

NAB AUSTRALIAN WELLBEING SURVEY Q1 2019



How Australians think and feel about their emotional and financial wellbeing

NAB Behavioural & Industry Economics

May 2019

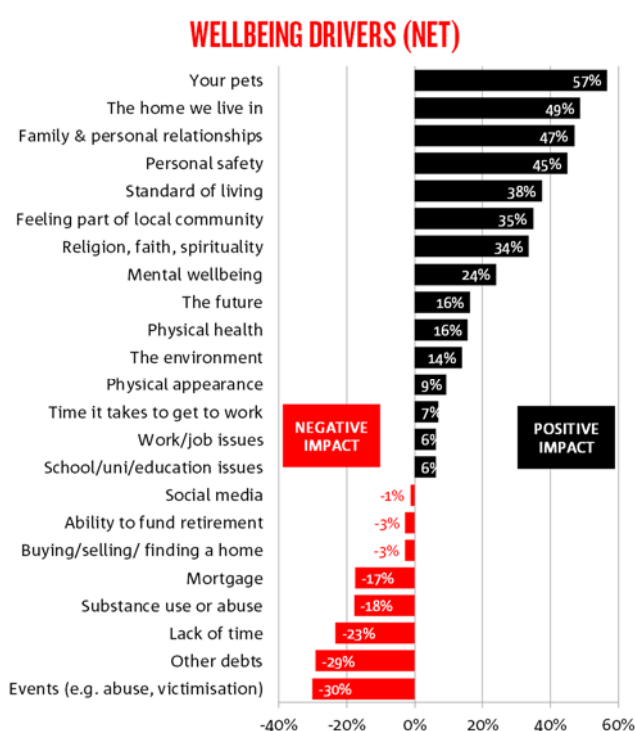
NAB's Wellbeing Index is derived from questions relating to how people think and feel about their lives in regards to their life satisfaction, life worth, happiness and anxiety. Australians told us anxiety detracts the most from their wellbeing, with concerns over their finances among the key detractors. As one of Australia's leading banks, NAB wanted to explore the issue of financial anxiety in more detail and to better understand how it impacts wellbeing. In this update, we introduce a measure of "financial anxiety" and broaden the list of factors that can impact wellbeing (either positively or negatively) to include mortgages and other debts (along with pets and religion/spirituality). This new research highlights the relationship between different types of debt and wellbeing and how we respond to financial anxiety and hardship.

The NAB Australian Wellbeing Index rose to 65.2 points in Q1 2019, tracking above its survey average (64.5 points). But, while our sense of life worth, life satisfaction and happiness all improved, we were more anxious. Of concern, over 1 in 3 people said they are experiencing "high" levels of overall anxiety.

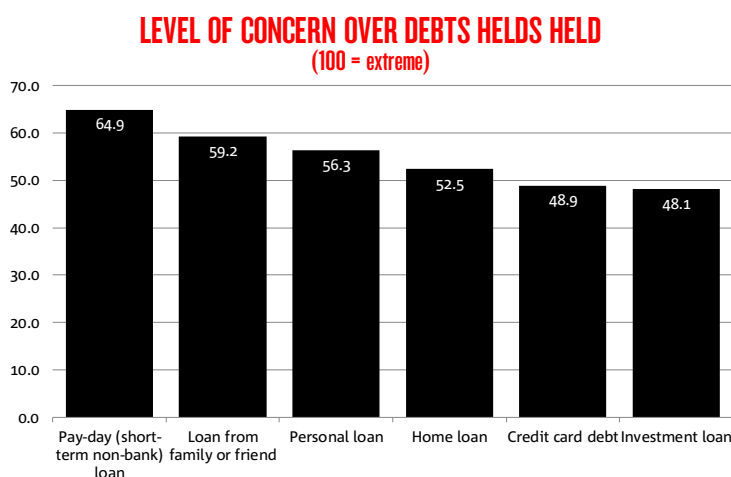
That said, anxiety specifically relating to our finances has fallen. NAB's Financial Anxiety Index (based on the level of concern over future spending and savings arising from our current financial position) fell in Q1 2019 to 58.3 points to be below the survey average (60.6 points). While financial anxiety also eased for people on low incomes, they remain much more anxious about their finances (67.8 points) than those on higher incomes (51.2 points). Not having enough to finance our retirement is still the biggest financial concern, but we also worry about not being able to provide for our family's future, meeting the costs of medical bills & healthcare, having enough for non-essentials and being able to raise \$2,000 if an emergency came up. Australians in lower income groups are noticeably more worried about all key drivers of financial anxiety.

Debt (particularly outside our mortgage) has a negative impact on the wellbeing of many Australians, particularly for women. While credit cards are the most common type of debt held, payday loans and loans from family & friends cause the most anxiety. But low income earners experience greater anxiety for debt (except home loans).

Beyond how we feel about our finances (financial anxiety), around 4 in 10 people also told us they experienced some form of financial stress or hardship in the past 3 months, rising to almost 6 in 10 for people on low incomes.



When we face financial hardship we often withdraw socially, do nothing about it or even turn to alcohol or drugs. Around 2 in 10 people will go further into debt, most often turning to family or friends, credit cards or taking out loans from payday lenders. And when a crisis arises, while we believe we could turn to 3 people for emotional support, this falls to only 2 people in a financial crisis.

