

News Release

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Young Australians still feeling financial impacts of COVID, ANZ research shows

Australians aged under 25 are taking longer to recover from the financial impacts of COVID than all other age groups, new ANZ research shows.

The ANZ Roy Morgan Financial Wellbeing Indicator found this group was also hardest hit by the pandemic, mainly because almost one-quarter (23.4%) were employed in industries such as hospitality and retail that were heavily impacted by lockdowns.

As a result, people aged 14-24 years say they are less likely to feel financially stable and less confident about managing their finances than other age groups, with this gap widening between March and December 2021.

The experience of the pandemic for younger Australians has also affected their attitudes towards work and socialising as well as their mental health, with a 12.4 percentage point increase in the number of young Australians reporting they had experienced mental health conditions (from 45.5% in March 2021 to 57.9% in December).

Other insights from the ANZ Roy Morgan Financial Indicator:

- The financial wellbeing of Australians increased 2.8%, to 59.1 (as a score out of 100) between March and December 2021.
- Financial wellbeing improved across all states and territories between March 2021 and December 2021. The regions that experienced the largest growth were the ACT (up 4.5%) and Tasmania (up 4.0%) while SA experienced the smallest (up 0.2%).
- Financial wellbeing recovered amongst all age groups, except those aged 14-24 between March 2021 and December 2021.
- Those aged 14-24 also experienced the largest decline in financial wellbeing during the first year of the pandemic, down 7.3% between March 2020 and March 2021.
- For the same age group between March and December 2021, 'Feeling Comfortable' rose 1.5%, however there were declines in 'Resilience for the Future' (down 1.5%) and 'Meeting Everyday Commitments' (down 0.5%) as some young people may have drawn down on their savings.

ANZ Lead Social Impact Research & Reporting Natalie Paine said: "The ANZ Roy Morgan Financial Wellbeing Indicator provides us with valuable insights into the financial wellbeing of Australians, as well as their financial confidence, attitudes and behaviours.

"There are many reasons younger Australians are taking longer to recover financially from the pandemic. Many have lost confidence in managing their money and are more likely to say they would have difficulty coping with a demanding job, compared to the general population," Ms Paine said.

The ANZ Roy Morgan Financial Wellbeing Indicator is based on the Roy Morgan Single Source survey of approximately 65,000 Australians annually that assesses financial behaviours as well as the psychological, social and economic factors that contribute to financial wellbeing.

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