

## Media Release

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### Even in the good times Australians still worry about money

ANZ and Pacific Magazines today released a comprehensive survey into Australians' money confidence which found that even when things are going well, almost 40% of respondents 'stress out' about money, and women tend to worry more about money issues than men.

*Australia's Money Confidence 2013* asked almost 12,000 Australians<sup>1</sup> how they think and feel about money. It also found 61% of people who are confident about their future financial security have put plans in place to help achieve major goals, while most of those who aren't confident know they should have a plan, but keep putting it off.

#### Key findings include:

- 39% agree "even when things are going well for me financially, thinking about money stresses me out".
- Women tend to worry more than men, with 51% of female respondents saying they find dealing with money stressful and overwhelming, compared to 37% of men.
- One third of respondents say worrying about finances causes sleepless nights (33%) and 39% feel anxious.
- 37% of respondents talk to their partner/spouse to alleviate financial stress and one in three exercises (33%).
- While the vast majority say it's important to have a long term financial plan (84%), just one in five respondents say they currently use a financial planner or advisor (21%).
- 83% of those not confident about their future financial security either "procrastinate" or "try not to think about it" when it comes to putting a financial plan in place.
- Most respondents say they have some form of financial fear; with the most common financial fears being not having enough money to live comfortably in the future (48%), and not being able to maintain their current lifestyle in the future (28%).

ANZ Managing Director of Retail Distribution, Mark Hand, said: "The research looks at how people think and feel about money, and shows that a lot of Australians worry about their finances, even when things are going well. We understand these concerns and encourage all Australians to take action to build their money confidence, rather than putting it off or trying not to think about it.

"Speaking with an expert at your local branch can be the first step in taking control and putting a plan in place which, as we can see from the survey, can make a real difference to our health and wellbeing. A proactive plan can also help you make the most of your money and achieve goals faster, regardless of changes to the economy or other factors outside of your control," Mr Hand said.

Editor and Publisher of *marie claire* magazine, Jackie Frank, said: "This latest research underscores how the financial confidence of everyday Australians remains a national issue – and it's having a huge impact on our physical and emotional lives. Most of us aren't afraid to discuss these fears with our friends and family – but more of us need to know how to take concrete steps to achieve our goals and, most importantly, look after our wellbeing."

People who are worried about their money situation can also benefit from an [A-Z Review](#)<sup>®</sup> – a complimentary one-on-one session with an ANZ banking specialist, who can explore their current financial situation and goals for the future in order to identify solutions that can help them get there faster.

In response to these insights, ANZ has also built a new website which highlights actions Australians can take to build their money confidence. The first step is asking an expert for help, with other tips to help people become more educated about money matters, sort out their super, and protecting the things that matter through insurance. Visit [anz.com/moneyconfidence](http://anz.com/moneyconfidence).

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**About Australia’s Money Confidence 2013:**

The ANZ Pacific Magazines *Australia’s Money Confidence 2013* research examines people’s current attitudes towards their finances, with the aim of promoting better money confidence among all Australians.

People who feel money confident plan ahead, prepare for the unexpected and educate themselves on money matters, and survey respondents who feel and behave confidently with money share the following attitudes and behaviours:

- Control over their finances – comfort with their level of debt and their ability to manage day-to-day expenses.
- Ability to plan for the future and unexpected situations - be adequately insured, financially prepared, saving for retirement, and have adequate savings and wealth.
- Taking an active interest in building financial knowledge and understanding, and seeking professional advice when needed.
- Taking ownership/responsibility for their finances.
- Being financially motivated - setting financial goals and working to achieve them.

As part of the research, ANZ developed a **Money Confidence Index** which provides insights into the way different groups think and feel about money. The index score is out of 100, where:

- 0-33 = low money confidence
- 34-66 = medium money confidence
- 67-100 = high money confidence.

While the average index score for all people aged 18 years and over is 48.9, women score below average (45.8), and are more likely to have a low money confidence score than men:

Money Confidence Index rating	Low	Medium	High
Females	28%	54%	18%
Males	19%	54%	27%

While money confidence generally increases with age, it dips during mid life. People aged 35-49 have the lowest money confidence (45.3), and people aged 65+ have the highest money confidence (57.6). Young men aged 18-24 years overall have a higher money confidence score (49.3) than women 18-64 (44.1).

## Summary

### Money worries

- The most common financial fears are not having enough money to live comfortably in the future (48%) and not being able to maintain their current lifestyle in the future (28%).
- A third of people say their financial situation has improved over the past 12 months, 22% say it has worsened.
- 79% of respondents who say their current financial situation is worse than 12 months ago are insecure and stressed about money matters (compared to 50% of overall respondents).
- 60% of people consider themselves financially secure, less than half agree: "If I had a major loss of income I could manage for 12 months".
- A quarter are not confident about their future financial security, tending to live pay-to-pay with little savings.
- The top sources of financial stress are increased cost of living (61%), utility/electricity bills (42%) and petrol prices (30%).

### Tackling the issue

- Overall, 50% of people don't have any money plans in place to achieve their major goals.
- 61% of people who are confident about their financial future have put money plans in place to achieve their major goals; 83% of those not confident about their future financial security either "procrastinate" or "try not to think about it" when it comes to putting a financial plan in place.
- Just 1 in 5 survey respondents currently use a professional financial planner or adviser (21%), despite most acknowledging that financial planning is important, regardless of how much money you have (84%).
- The use of financial planners was more common amongst respondents aged 50 and over (1 in 3), compared to around 1 in 10 people aged 25-34.
- Rather than seeking professional advice, 37% of respondents who are stressed about money opt to talk to their partner, 33% exercise, and 26% do their own research to alleviate their financial stress.

### Health impact: overall

- 44% of respondents agree that "dealing with money is stressful and overwhelming".
- For those who are financially stressed, one third say causes sleepless nights (33%) and 39% feel anxious.
- 45% of respondents have delayed or put off going on holidays as result of being under financial stress.

### Health impact: respondents with low money confidence:

- Have trouble sleeping as a result of financial stress (56%)
- Eating more junk food (25%) and experience weight gain (29%)
- Say debt is impacting their happiness (92%)
- Have had a conflict or disagreement with someone over money (76%)
- Say debt has affected their relationship with their partner/spouse (65%)
- Say debt is affecting their social life (88%)

### Gender differences

- Overall, women are less confident when it comes to money matters, with 90% of female respondents saying they worry about money versus 83% of male respondents.
- 51% of women say they find dealing with money stressful and overwhelming compared to 37% of men.
- Men have almost double the amount of savings (as well as superannuation by the time they reach retirement) as women, and 58% of women rate their understanding of superannuation as fair or poor compared to 38% of men.
- 71% of women said they felt confident about their future financial security, compared to 80% of men.

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<sup>i</sup> 11,757 respondents aged 18+ participated, 1 October to 23 November 2012, including 3,948 males and 7,809 females. All survey results are weighted by gender, age and geography to be population representative.