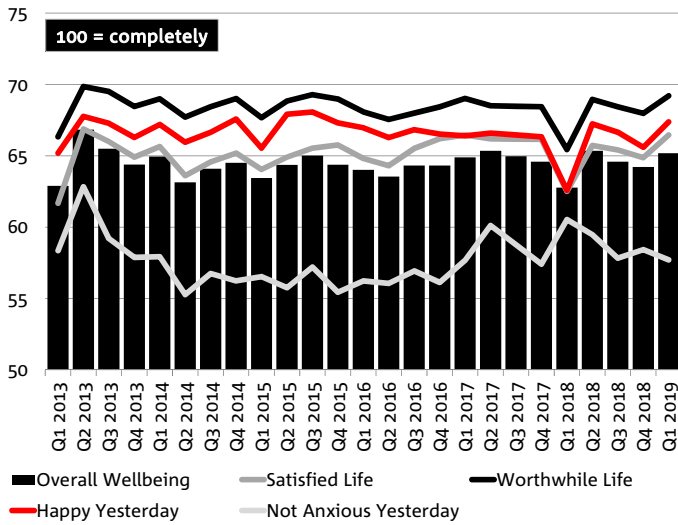


HIGHLIGHTS

- **There is a strong relationship between wellbeing & age and wellbeing & income.** Older Australians and high income earners continue to enjoy much higher wellbeing than others. By age, wellbeing is lowest for 30-49 year olds (particularly middle-aged men). By income, its lowest for people earning less than \$35,000 p.a.
- **Home ownership helps wellbeing,** with Australians who live in and own a house or apartment among those with the highest wellbeing. Married people also have elevated levels of wellbeing.
- **What adds most to wellbeing?** New research shows it's our pets, our homes, family and personal relationships, personal safety, standard of living, feeling a part of our community and religion, faith/spirituality.
- **What detracts most?** Events (such as abuse or victimisation), debts other than mortgages, lack of time, substance use/abuse, mortgages, buying/finding/selling a home, ability to fund retirement and social media.
- **By gender, more women were impacted negatively** by their mortgages, other debts, lack of time and events. Women also derive far less positive benefits from their physical appearance, but more from their local community, their faith & spirituality and pets.
- **By age, more over 50s enjoy positive wellbeing benefits** from their standard of living, home, safety and family and personal relationships.
- **By income, more high income earners derive positive wellbeing from all drivers,** except pets, religion and spirituality and the environment.
- **But some negative wellbeing drivers transcend income,** particularly lack of time and mortgages, where more high income earners are negatively impacted than low income earners.
- **What's the relationship between debt and wellbeing?** Debts (other than mortgages) are seen to have a negative impact on the wellbeing for many Australians, particularly women.
- **What about mortgages?** Again, more women said their mortgage impacted their wellbeing than men.
- **What's the most common type of debt held?** Over 4 in 10 people said they currently have credit card debt. Home loans were the next widely held debt (31%), followed by personal loans (18%), loans from family and friends (15%), investment loans (9%) and payday loans (6% overall but twice as many young men - 13%).
- **Payday loans and loans from family & friends are causing the most anxiety.** Interestingly, anxiety over payday loans is highest for men over the age of 50 - a group with very little exposure to this type of debt. This may reflect their concerns for younger members of their family or their friends.
- **But, low income earners rate their anxiety highest for all types of debt (except home loans).** By gender and age, middle-aged women were the most concerned about their personal loan, credit card debts and investment loans, but young men worried the most about their home loans.
- **Australians aged 30-49 still worry most about their current financial position** - but women more than men.
- **But, financial anxiety rises as income falls and by some margin.** Encouragingly the 'financial anxiety gap' between the lowest a highest income earning Australians has reduced from a survey high in Q4 2018.
- **Overall, not having enough to finance retirement is the biggest financial concern.** Other key drivers of financial anxiety include: not being able to provide for our family's future; meet the costs of medical bills & healthcare; having enough for non-essentials; and being able to raise \$2,000 if an emergency arose.
- **What about financial hardship?** Around 4 in 10 Australians identify as having experienced some form of financial stress or hardship in the past 3 months (unchanged from Q4 2018). By income, almost 6 in 10 people on low incomes faced some hardship - more than twice the number in the highest income group.
- **Not having enough money for an emergency is the most frequently cited cause of hardship,** impacting almost 1 in 4 people and even more low income earners (more than 1 in 3). Being unable to pay a bill was the next biggest cause of hardship, affecting 1 in 5 overall and 1 in 3 low income earners. Not having enough for food and basic necessities and medical costs also impacted more low income earners.
- **How do people behave when under financial hardship?** Withdrawing socially is the most common coping mechanism, impacting 4 in 10 people. Doing nothing is the second most common response. Almost 2 in 10 middle aged men said they turn to alcohol or drugs.
- **What actions do people take to manage their financial hardship?** Over 1 in 2 people try to follow a stricter budget and cut unnecessary expenses, 4 in 10 make personal sacrifices for the family, 3 in 10 sell possessions or talk over worries with family or friends and 2 in 10 go further into debt or work longer/harder.
- **If we go further into debt to manage hardship what type of debt is it?** Just over 1 in 2 people borrow from family or friends, 4 in 10 use credit cards and 1 in 4 take out loans from payday lenders (and even more young men, women over 50 and people in the highest income group).
- **If we have an emotional or financial crisis how many people could we lean on?** On average, Australians can count on around 3 people in an emotional crisis, but only 2 in a financial crisis. Consequently, people facing a financial crisis may be more likely to turn to other avenues (positive or negative) to try and manage.

PART 1: OUR PERSONAL WELLBEING

NAB AUSTRALIAN WELLBEING INDEX



The NAB Australian Wellbeing Index rose to 65.2 points in Q1 2019 (64.2 in the previous quarter and 62.8 at the same time last year). The index is also tracking above its long-term average (64.5).

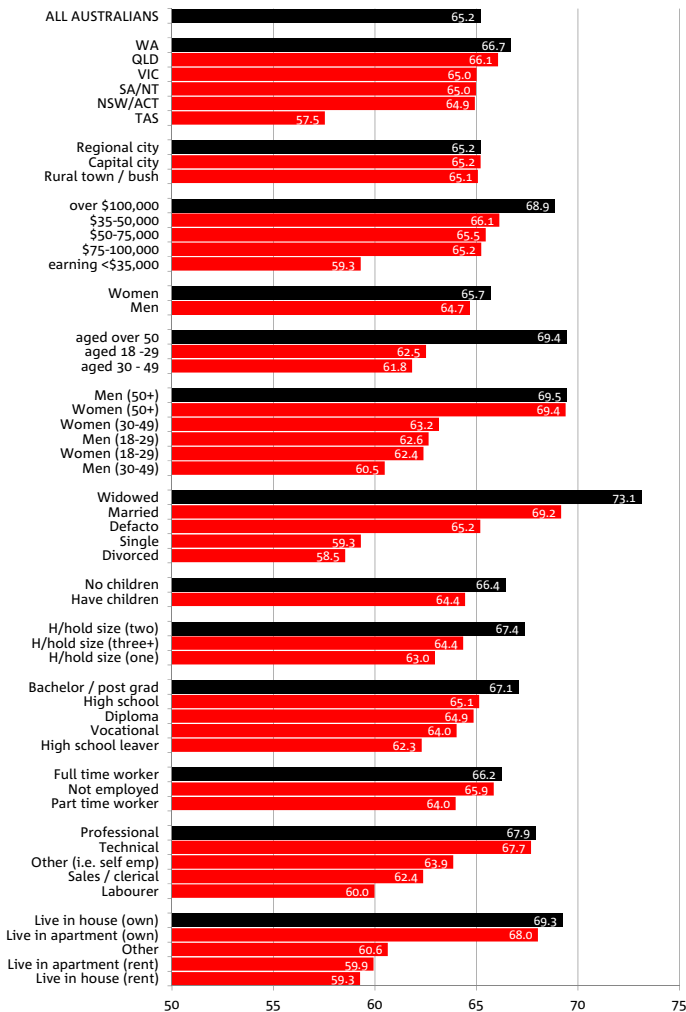
Our sense of life worth continues to add the most to our overall wellbeing (up 1.2 points to 69.2). Our life satisfaction also improved (up 1.6 to 66.5) and we were happier (up 1.8 points to 67.4).

Australians were however more anxious, scoring 'not anxious' yesterday at 57.7 points (58.4 in the previous quarter).

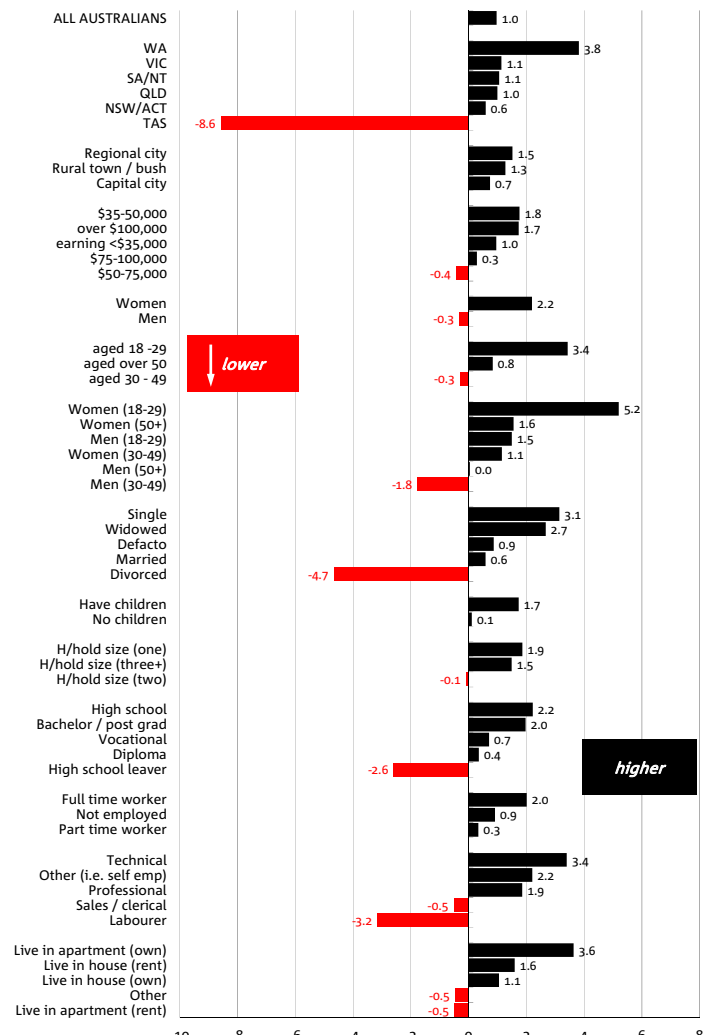
Anxiety continues to detract the most from our overall wellbeing - and by a large margin. It is also of some concern that over 1 in 3 people (36%) said they experienced 'high' levels of anxiety in Q1 2019.

