under acute financial stress, acting as a brake on household mobility, major purchases and longer-term commitments across the economy.

Taken together, these three new questions introduced this quarter provide a powerful, end-to-end picture of household financial resilience in Australia that moves beyond sentiment to capture buffers, behaviour and real-world consequences. The ability to withstand income shock reveals the stock of resilience households hold. Drawing down savings shows the flow of pressure being absorbed day-to-day and delaying major life decisions highlights the downstream impacts of financial uncertainty on behaviour and quality of life. Viewed jointly, the results suggest that cost of living pressures are not only testing household balance sheets but are actively reshaping financial behaviour and long-term decision-making.

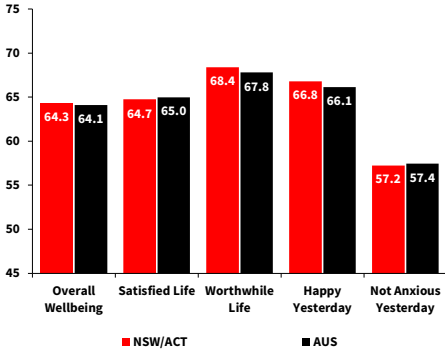
While the average household reports being able to cover essential expenses for around 5-6 months if income were lost, this headline masks a sizeable vulnerability at the sharp end. Nearly half of households could not cope beyond three months, and more than one in five would struggle within a single month, underscoring how thin financial buffers remain for a large cohort.

This underlying fragility is reinforced by behaviour. Over four in ten Australians report accessing savings or emergency funds in just the past three months to cover everyday expenses, and a further share report having no savings at all. For these households, financial pressure is not being absorbed through income or discretionary adjustment, but through the erosion or absence of buffers, reducing resilience over time rather than restoring it.

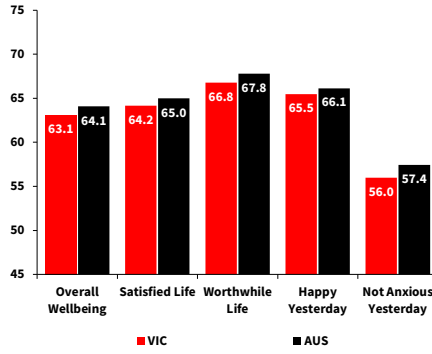
The behavioural consequences are already evident. Four in ten Australians report delaying or avoiding major life decisions due to financial uncertainty, particularly among working-age households, women, and both lower-income and middle-to-upper income groups. This suggests that uncertainty is acting as a brake on activity well beyond those under acute financial stress, influencing key decisions like housing, family formation and mobility. In combination, the three measures point to a common dynamic - limited buffers increase reliance on savings, sustained drawdowns heighten financial insecurity, and uncertainty then translates into more cautious, deferred behaviour.

Appendix 1: NAB Wellbeing Index: States

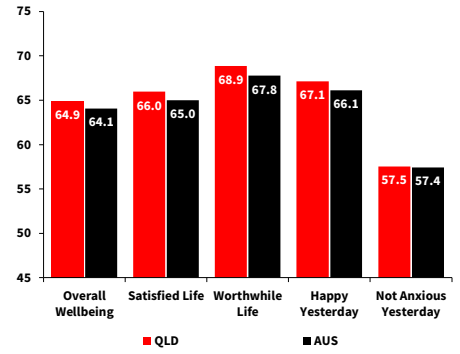
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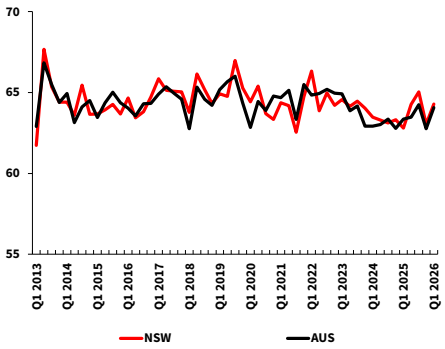
Wellbeing: VIC Q1 2026



