



# Real Struggle Report 2024

September 2024



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# About the report

The Real Struggle Report forms part of the Real Insurance Research Series, delving into the struggles faced by Australians.

The report explores how individuals are managing financial pressures across different facets of their lives, highlighting common stress points and strategies for navigating the rising cost of living. The study also pinpoints the suburbs across Australia that are facing the greatest financial challenges.

The report is compiled based on research commissioned by Real Insurance and conducted by MYMAVINS between the 11th and 24th of April 2024. The research was conducted via a quantitative online survey, gathering 5,018 responses from Australians 18 years old and above. The sample is broadly representative of this population in terms of age, gender, wealth, and region.

## Important things to observe about the charts and figures

- ✓ Figures were determined from self-reported estimates provided by respondents.
- ✓ Footnotes directly underneath the charts may refer to one or more of the below, depending on the data presented. If more than one note is required, this will appear as a bulleted list. Charts without a specific note represent questions that were asked to all respondents.
  - Subset of the total sample size as certain questions would only be asked to specific respondents.
  - Types of questions asked, for instance multiple responses allowed, appear when the question calls for more than one answer from the respondent.
  - Data has been excluded from analysis (e.g. outliers removed in analysis).
  - Some charts and figures may not be equal to 100% due to rounding differences. This is also true for summed up figures.



## Key findings



## Australians are struggling

- ✓ The overall struggle score reveals that over 2 in 5 (41%) Australians are experiencing a moderate or greater level of struggle.
- ✓ The property struggle score indicates that 3 in 5 (60%) are experiencing a moderate or greater level of struggle.
- ✓ When it comes to general finances, close to 1 in 2 (47%) are experiencing a moderate or greater level of struggle.
- ✓ The household essentials struggle score reveals that 2 in 5 (41%) are experiencing moderate or a greater level of struggle.

## Rising costs are straining health and wellbeing

- ✓ Close to 7 in 10 (69%) are struggling moderately or greater with the rising cost of living, with Gen Zs most likely to be feeling the pinch.
- ✓ The strain of living costs is significantly impacting personal and household wellbeing, with 7 in 10 (69%) reporting a considerable or very strong negative impact on their general health and happiness.

## Family and friends are helping out

- ✓ In the past year, close to 1 in 2 (48%) have received or borrowed money from friends or family.
- ✓ Nearly half (48%) of these people claim this caused some tension or disagreements with their partner, family or friends.

## Financial stress is common and impacts relationships with family

- ✓ Financial stress is prevalent, affecting nearly 7 in 10 (69%) households.
- ✓ More than 4 in 5 (84%) parents experiencing financial stress try to shield their children from these issues. However, 2 in 3 (66%) parents believe their children have noticed.
- ✓ Financial struggles also impact relationships, with over 1 in 2 (52%) reporting negative effects on their personal relationships.

## Mortgage holders are feeling the pinch

- ✔ Mortgage burdens have risen for many, with an average increase of \$880 in minimum monthly payments compared to a year ago.
- ✔ 1 in 2 (50%) mortgage holders are struggling moderately or greater to make these repayments.
- ✔ Over 1 in 3 (36%) have felt worried about their ability to make mortgage repayments.

## Renters are struggling

- ✔ 1 in 2 (50%) are experiencing a moderate or greater struggle in paying rent over the past year.
- ✔ 2 in 5 (40%) report having to move further away than desired for more affordable rentals.
- ✔ 1 in 8 (13%) have moved back home with parents and a further 1 in 3 (34%) are considering this.

## Saving for a deposit is a struggle

- ✔ Over 4 in 5 (82%) who do not currently own a residential home are experiencing moderate or greater struggle in saving for a home deposit.
- ✔ More than 1 in 2 (51%) have already moved, are considering or would consider moving interstate or to a regional area because of housing affordability.

## Many Aussies are renegotiating or defaulting on loans

- ✔ Pressure with debt payments are evident, with nearly 3 in 5 (58%) facing moderate or greater struggle servicing household debts.
- ✔ Debt management is a concern, with nearly 3 in 10 (29%) needing to default on or negotiate loan extensions.

## Living pay cheque to pay cheque

- ✓ Close to 2 in 3 (65%) are experiencing moderate or greater struggle achieving savings goals.
- ✓ Over 3 in 10 (31%) admit to not saving any money monthly.

## Struggles have impacted health seeking habits

- ✓ Almost 2 in 3 (65%) have avoided medical services to escape out-of-pocket expenses.
- ✓ Nearly 2 in 5 (38%) are experiencing moderate or greater struggle affording necessary medicine and/or medical treatments required for themselves or family in the past year.
- ✓ Close to 1 in 2 (45%) faced moderate or greater struggle in affording healthy food options in the past year.