Wellbeing varied widely across the 53 demographic groups monitored by NAB. In Q1 2019, wellbeing was rated highest by widows (73.1). Older Australians continued to enjoy much higher wellbeing than other age groups, with over 50s scoring 69.4 (with men over 50 scoring 69.5 and women 69.4). Home ownership also helps, with Australians who live in and own a house (69.3) or apartment (68.0) among those with the highest wellbeing. People who were married (69.2) or in the highest income group (68.9) also had higher levels of wellbeing.

NAB AUSTRALIAN WELLBEING INDEX - ALL CATEGORIES (100 = completely)



AUSTRALIAN WELLBEING INDEX (QUARTERLY CHANGE)



Wellbeing in Q1 2019 was lowest for Australians living in TAS (57.5), divorced people (58.5), single people (59.3), people in the lowest income earning group (59.3), and people rent a house (59.3) or apartment (59.9), labourers (60.0) and men aged 30-49 (60.5).

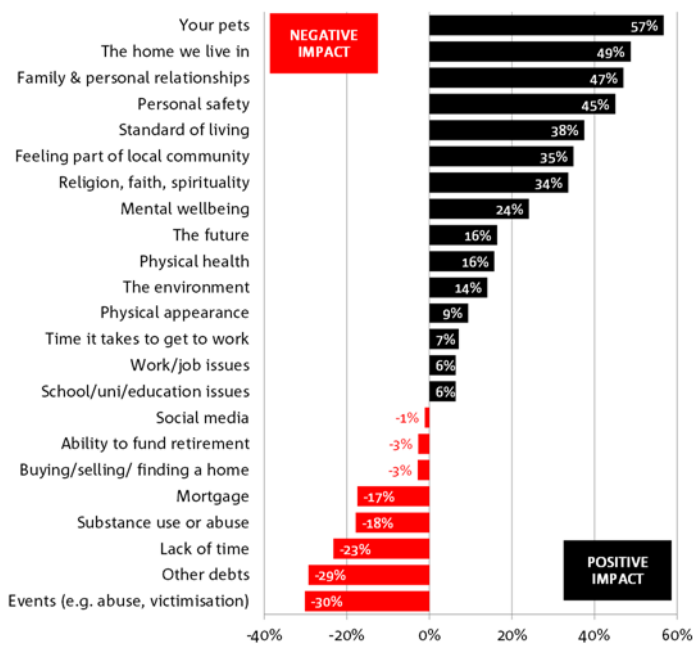
By state, wellbeing improved most and was highest in WA (up 3.8 points to 66.7). It fell heavily in TAS (down 8.6 points to 57.5) and was the lowest of all states. Overall wellbeing levels did not however vary by region, with Australians living in capital cities, regional cities and in rural towns or the bush all scoring their wellbeing the same.

Income remains an important driver of wellbeing, with people in higher income groups typically enjoying higher wellbeing than all other income groups (except for those in the \$35-50,000 p.a. groups who rated their overall wellbeing the second highest in Q1 2019).

By gender and age, older Australians continue to have the highest levels of wellbeing by a significant margin, across all components of the wellbeing index. Wellbeing was lowest for 30-49 year olds, particularly middle-aged men who rated their anxiety noticeably higher and their sense of life worth much lower. Young Australians aged 18-29 were the most anxious group and women somewhat more so than men.

WELLBEING DRIVERS

WELLBEING DRIVERS (NET)

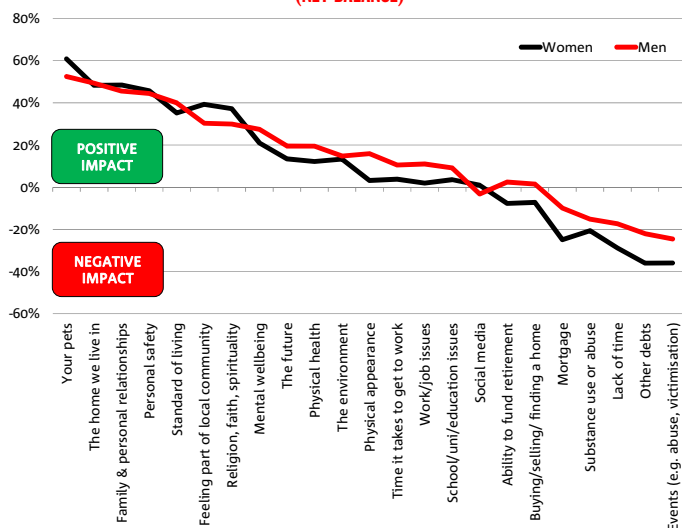


Many issues help define personal wellbeing. Some have a positive impact and some detract from overall wellbeing. This chart summarises the impact of key wellbeing drivers for Australians. It counts the number of people who said the issue impacted their wellbeing positively minus those who said it impacted their wellbeing negatively (i.e.net balance).

New research shows that their pets (+57%) contributed positively to the wellbeing of most Australians in Q1 2019, followed by their homes (+49%), family and personal relationships (+47%), their personal safety (+45%), their standard of living (+38%), feeling a part of their local community (+35%) and their religion, faith or spirituality (+34%).

The key detractors from personal wellbeing were events like abuse and victimisation (-30%), other debts other than mortgages (-29%), lack of time (-23%), substance use/abuse (-18%) and mortgages (-17%). The negative impact on wellbeing from buying, finding or selling a home (-3%), ability to fund retirement (-3%) and social media (-1%) also outweighed the positive impact.

WELLBEING DRIVERS - GENDER (NET BALANCE)

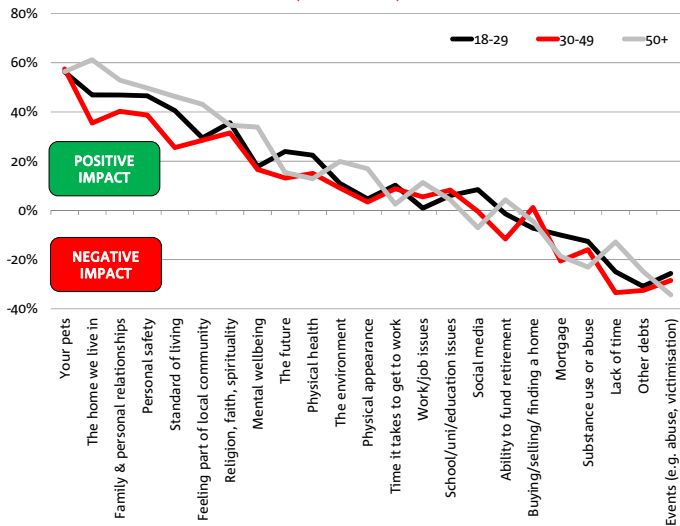


A broadly similar share of women and men derived positive wellbeing benefits from the key overall drivers - homes, family and personal relationships and personal safety).

