



Know Your Numbers 2021 April

Methodology

This study was conducted online between 8-10 March 2021 by YouGov.

The sample was comprised of 1,031 Australians aged 18 years and older.

Following the completion of interviewing, the data was weighted by age, gender and region to reflect the latest ABS population estimates.



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Key findings

Approach to managing finances



- A majority (54%) of Australians take an active interest in managing their finances and take sole responsibility for them, while a further one in three (34%) manage their finances jointly with their partner or someone else.
- Those who budget (65%) are more likely than those who don't (54%) to solely manage their finances.
- Gen Z (61%) are most likely to take an active interest and be solely responsible for managing their finances, ahead Baby Boomers (56%), Millennials (55%) and Gen X (46%).
- On the other hand, Gen X (42%) and Baby Boomers (39%) are most likely to be jointly responsibly for their finances, ahead of Millennials (32%) and Gen Z (14%).



The economic climate



- Three quarters (72%) of Australians are concerned by the current state and future of our economic climate, with two in ten (18%) who say the state of the economy keeps them awake at night.
- On the other hand, six in ten (61%) Aussies are optimistic about the economic climate.
- Males (22%) are more likely than females (14%) to say the state of the economy keeps them awake at night.
- Millennials (77%) are more likely to say they are concerned about the current and future state of our economic client, ahead of Gen Z (71%), Baby Boomers (70%) and Gen X (69%).
- Additionally, Millennials (30%) are considerably more likely than Gen X (16%), Gen Z (16%), or Baby Boomers (10%) to say that the state of the economy keeps them awake at night.



Budgeting and saving



- Two thirds (65%) of Aussies abide by some form of a budget, including 43% of those who say they have the tools and/ or tactics to budget, and 22% who say they sometimes use their tools/ tactics to budget.
- A further 14% of Australians are actively thinking about their budgeting but are yet to act on it, while an additional one in ten (10%) say they have the tools to budget, but don't use them.
- One in ten (11%) Aussies don't budget at all and have no tools to do so.
- Millennials (70%) are most likely to use budgeting tools at least sometimes, ahead of Baby Boomers (66%), Gen X (62%) and Gen Z (60%).
- Four in ten (38%) of Aussies save one third or less of their monthly salary, including one in four (24%) who save either none of their monthly pay check or only a little bit of it.
- An additional 13% of Aussies choose to save half or more of their income each month, with 4% of those saving almost all of their monthly salary monthly.
- 13% of Gen X estimate to save around a quarter of their income each month, ahead of Baby Boomers (5%) and Gen Z (4%).
- On the other hand, Gen Z (28%) are considerably more likely than either Gen X (6%) and Baby Boomers (6%) to be saving half or more of their salary each month.



Home ownership

- Just under half (44%) of non-home owners are pessimistic, anxious or stressed about saving for or buying a house.
- This includes one in three (32%) who say that while they want to own a house, they don't think they will ever afford one.
- On the other hand, three in ten (29%) are currently saving for a house.
- For one in five (19%) non-home owners, the thought of owning a home gives them anxiety and stress, while an additional 12% say the thought of starting to save for a house gives them anxiety.
- Millennials (28%) are considerably more likely than either Gen X (16%) or Gen Z (16%) non-home owners to say the thought of saving for a house gives them anxiety and stress.
- Three in ten (29%) non-home owners are currently saving for a house deposit, including 10% who say they have just started saving, 10% who have saved some of the deposit, and 9% who have saved almost all the deposit.
- One in ten (12%) would like to start saving for a house but don't know where to begin, with a further 4% who say they would like to start saving for a house but can't be bothered.
- Non-home owners who have a budget (36%) are considerably more likely than those who don't budget (19%) to be currently saving for a house.



Home ownership

- Men (13%) are twice as likely as women (7%) to say they are currently saving for a house and have almost saved the deposit, while women (15%) are more likely than men (9%) to say they would like to start saving for a house but don't know where to start.
- A majority of non-home owners (84%) agree they need to know more about home loans, rates and deposits, with three in ten (29%) who say they know nothing at all and do not know where to begin.