## Entertainment, personal care and gift giving are under pressure

- ✓ Nearly 1 in 2 (45%) experience moderate or greater struggle in paying for personal grooming, including haircuts and beauty treatments.
- ✓ Close to 1 in 2 (47%) experience moderate or greater struggle affording household entertainment costs.
- ✓ Over 1 in 2 (51%) report are now facing moderate or greater struggle affording gifts during special occasions like birthdays and Christmas.

## Australians are looking to other sources of income

- ✓ Almost 2 in 3 (63%) workers have taken up a second job or a side hustle in the past year or have considered doing so to increase their income.
- ✓ 2 in 5 (40%) employed people report working more than they would like due to financial pressures.
- ✓ This is closely linked to a poor work-life balance, experienced by over 1 in 3 (36%).

## Spend less, save more

- ✓ Nearly 9 in 10 (87%) households have been making efforts to spend less and save more money to combat mounting living costs.
- ✓ However, more than 1 in 2 (54%) reported some form of tension within the family due to these reduced spending measures.

## Costs have impacted the driving habits of Australians

- ✓ For those that own a car, around 4 in 5 (81%) are changing their habits due to the cost of fuel.
- ✓ Most commonly, 3 in 5 (60%) are driving less, 1 in 4 (26%) are walking or cycling more, and almost 1 in 4 (23%) are opting for public transport where possible.



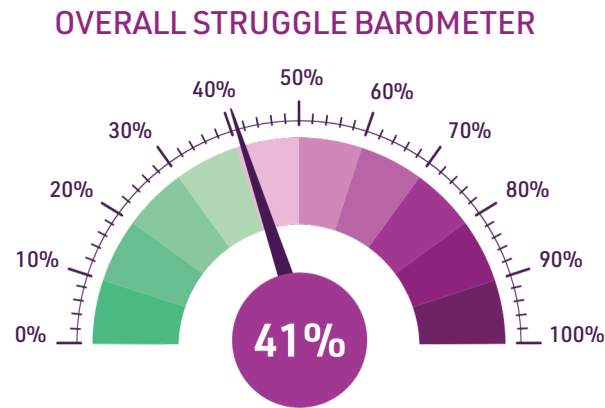


# Struggle barometer

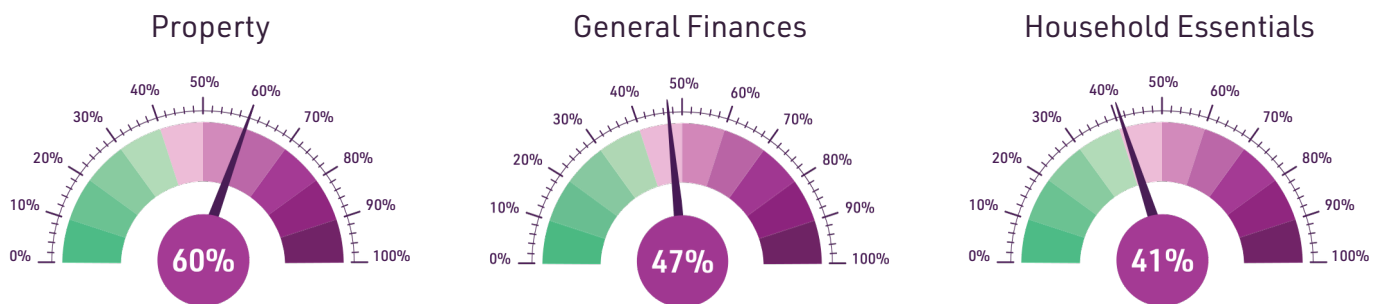


# The struggle in 2024

The struggle barometer measures how Australians are coping with financial challenges in their daily lives, with a particular focus on financial stresses and pinch points. All questions that feed into the barometer use the same scale, i.e. no struggle at all, a little bit of a struggle, moderate struggle, considerable struggle, extreme struggle.



The overall struggle index has three main components:



\*% moderate or greater struggle.

The overall struggle score reveals that over 2 in 5 (41%) Australians are experiencing a moderate or greater level of struggle. 1 in 6 (15%) have considerable or extreme struggles.

3 in 5 (60%) are experiencing a moderate or greater level of struggle with property, close to 1 in 2 (47%) with general finances, and 2 in 5 (41%) with household essentials.