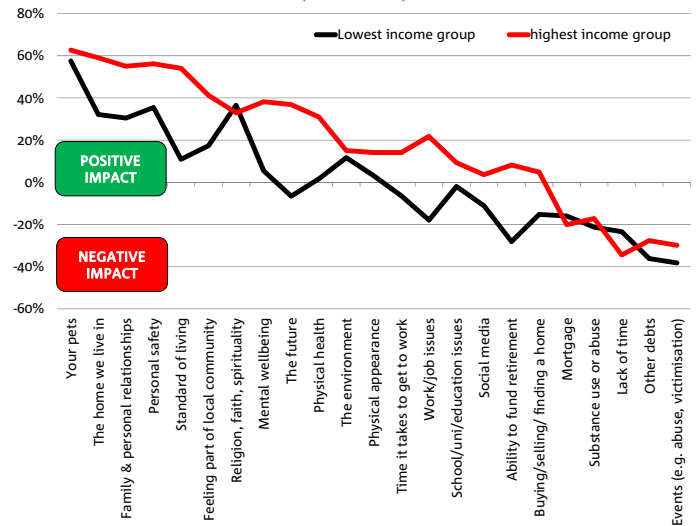
But when it came to detractors, more women were impacted, particularly for mortgages (-25% vs. -15%), other debts (-36% vs. -22%), lack of time (-21% vs. -15%) and events (-36% vs. -25%).

Women also derived far less positive benefit than men from their physical appearance (+3% vs. +16%). But they enjoyed more from their local community (+39% vs. +30%), their faith and spirituality (+37% vs. +30%) and their pets (+61% vs. +52%).

WELLBEING DRIVERS - AGE (NET BALANCE)



WELLBEING DRIVERS - HIGH & LOW INCOME (NET BALANCE)



By age, aside from their pets, there is an obvious difference between the share of over 50s who said they derived positive benefits from their standard of living, their home, personal safety and family and personal relationships, particularly when compared to 30-49 year olds. However, over 50s and 30-49 year olds align much more closely over the negative impacts their mortgages and other debts had on their wellbeing.

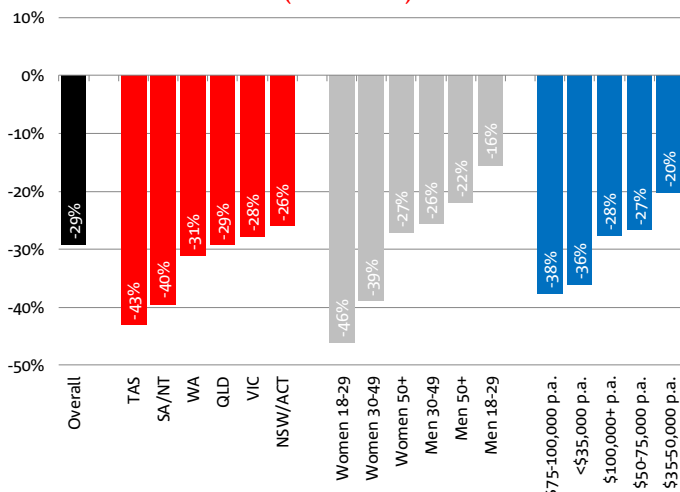
There were more obvious differences between the highest and lowest household income groups, with noticeably more high income earners drawing positive benefits from most drivers, except their pets, religion and spirituality and the environment. But the negative drivers of wellbeing transcend income, particularly lack of time and mortgages, where more high income earners were negatively impacted.

THE IMPACT OF DEBT

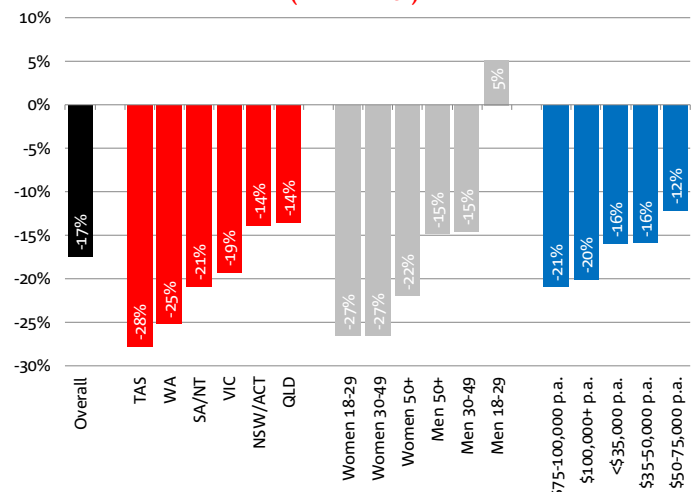
New NAB research shows debts - both mortgages and other debts - are significant detractors from the wellbeing of many Australians. Other debt is the second biggest detractor overall (after events) and mortgages the fifth biggest. But how many Australians are impacted varies considerably depending on where they live, their age and gender and their income levels.

Other debt had a bigger negative impact on wellbeing for more Australians than did their mortgages. By state, TAS (-43%) led the way, with the impact much greater than in NSW (-26%) and VIC (-28%). Significantly more women in all age groups also said other debt had negatively impacted their wellbeing than men, particularly 18-29 year olds (-46%). Other debts also had a negative impact for significantly more Australians earning between \$75-100,000 p.a. (-38%) and less than \$35,000 p.a. (-36%) than in all other income brackets.

WELLBEING DRIVERS - OTHER DEBTS (NET BALANCE)



WELLBEING DRIVERS - YOUR MORTGAGE (NET BALANCE)



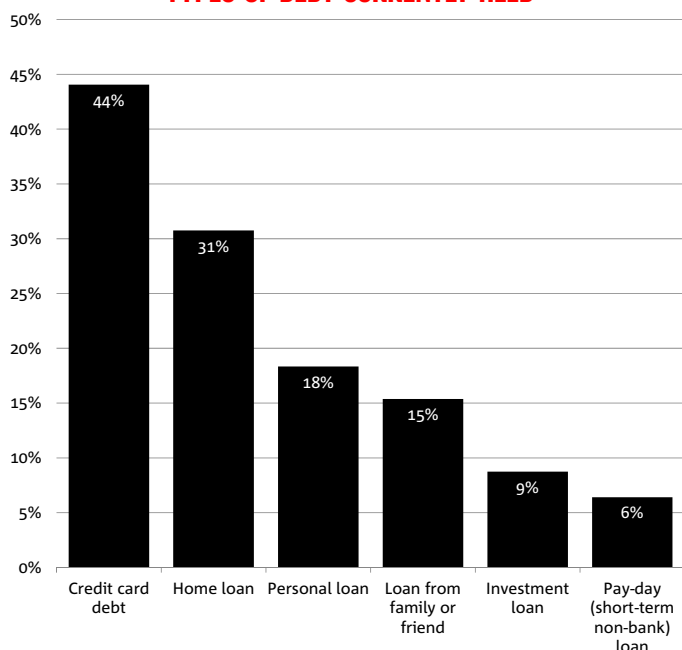
By state, mortgages detracted the most from wellbeing in TAS (-28%), where house prices have also been out-performing, and the least in QLD (-14% and NSW (-14%).

By age and gender, more women said it impacted their wellbeing negatively than did men in all age groups, with young men rating the net impact positive (perhaps suggesting many don't currently have a mortgage).

More higher income earners also said their mortgages had negatively impacted their wellbeing than low income earners

A CLOSER LOOK AT DEBT STRESS

TYPES OF DEBT CURRENTLY HELD



We also wanted to understand what type of debt people held. Over 4 in 10 (44%) Australians said they currently have credit card debt.

It was also the most commonly type of debt held in all groups except for those with incomes over \$100,000 p.a. where most had home loans.

The number of people holding credit card debt ranged from 53% for women aged 30-49 to 30% of women aged 18-29, and from 51% of people earning \$75-100,000 p.a. income group to 33% in the lowest income group (see table below).

Home loans were the next most widely held type of debt (36%), led by the highest income group (51%) and 30-49 year old women (49%) and men (45%).

It was much lower for men (17%) and women (20%) over 50 and in the lowest income group (11%).

Around 18% said they had a personal loan, but this figure was much higher for 18-29 year old women (29%) and for those earning over \$75,000 p.a.