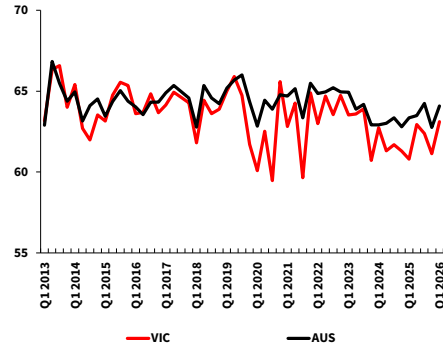
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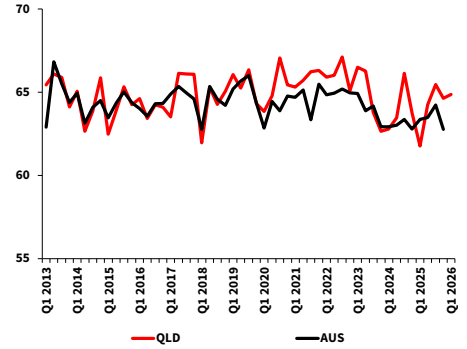
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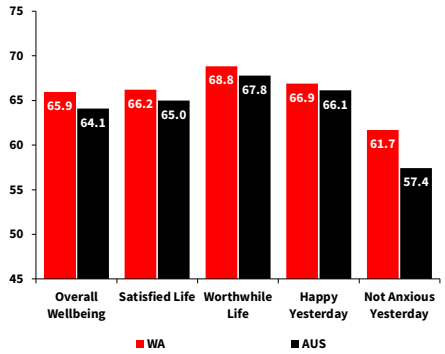
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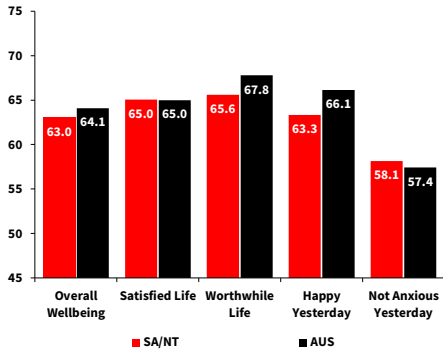
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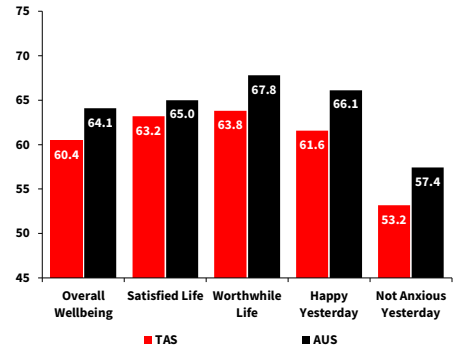
Wellbeing: WA Q1 2026