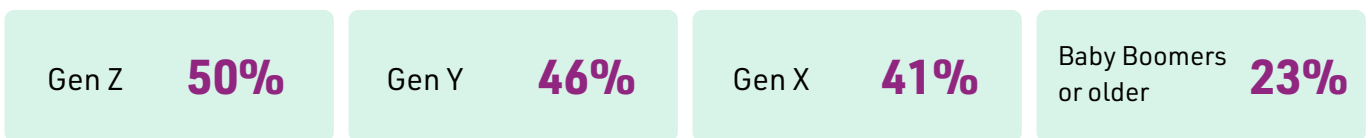
# Overall strugglers

## Who is experiencing the greatest overall struggles?

### Gender



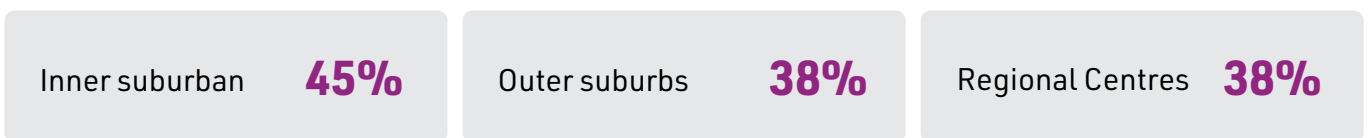
### Age



### Families



### Location



\*% moderate or greater struggle.

Higher overall struggle scores are observed among females, younger age groups, those with children living at home and those living in inner suburban areas.

Among the SA4s\*, Central Coast (60%), Townsville (58%), and Adelaide - Central and Hills (52%) are the areas with the highest proportion of overall struggle across Australia.

\*Excluding SA4s with n < 30.

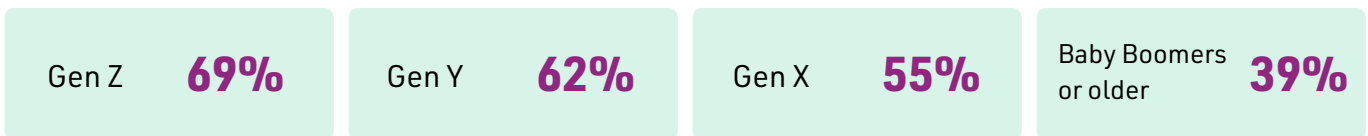
# Property strugglers

## Who is experiencing the greatest property struggles?

### Gender



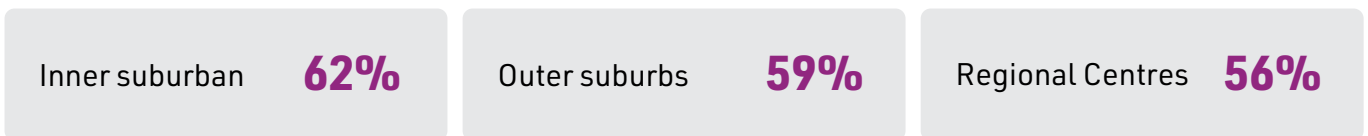
### Age



### Families



### Location



\*% moderate or greater struggle.

Higher property struggles are observed among females, younger generations and families with children at home.

Among the SA4s\*, the areas with the highest proportion of property struggles were recorded for Latrobe – Gippsland (76%), Hume (73%) and Perth – South West (73%).

\*Excluding SA4s with n < 30.

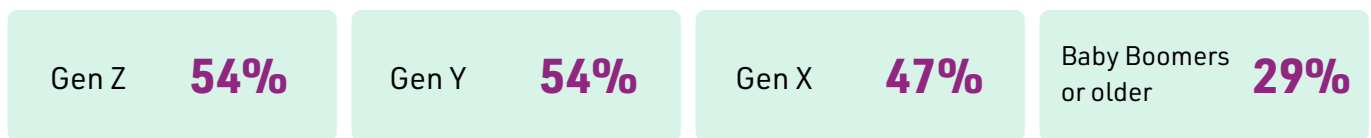
# General finances strugglers

## Who is experiencing the greatest general finances struggles?

### Gender



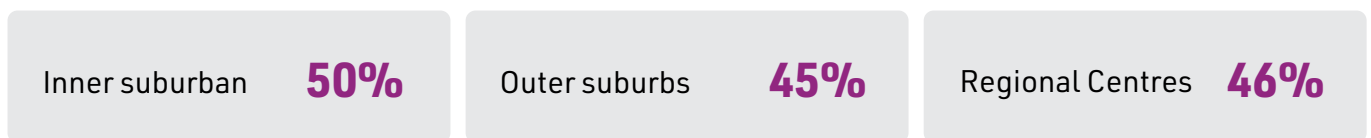
### Age



### Families



### Location



\*% moderate or greater struggle.

Higher general finances struggles are observed among females, younger generations and families with children at home.

Among the SA4s\*, the areas with the highest proportion of general finances struggle were Townsville (69%), Central Coast (69%) and Sydney - Blacktown (57%).

\*Excluding SA4s with n < 30.