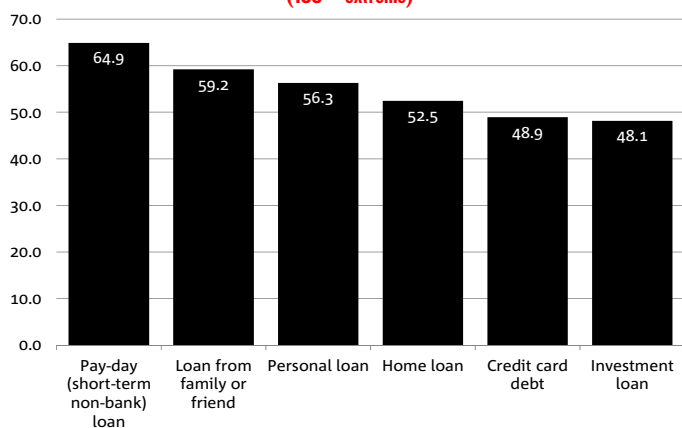
Around 15% of Australians had a loan from family or friends, but this was noticeably higher for young women (25%) and 30-49 year old men (24%), and for those earning less than 35,000 p.a. (21%) and \$50-75,000 p.a. (21%).

Investment loans were highest for 30-49 year old women and young men (12%), with young-men also leading the way for payday loans (13%).

TYPES OF DEBT HELD - AGE & GENDER AND INCOME

	AUSTRALIA	Women 18-29	Women 30-49	Women 50+	Men 18-29	Men 30-49	Men 50+	<\$35,000 p.a.	\$35-50,000 p.a.	\$50-75,000 p.a.	\$75-100,000 p.a.	\$100,000+ p.a.
Credit card	44%	30%	53%	47%	36%	47%	42%	33%	44%	48%	51%	48%
Home loan	31%	24%	49%	20%	29%	45%	17%	11%	18%	27%	42%	51%
Personal loan	18%	29%	24%	8%	24%	26%	8%	15%	15%	20%	22%	21%
Loan from family / friend	15%	25%	20%	7%	20%	24%	5%	21%	17%	21%	12%	10%
Investment loan	9%	6%	12%	7%	12%	11%	6%	3%	3%	7%	11%	16%
Payday loan	6%	8%	9%	3%	13%	11%	0%	9%	7%	9%	5%	5%

LEVEL OF CONCERN OVER DEBTS HELDS HELD (100 = extreme)



Having established the type of debt they held, we asked Australians who held these debts to tell us which of them were causing them the most concern or stress.

Overall, payday loans were causing the most anxiety. On average, Australians scored their level of stress at 64.9 points out of 100 (where 100 is extremely concerned).

Interestingly, anxiety from payday loans was causing the most stress for men over the age of 50 (80.0 points) who had very little exposure to this type of debt. We suspect this may be reflecting concerns for younger members of their family or their friends - see table below.

Loans from family or friends caused the next most anxiety (59.2), led by men over 50 (66.8) and 30-49 years old (66.8), and in the lowest income group (70.4).

LEVEL OF CONCERN OVER DEBTS HELD - AGE & GENDER AND INCOME

	AUSTRALIA	Women 18-29	Women 30-49	Women 50+	Men 18-29	Men 30-49	Men 50+	<\$35,000 p.a.	\$35-50,000 p.a.	\$50-75,000 p.a.	\$75-100,000 p.a.	\$100,000+ p.a.
Payday loan	64.9	68.1	72.6	51.3	62.8	62.6	80.0	71.9	66.9	69.7	69.1	49.6
Loan from family / friend	59.2	48.2	60.2	53.1	60.0	65.2	66.8	70.4	57.8	57.1	55.0	48.6
Personal loan	56.3	53.3	60.6	52.4	57.0	56.8	52.2	71.3	65.2	55.1	51.7	49.7
Home loan	52.5	53.1	50.6	49.9	59.1	55.3	47.6	59.6	61.4	57.0	59.0	46.1
Credit card	48.9	51.9	59.7	40.2	47.4	56.8	39.0	56.5	49.1	48.0	52.7	44.5
Investment loan	48.1	50.9	54.7	40.1	52.4	49.4	38.3	67.3	60.7	62.1	48.6	43.6

The lowest income earning group rated their anxiety highest for all types of debt, except home loans with Australians earning \$35-50,000 p.a. (61.4) the most concerned. High income earners expressed the lowest concern over all types of debt. By gender and age, middle-aged women were most concerned about their personal loans (60.6), credit card debts (59.7) and investment loans (54.7), but young men worried the most about their home loans (59.1).

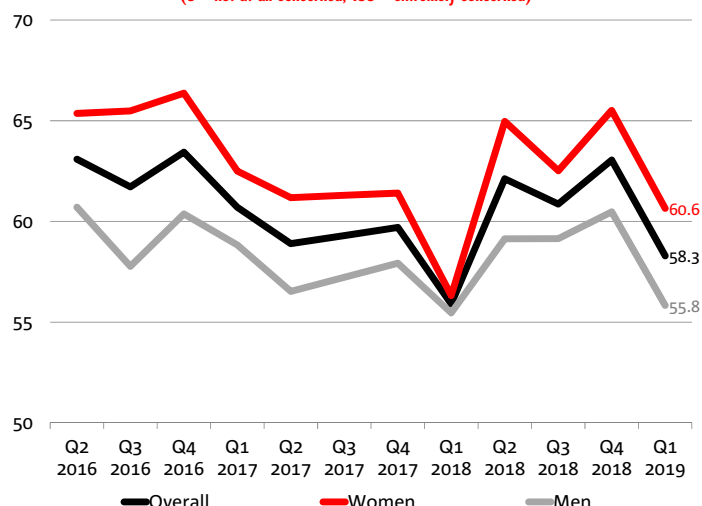
PART 2 - FINANCIAL ANXIETY

Anxiety is the key detractor from overall wellbeing, and concerns over debts, mortgages and ability to fund retirement are among the key triggers.

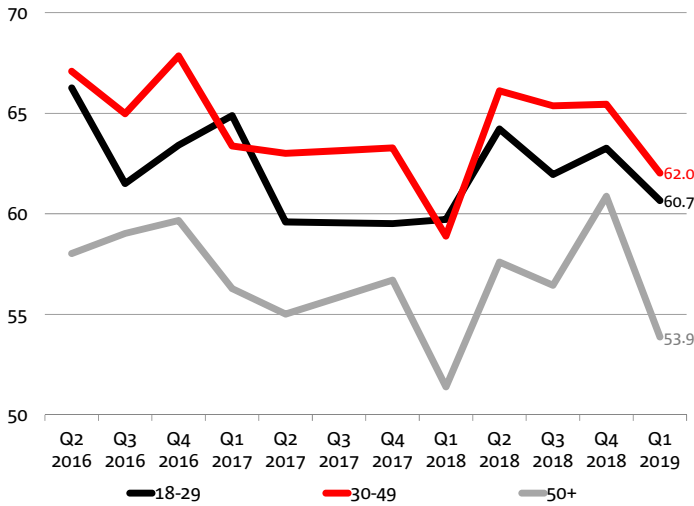
In Q1 2019, NAB's Financial Anxiety Index - based on the level of concern over future spending and savings plans arising from their current financial position - fell to 58.3, from 63.0 in Q4 2018 but higher than in Q1 2018 (55.9).

By gender, financial anxiety for women in Q1 fell (down 4.9 to 60.6) but remained above that for men (down 4.6 to 55.8). But the gap between women and men narrowed to 4.8 points, from 5.0 in Q4 2018.