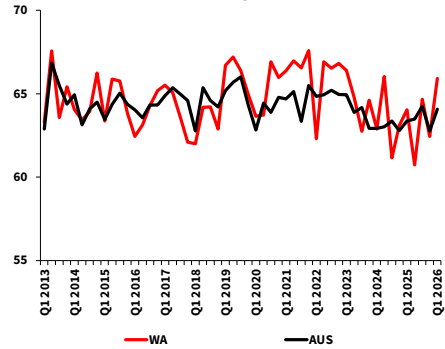
Wellbeing: SA/NT Q1 2026



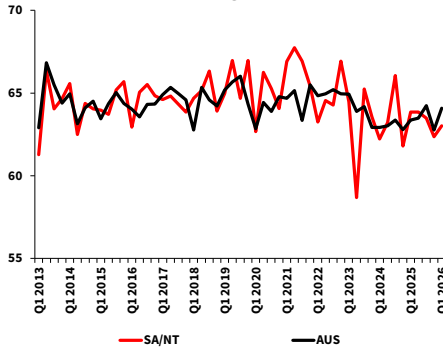
Wellbeing: TAS Q1 2026



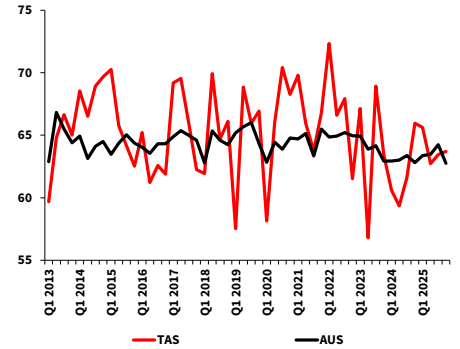
Wellbeing: WA



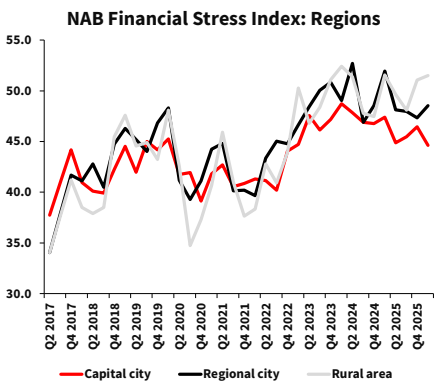
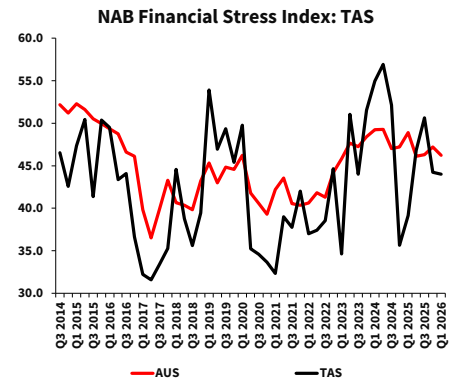
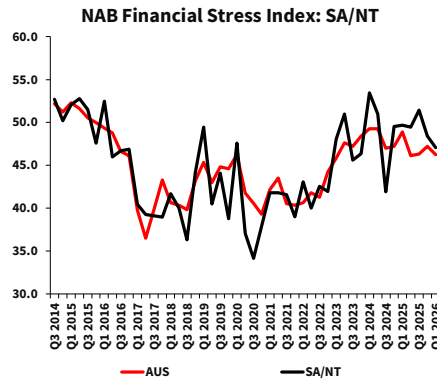
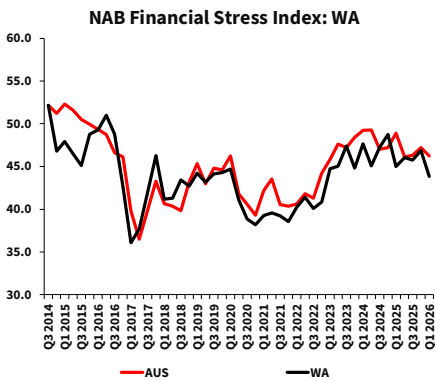
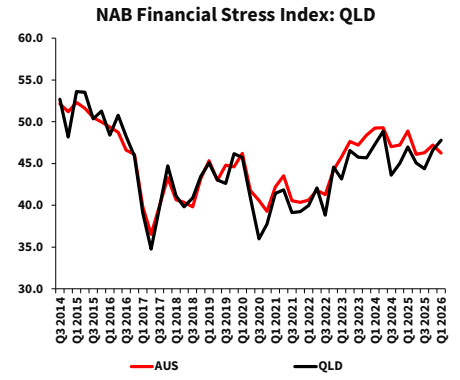
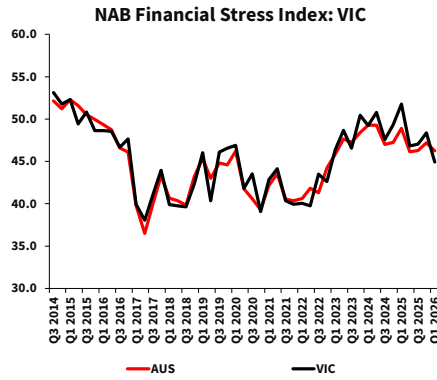
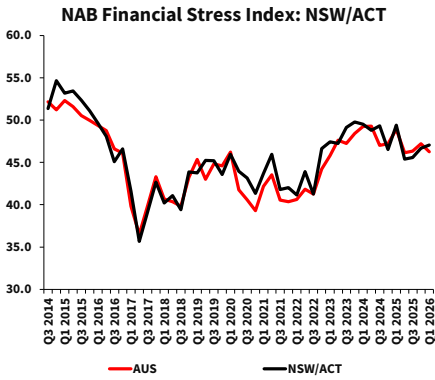
Wellbeing: SA/NT



Wellbeing: TAS



Appendix 2: Financial Stress Index: States & Regions



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