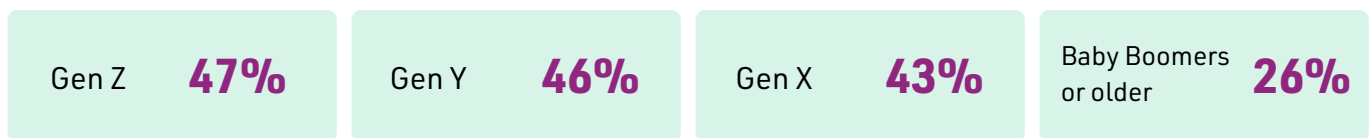
# Household essentials strugglers

## Who is experiencing the greatest household essentials struggles?

### Gender



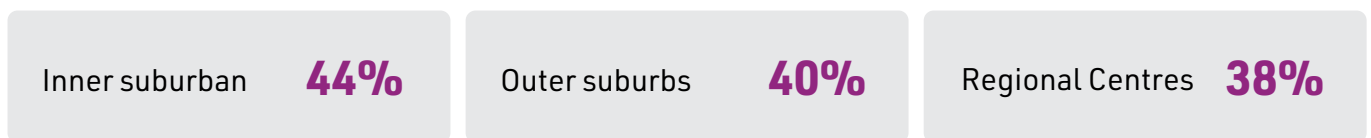
### Age



### Families



### Location



\*% moderate or greater struggle.

Higher household struggles are observed among females, younger generations and families with children at home.

Among the SA4s\*, Townsville (67%), Central Coast (57%) and Mornington Peninsula (53%) were the areas with the highest proportion of household essentials struggle.

\*Excluding SA4s with n < 30.

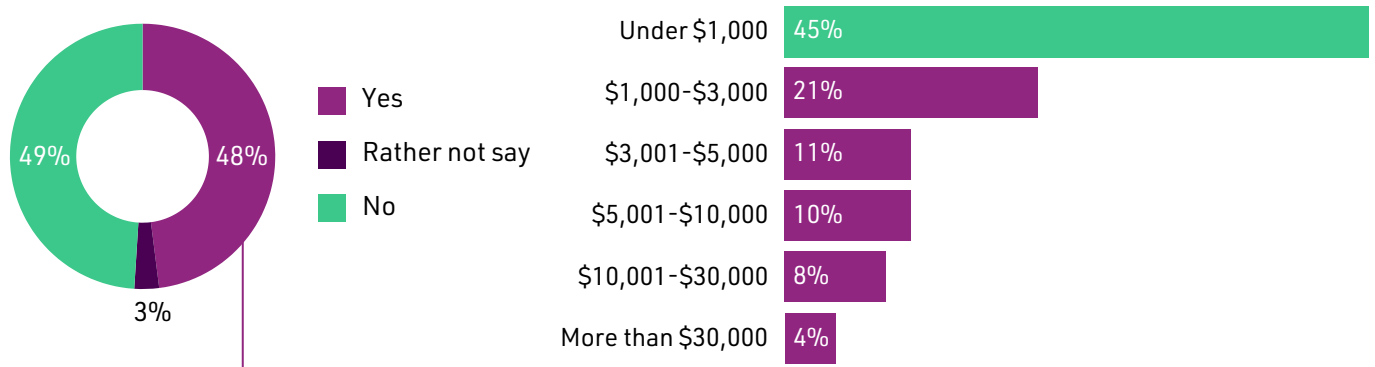


## Family dynamics



# Financial assistance

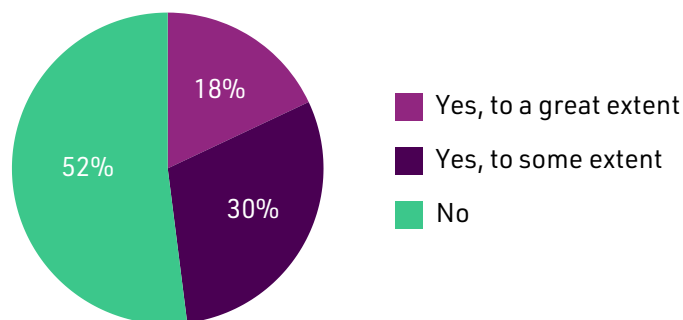
Have you actually borrowed from or been given money by family members or friends in the past year?



\*Those who have actually borrowed or been given money (n=2,423).

In the past year, close to 1 in 2 (48%) Australians have received or borrowed money from family or friends. Of these, the amount exceeded \$3,000 for close to 1 in 3 (34%).

Has this caused any tension or disagreements with your partner, family or friends?