FINANCIAL ANXIETY: GENDER (0 = not at all concerned; 100 = extremely concerned)



FINANCIAL ANXIETY: AGE
(0 = not at all concerned; 100 = extremely concerned)

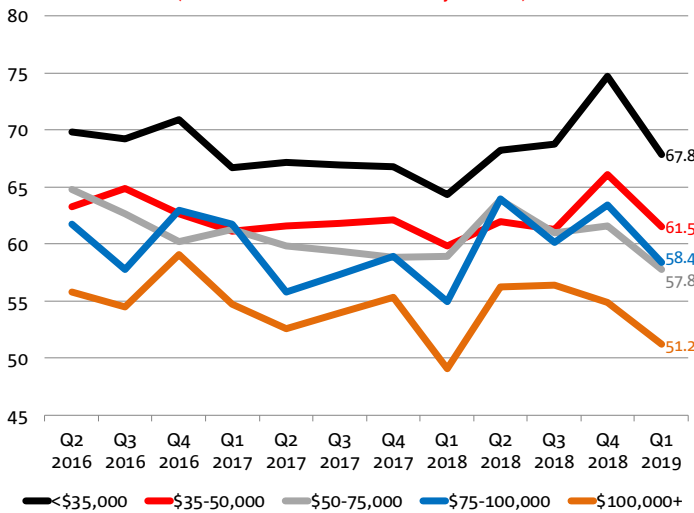


Financial anxiety fell in all age groups in Q1 2019. Australians aged 30-49 years old continue to be the most worried about their current financial position (down 3.4 to 62.0), but women (63.3) in this age group more worried than men (60.7).

Financial anxiety also fell for Australians aged 18-29 (down 2.6 to 60.7), but women (64.4) were far more anxious than men (56.9).

Over 50s had the lowest levels of financial anxiety (down 7.0 to 53.9), but women (56.6) were again more anxious than men (50.9).

FINANCIAL ANXIETY: INCOME
(0 = not at all concerned; 100 = extremely concerned)



By income, there was a fairly strong inverse relationship between financial anxiety and income.

In Q1 2019, financial anxiety was highest for people earning less than \$35,000 p.a. (67.8 points) - and by some margin.

Anxiety was lowest for people in the highest income earning group (51.2 points).

Encouragingly however the 'financial anxiety gap' between the lowest a highest income earning reduced to 16.6 points (from a survey high 19.9 points in the previous quarter).

KEY DRIVERS OF FINANCIAL ANXIETY
(100 = extremely concerned)



What are the key drivers underpinning financial anxiety? Overall, not having enough to finance retirement is the biggest concern, with Australians rating their level of concern over their retirement financing at 55.2 points out of 100 (where 100 = extremely concerned).

Other key drivers included not being able to provide for their family's future (50.4), not being able to meet the costs of their medical bills and healthcare (48.3), not having enough money for non-essentials (47.6) and not being able to raise \$2,000 if an emergency arose (46.7),

They were least worried about being unable to meet minimum credit card repayments (35.4), and having enough money for food and basic necessities (38.7), their personal loan repayments (43.2) or having enough to meet their normal monthly bills such as electricity, gas and water (43.9) or their other normal monthly bills such as insurances and public transport (40.0).

There are however some important differences in what drives financial anxiety by age & gender and income levels.

By gender & age, the table below shows that more 30-49 year old worried about most drivers of financial anxiety, particularly when not having enough to finance their retirement, providing for their family's future, not being able to meet the cost of their medical bills and healthcare, not having enough for major household items such as furniture and appliances, home improvements & maintenance and their normal monthly utility and other bills. Young women were the most anxious about being able to raise \$2,000 for emergency and young men about their children's education and meeting minimum credit card repayments.

By income level, Australians in the lowest groups were noticeably more worried about all key drivers of financial anxiety and significantly more so than Australians in the highest income group.

KEY DRIVERS OF FINANCIAL ANXIETY - AGE & GENDER AND INCOME

	AUSTRALIA	Women 18-29	Women 30-49	Women 50+	Men 18-29	Men 30-49	Men 50+	<\$35,000 p.a.	\$35-50,000 p.a.	\$50-75,000 p.a.	\$75-100,000 p.a.	\$100,000+ p.a.
Financing retirement	55.2	52.6	62.1	54.6	51.4	63.2	45.2	64.1	55.8	54.1	57.6	49.6
Providing for family's future	50.4	56.3	59.7	41.2	53.9	58.3	36.7	59.9	51.1	53.0	53.1	43.4
Medical bills/healthcare	48.3	50.1	54.5	46.1	48.5	52.9	39.5	60.2	50.7	49.7	49.6	38.6
Non-essentials	47.6	55.0	55.1	42.9	46.9	54.1	35.8	56.8	46.7	48.8	49.9	41.0
Raising \$2,000 in an emergency	46.7	57.3	55.9	39.1	52.1	55.1	30.7	62.3	47.9	47.4	47.1	36.1
Major household items	46.2	51.2	54.6	41.6	47.8	53.4	33.3	59.8	46.7	47.0	46.5	37.4
Home imp. & maintenance	46.2	48.3	55.5	44.1	46.7	51.9	33.3	56.5	46.4	45.6	49.1	39.7
Mortgage, rent, housing costs	44.6	49.8	50.2	35.6	50.1	50.6	32.0	53.2	54.3	45.8	46.2	35.7
Children's education	44.2	49.2	51.5	20.9	54.4	50.9	27.1	50.7	49.1	48.2	46.5	38.4
Other monthly h/hold bills	44.0	48.9	51.9	38.5	46.4	51.4	32.4	58.5	45.9	46.0	43.2	34.1
Normal monthly utility bills	43.9	48.8	52.1	37.8	47.2	51.1	32.1	57.8	46.2	45.3	42.4	34.2
Personal loan repayments	43.2	50.0	49.8	29.2	50.2	49.7	29.3	53.0	45.7	47.5	44.4	34.5
Food/basic necessities	38.7	40.9	46.2	32.3	45.2	45.7	27.8	52.4	41.4	40.1	37.6	28.0
Credit card repayments	35.4	38.9	43.5	24.1	44.1	43.7	24.5	43.7	37.4	37.9	37.7	29.1

PART 3 - HOUSEHOLD FINANCIAL HARDSHIP

The number of Australians who experienced some form of financial stress or hardship in the past 3 months was unchanged at 39% in Q1 2019. But the overall result masks some important differences.

While the number of men who experienced hardship increased from 36% to 38%, the number of women fell from 42% to 40%.

By age, the number of 30-49 year olds that experienced some hardship rose slightly to 47% (46% in Q4 2018), but the number of 18-29 year olds that did fell to 52% (55% in Q4 2018). The over 50s were unchanged (25%).

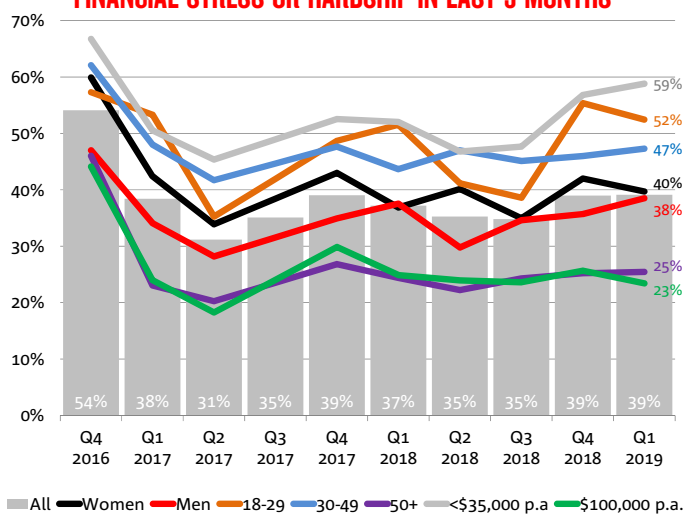
By income, almost 6 in 10 (59%) people in the lowest income group faced some hardship during the quarter, almost three times as many than in the highest income group (23%).