Two in ten (20%) say they have some understanding about home loans, mortgage rates and deposits and have some idea as to how much they need to save.
- Additionally, one in ten (12%) are actively saving towards a home but would like to know more about interest rates and providers.
- 16% of non-home owners know as much as they need to know, with a firm understanding as to how much to save and who to go to for a home loan.
- Women (88%) agree they need to know more about home loans, mortgage rates and deposits, compared to men (80%).
- Gen X (33%) are twice as likely as Gen Z (15%) to say they have some understanding and roughly know how much they need to save.
- Nine out of ten (89%) Millennials say they need to know more about home loans, mortgage rates and saving for a deposit.



Changes made due to economic climate



- Just under half (47%) of Australians have implemented new spending/ budgeting strategies as a result of financial uncertainty due to the economy since COVID-19.
- Four in ten (41%) Australians are minimising all of their spending outside of necessities, while one in five (21%) have picked up a new job or side hustle in response to financial uncertainty since the outbreak of COVID-19.
- 16% of Australians have made one or more investments as a method of increasing revenue.
- 14% have also introduced new budgeting strategies (such as budgeting apps, trackers etc.) as a way to save more money.
- As well as this, Millennials (46%) are significantly more likely than Gen Z (34%) to minimise all of their spending outside of necessities.
- More than a third (36%) of Gen Z Aussies have picked up a new job or side hustle in response to the financial uncertainty of COVID-19.
- Half (48%) of Aussies say they are likely to consider a side hustle or additional job as a result of economic climate since COVID-19.



Changes made due to economic climate



- Millennials (70%) and Gen Z (68%) are considerably more likely than Gen X (49%) and Baby Boomers (23%) to consider a side hustle or additional job in response to the economic climate.
- Women (19%) are more likely than men (12%) to consider a side hustle or additional job given the state of the economy as a result of the pandemic.
- One third (34%) of Australians say they felt confident in their financial knowledge prior to COVID-19 so have not felt a need to educate themselves further, while a further 23% say they have done nothing to increase their financial knowledge since the pandemic.
- For one in five (22%) Aussies, the pandemic has made them want to improve their financial education, with 10% who feel concerned about the current economic climate and would like to know more about financial management.
- 12% of Australians say they have since become more confident in their financial knowledge since COVID-19.
- One in five (19%) Gen Z Aussies say they have become more confident in their financial knowledge since the outbreak of COVID-19.



Understanding of financial terms



- Thinking about financial terms, half (51%) of Australians have little or no knowledge about loan value ratios, with 40% of those saying they have absolutely no knowledge about loan value ratios.
- Other financial terms a large proportion of Australians have little or no knowledge of include Lender Mortgage Insurance (LMI)(41%), offset accounts (38%) and negative gearing (37%).
- On the other hand, three in ten (31%) Aussies know a lot about refinancing, with 12% who say they have a perfect understanding.
- Additionally, one in four (24%) say they know a lot about comparison rates, with one in ten (10%) who say they have a perfect understanding.
- Seven in ten (70%) Gen Z say they have little to no knowledge about loan value ratios (LVR), more so than Baby Boomers (55%), Millennials (46%) and Gen X (42%).
- Conversely, Baby Boomers (34%) are significantly more likely than Gen X (25%), Millennials (18%) and Gen Z (9%) to say they know a lot about negative gearing.



Ranking everyday tasks

- Three in ten (28%) Aussies agree that sorting through their finances is one of the most complex everyday tasks to complete, ahead of gardening/landscaping (24%), washing dishes and cleaning the kitchen (17%), doing the washing and folding clothes (14%).
- One in ten (11%) Australians say that working from home is one of the most complex everyday tasks.
- 5% of Aussies find taking their dog for a walk to be one of the most complex tasks they face in their day to day lives.
- For Millennials (32%), sorting through finances is their biggest everyday challenge, more so than Baby Boomers (24%).
- Gen Z (18%) are twice as likely as Gen X (9%) to say that working from home is their most complex day to day task.