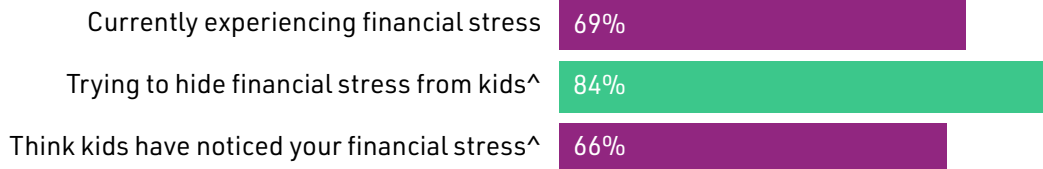
\*Those who have actually borrowed or been given money (n=2,423).

For those who actually borrowed or received money, close to 1 in 5 (18%) claimed significant tension, and an additional 3 in 10 (30%) having experienced tension or disagreements to some extent with their partner, family or friends.



# Financial stress

## Have you or your partner experienced any of the following regarding financial stress?

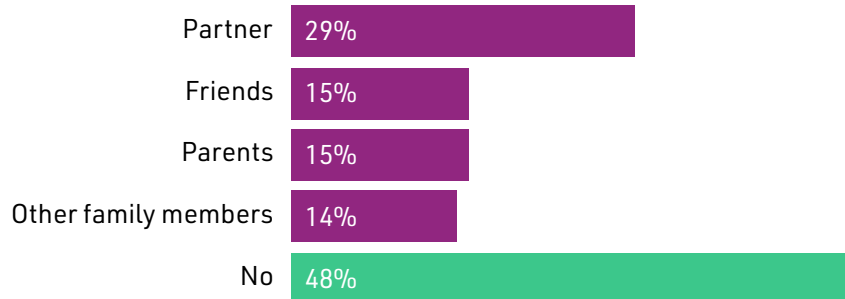


\*% who said yes.

<sup>^</sup>Those who are experiencing financial stress and have children 18 years or under (n=1,445).

Financial stress is prevalent, affecting nearly 7 in 10 (69%) households. More than 4 in 5 (84%) parents try to shield their children from these issues. However, 2 in 3 (66%) parents believe their children have noticed.

## Has your financial stress negatively impacted your relationship with any of the following people?



\*Those who are experiencing financial stress (n=3,479). Multiple answers allowed.

Financial struggles also impact relationships, with over 1 in 2 (52%) experiencing financial stress reporting negative effects on their personal relationships - most commonly with partners (29%) and to a lesser extent with friends and parents (each 15%).

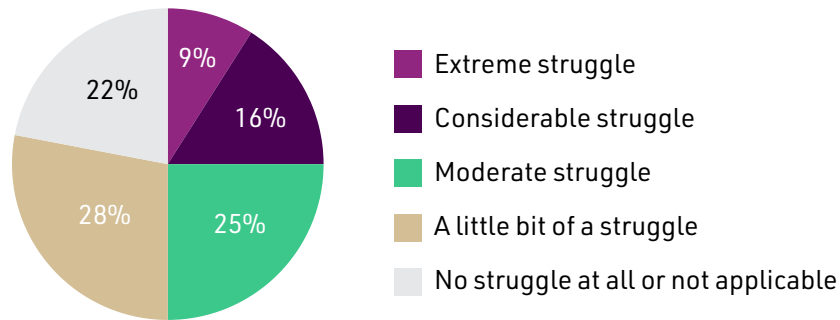


Property



# Mortgage holders

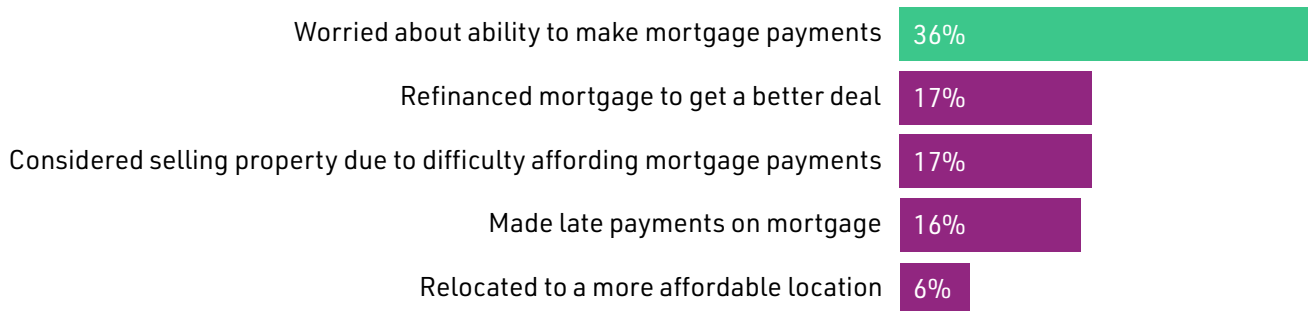
## Have you struggled at all to make your mortgage payments in the past year?