Not having enough money for an emergency was the most frequently cited cause of stress or hardship in Q1 2019, impacting 23% (or almost 1 in 4 Australians). However, it was a far bigger problem for low income earners, impacting 35% of these consumers. It was also more common among middle-aged Australians - both women (31%) and men (28%).

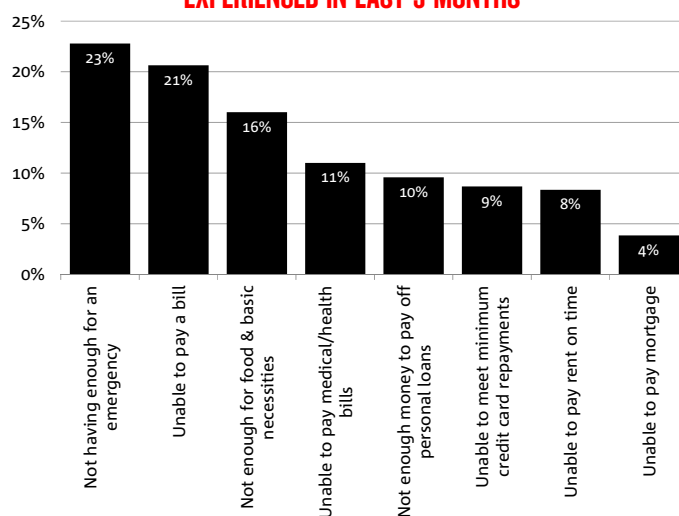
Being unable to pay a bill was the next biggest cause of hardship, affecting 21% of Australians. Again, however, the problem was more widespread for low income earners (31%). By gender and age, it impacted middle-aged men the most (28%), followed by young and middle-aged women (26%).

Among other findings, not having enough for food and basic necessities impacted notably more low income earners (28%) and mid-aged women (23%) and men (22%). Not being able to pay rent on time impacted notably more young men (17%) and medical costs low income earners (19%) - see table below.

NUMBER OF CONSUMERS THAT EXPERIENCED FINANCIAL STRESS OR HARDSHIP IN LAST 3 MONTHS



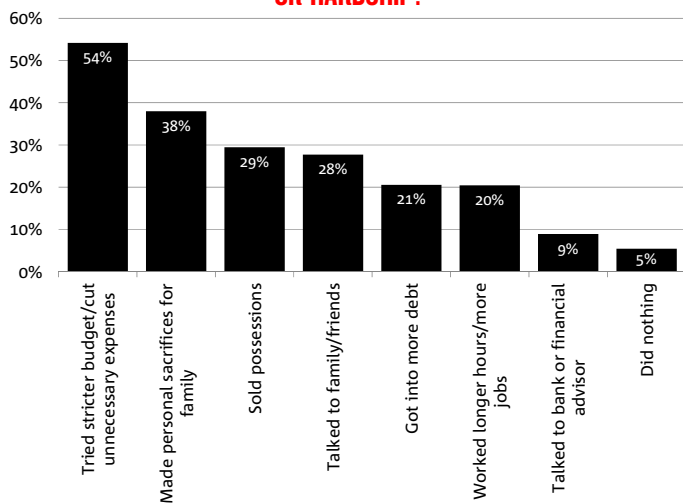
TYPE OF FINANCIAL STRESS OR HARDSHIP EXPERIENCED IN LAST 3 MONTHS



TYPE OF FINANCIAL HARDSHIP EXPERIENCED IN LAST 3 MONTHS - AGE & GENDER AND INCOME (LOW/HIGH)

	AUSTRALIA	Women 18-29	Women 30-49	Women 50+	Men 18-29	Men 30-49	Men 50+	<\$35,000 p.a.	\$100,000+ p.a.
Not enough for an emergency	23%	25%	31%	17%	22%	28%	15%	35%	15%
Unable to pay a bill	21%	26%	26%	13%	25%	28%	12%	31%	14%
Not enough for food & basic necessities	16%	21%	23%	10%	16%	22%	8%	28%	8%
Unable to pay medical/health bills	11%	14%	12%	8%	14%	13%	8%	19%	5%
Not enough to pay off personal loans	10%	16%	12%	3%	17%	13%	5%	12%	7%
Unable to pay credit card	9%	9%	11%	4%	13%	12%	6%	9%	7%
Unable to pay rent on time	8%	12%	10%	2%	17%	15%	2%	15%	4%
Unable to pay mortgage	4%	3%	5%	1%	9%	6%	2%	3%	3%

HOW DID YOU TRY AND MANAGE FINANCIAL STRESS OR HARDSHIP?



Over 1 in 2 Australians (54%) who experienced financial hardship in the last 3 months tried to follow a stricter budget and cut out unnecessary expenses.

But this number varied across key groups. For example, 62% of women aged 50+ said they budgeted or cut unnecessary expenses, compared to just 48% of young men - see table below.

Around 38% tried to make personal sacrifices for the family, particularly women aged 30-49 (44%) and high income earners (44%). Almost 1 in 3 (29%) sold possessions, although this was much higher for young men (36%) and in the lowest income group (36%).

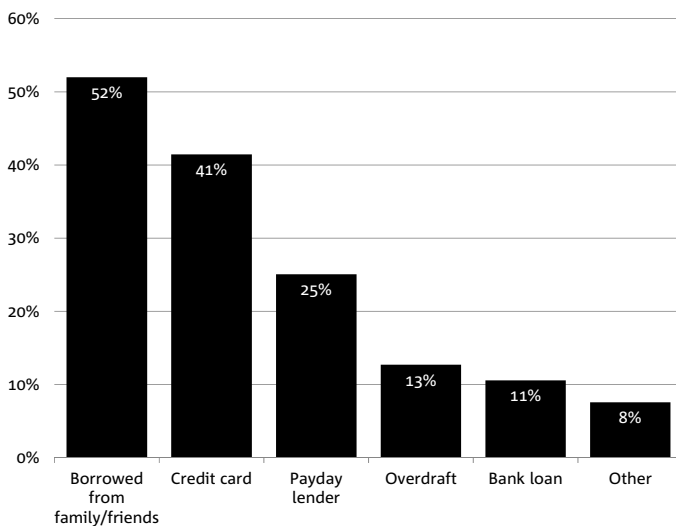
Another 28% talked over their worries with family or friends, with young women the most likely group to have done so (50%) and women over 50 the least likely to have done so (10%).

One in 5 (21%) went into more debt, led by mid-aged women (28%) and men (28%). A further 1 in 5 (20%) worked longer or harder, particularly young men (35%).

HOW DID YOU TRY AND MANAGE FINANCIAL STRESS OR HARDSHIP - GENDER & AGE AND INCOME (LOW/HIGH)

	AUSTRALIA	Women 18-29	Women 30-49	Women 50+	Men 18-29	Men 30-49	Men 50+	<\$35,000 p.a.	\$100,000+ p.a.
Stricter budget/cut unnecessary exp.	54%	53%	56%	62%	48%	53%	50%	57%	56%
Made personal sacrifices for family	38%	36%	46%	34%	39%	38%	28%	35%	44%
Sold possessions	29%	26%	34%	31%	19%	36%	23%	36%	23%
Talked to family/friends	28%	50%	28%	10%	36%	27%	15%	28%	27%
Got into more debt	21%	17%	28%	12%	14%	28%	15%	21%	18%
Worked longer hours/more jobs	20%	25%	19%	5%	35%	25%	11%	11%	26%
Talked to bank or financial advisor	9%	5%	11%	2%	19%	7%	10%	8%	11%
Did nothing	5%	1%	3%	10%	5%	6%	9%	8%	5%

TYPE OF DEBT USED



Just over 1 in 2 (52%) of Australians who went into more debt to try and manage their financial stress borrowed from family or friends - although this proportion was much higher for 18-29 year women (66%) and men (65%) - see table below.