\*Those with a mortgage (n= 1,550)

Mortgage payments have risen for many, with an average increase of \$880 compared to a year ago, and 1 in 2 (50%) are struggling moderately or greater to make these repayments.

## Have you done any of the following in the past year?

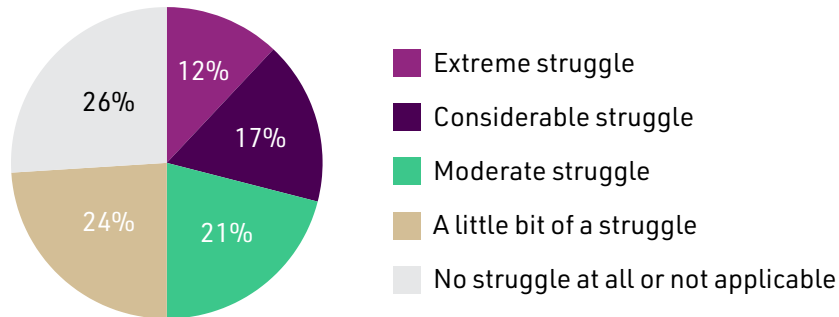


\*Those with a mortgage (n=1,550). Multiple responses allowed. Top 5 responses only.

For mortgage holders, over 1 in 3 (36%) have felt worried about their ability to make mortgage repayments. Around 1 in 5 (17%) have refinanced to get a better deal, 1 in 5 (17%) have considered selling due to difficulty affording payments and 1 in 5 (16%) have made late payments on their mortgage.

# Renters

## Have you struggled at all to cover your rent in the past year?

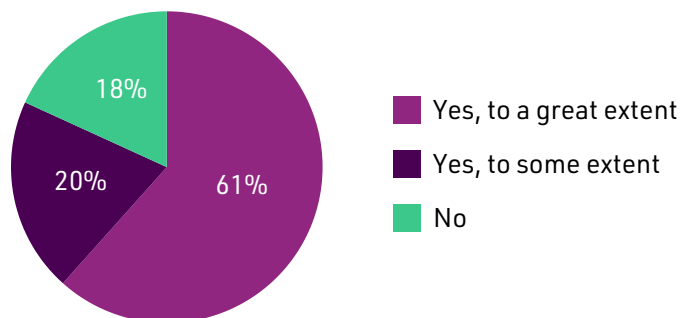


\*Those who are renting (n= 2,096)

1 in 2 (50%) are experiencing a moderate or greater struggle in paying rent over the past year.

2 in 5 (40%) reported having had to move further away than desired for more affordable rentals, and 1 in 8 (13%) have moved back home with parents and a further 1 in 3 (34%) are considering this.

## Has your rent increased in the last year?



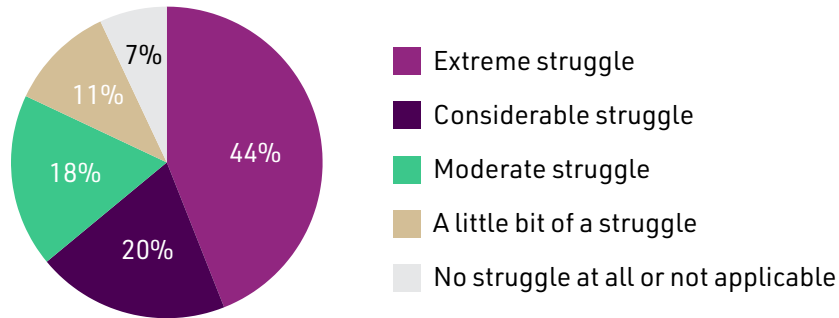
\*Those who are renting (n= 2,096)

More than 3 in 5 (61%) renters have experienced a rent increase and 1 in 5 (20%) anticipate an increase in the future.

Close to 1 in 2 (45%) have seen an increase of over \$50 per week with close to 1 in 5 (17%) seeing over \$100 increase.

# Saving for a home

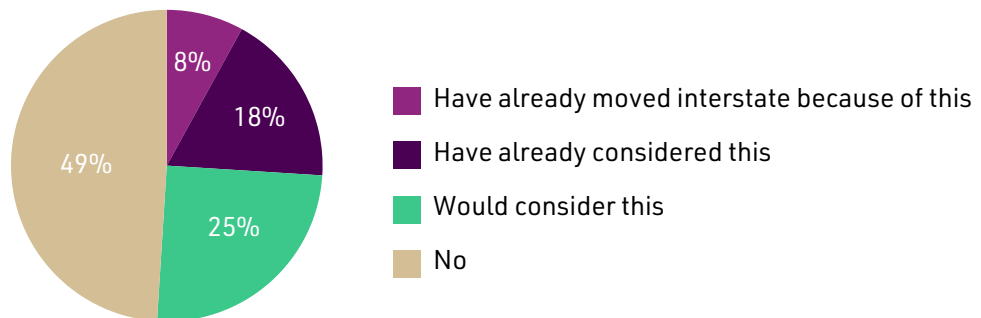
**Have you struggled at all to save for a deposit to buy a residential home in the past year?**



\*Valid responses only, those who do not own a property (n=1,850).

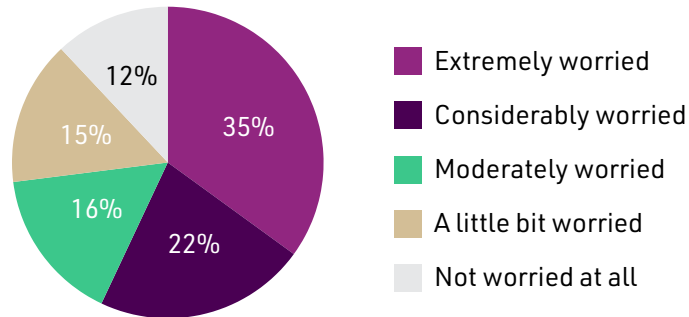
Over 4 in 5 (82%) who do not currently own a residential home are experiencing moderate or greater struggle in saving for a home deposit.

**Would/have you considered moving interstate or to a regional area due to housing affordability?**



More than 1 in 2 (51%) have already moved, are considering or would consider moving interstate or to a regional area because of housing affordability.

## Do you worry about your children being able to afford property of their own whether to rent or buy?



\*Valid responses only, those who have children (n=2,692).

Close to 3 in 5 (57%) parents are considerably or extremely worried for their own children to afford a property.

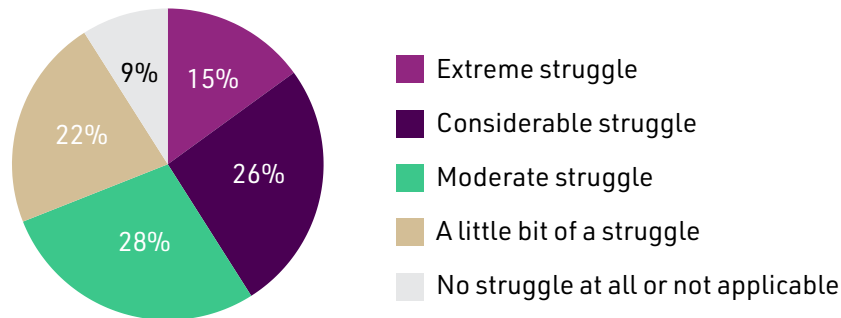


# General finances



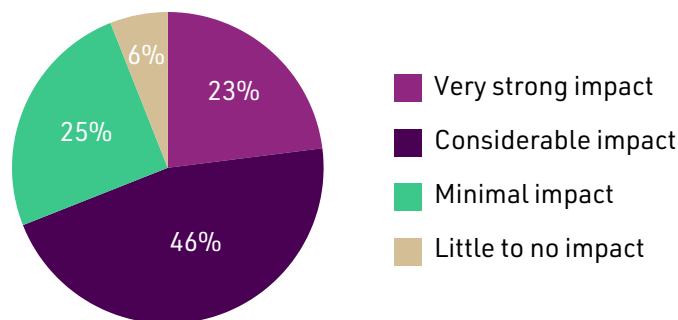
# Cost of living

## How much are you struggling to cope with the rising cost of living these days?



Close to 7 in 10 (69%) Australians are struggling moderately or greater with the rising cost of living, with Gen Zs most likely to be feeling the pinch, as nearly 1 in 2 (47%) experience considerable or extreme struggle.

## How much have cost of living stresses been negatively impacting your personal/household wellbeing in 2023?

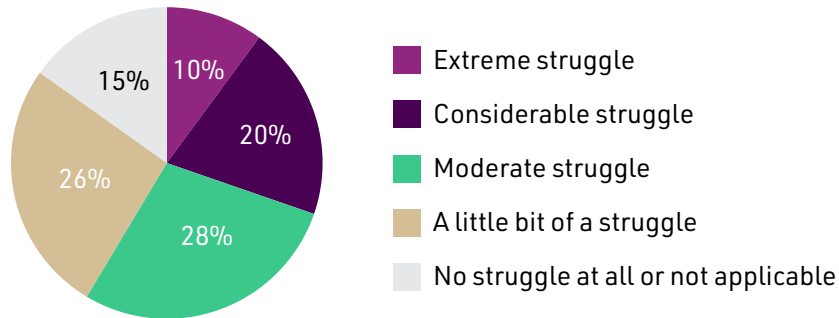


The strain of living costs is significantly impacting personal and household wellbeing, with 7 in 10 (69%) reporting a considerable or very strong negative impact on their general health and happiness. Again, we see a similar story as the younger generations (Gen Z 80% and Gen Y 77%) are more likely to be negatively impacted.