Credit card debt was the next most commonly type of debt used (41%), although noticeably more men aged over 50 (64%) used their credit card than any other group by age and gender, as did Australian consumers earning between \$75-100,000 p.a. (65%).

Around 1 in 4 Australians (25%) who went into more debt to manage their financial stress took out a loan from a payday lender, although this was noticeably higher for young men (37%) and women over 50 (34%), and for people in the highest income group (37%).

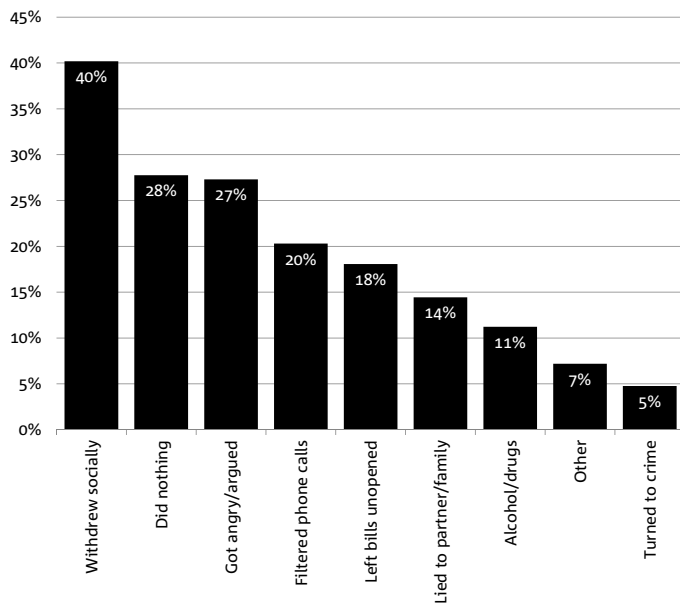
Around 13% applied for an overdraft, although this number jumped to almost 1 in 2 (46%) for 18-29 year olds.

A further 1 in 10 (11%) resorted to a bank loan to help ease their financial stress, but again this number was much higher for young men (38%), and was also significantly higher for Australians earning between \$75-100,000 p.a. (28%) and for those earning over \$100,000 p.a. (24%).

TYPE OF DEBT USED - GENDER & AGE AND INCOME

	AUSTRALIA	Women 18-29	Women 30-49	Women 50+	Men 18-29	Men 30-49	Men 50+	<\$35,000 p.a.	\$35-50,000 p.a.	\$50-75,000 p.a.	\$75-100,000 p.a.	\$100,000+ p.a.
Borrowed from family/friends	52%	66%	46%	39%	65%	59%	25%	62%	54%	53%	48%	32%
Credit card	41%	25%	41%	21%	47%	47%	64%	26%	40%	48%	65%	42%
Payday lender	25%	21%	29%	34%	37%	23%	0%	26%	29%	21%	15%	37%
Overdraft	13%	6%	6%	0%	46%	15%	12%	16%	0%	15%	19%	13%
Bank loan	11%	13%	6%	0%	38%	11%	0%	4%	0%	7%	28%	24%
Other	8%	6%	10%	16%	0%	4%	15%	10%	12%	7%	0%	3%

HOW DID YOU TRY TO COPE WITH FINANCIAL STRESS?



People try coping with financial stress by managing the problem directly - for example budgeting, selling possessions, learning to live on less, speaking to their bank etc.

But financial stress or anxiety can also impact their emotional wellbeing and often result in unhealthy coping behaviours and can cause additional stress.

In fact, around 4 in 10 (40%) Australians who experienced financial stress or hardship tried to cope by withdrawing socially, while almost 3 in 10 (27%) got angry or argued.

Around 3 in 10 (28%) did nothing, while around 2 in 10 tried to hide from the problem by filtering phone calls (20%) or by leaving bills unopened (18%).

Around 14% lied to their partner or family and 1 in 10 (11%) turned to alcohol or drugs.

HOW DID YOU TRY AND COPE WITH FINANCIAL STRESS - GENDER & AGE AND INCOME

	AUSTRALIA	Women 18-29	Women 30-49	Women 50+	Men 18-29	Men 30-49	Men 50+	<\$35,000 p.a.	\$35-50,000 p.a.	\$50-75,000 p.a.	\$75-100,000 p.a.	\$100,000+ p.a.
Withdrew socially	40%	41%	40%	35%	39%	42%	43%	48%	39%	45%	35%	30%
Did nothing	28%	19%	27%	41%	28%	18%	41%	30%	21%	25%	37%	22%
Got angry/argued	27%	28%	26%	14%	27%	41%	22%	24%	32%	29%	27%	30%
Filtered phone calls	20%	15%	26%	13%	17%	27%	16%	17%	24%	24%	16%	21%
Left bills unopened	18%	18%	21%	13%	19%	23%	10%	18%	20%	21%	16%	17%
Lied to partner/family	14%	17%	13%	5%	18%	19%	11%	13%	17%	18%	13%	15%
Alcohol/drugs	11%	15%	7%	5%	16%	18%	4%	14%	18%	11%	4%	8%
Other	7%	7%	10%	8%	1%	6%	12%	8%	6%	4%	5%	9%
Turned to crime	5%	5%	2%	1%	9%	9%	0%	4%	5%	5%	6%	6%

But how people cope emotionally can differ by gender and age and by income.

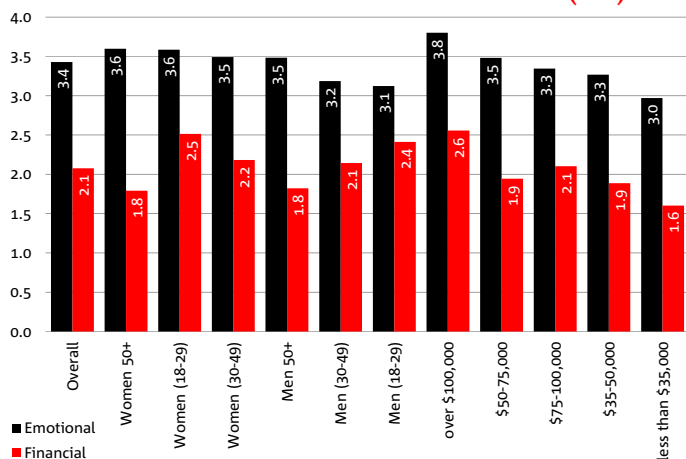
For example, withdrawing socially was the most commonly cited coping mechanism when under financial stress, impacting 40% of all people under financial stress. However, this number was much higher in the lowest income earning group (48%).

Doing nothing was the second most common response overall (28%), but significantly higher for middle-aged men (41%) and women (41%) and for Australians earning between \$75-100,000 p.a. (37%). In fact, this was also the most commonly cited coping mechanism for 30-49 year old women and in the \$75-100,000 p.a. income group.

Men aged 30-49 (41%), and those earning between \$35-50,000 p.a. (32%) and over \$100,000 p.a. (30%) were much more likely to get angry or argue, and middle-aged women (26%) and men (27%) far more likely to filter phone calls than any other gender and age group.

Men aged 30-49 were also the most likely to turn to alcohol or drugs (18%).

NUMBER OF PEOPLE YOU CAN CALL ON FOR SUPPORT IF FACING AN EMOTIONAL OR FINANCIAL CRISIS (AVG)



Stress can impact wellbeing and it can be a great help to have people to lean on. We asked Australians how many people they could call upon for help or support if they faced an emotional or financial crisis.

On average, they said they could count on 3.4 people in an emotional crisis, but only 2.1 in a financial crisis. Consequently, people facing a financial crisis may be more likely to turn to other avenues (positive or negative) to try and manage.

The number of people who could be called on in an emotional crisis was bigger than for a financial crisis in all key groups.

The gap was also biggest for women and men over the age of 50 whose support network was twice as big when facing an emotional crisis than when facing a financial crisis.

The gap was smallest for young people.

By income, support networks were most widespread in the highest income group.

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