# Debt management

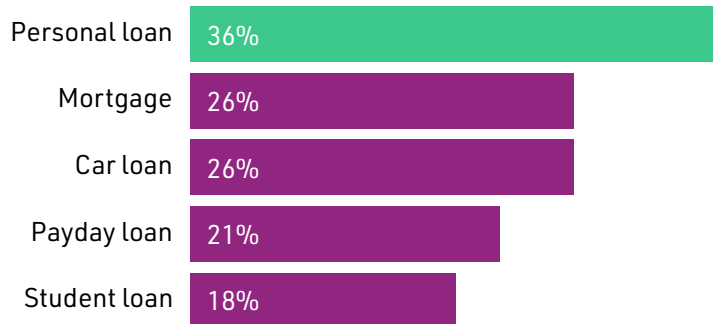
Are you struggling at all to be able to service the debts your household currently has?



\*Those with existing debts (n=4,086)

Pressures with debt payments are evident, with close to 3 in 5 (58%) facing moderate or greater struggle servicing debts.

Have you had to default on or negotiate extensions on any loan repayments in the past year?

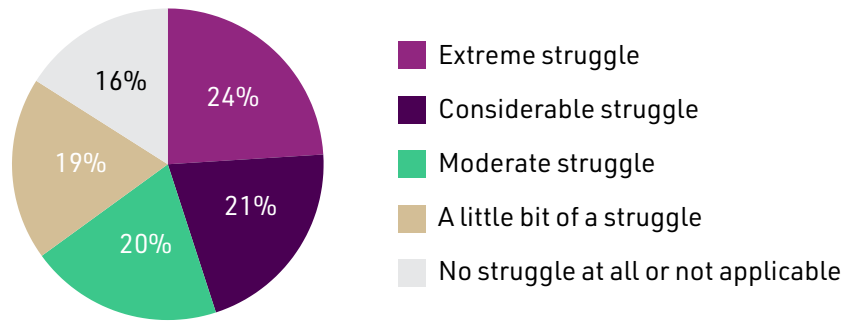


\*Those who had to default or negotiate extensions in the past year (n=1,476). Multiple responses allowed. Top 5 responses only.

Debt management is a concern, with nearly 3 in 10 (29%) needing to default on or negotiate loan extensions. Personal loans (36%), mortgages (26%), and car loans (26%) are the most common debts defaulting or requiring negotiation.

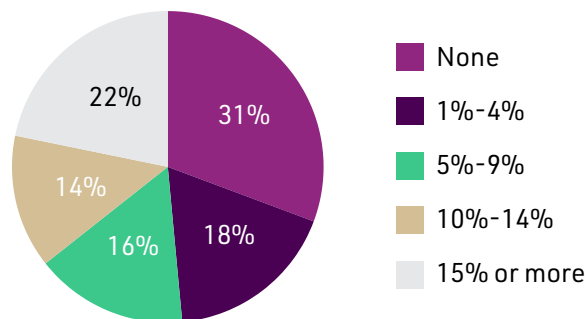
# Savings

**Are you struggling at all to be able to achieve your savings goals in the past year (including super contributions or investments)?**



Close to 2 in 3 (65%) are experiencing moderate or greater struggle achieving their savings goals.

**How much money are you typically saving each month from your household's income?**



Over 3 in 10 (31%) admit to not saving any money monthly and only just over 1 in 3 (36%) are managing to save 10% or more of their income.

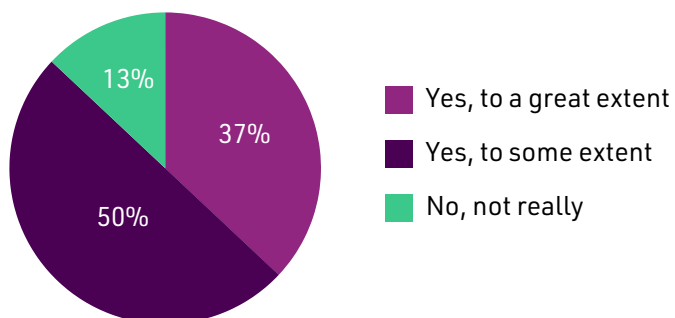


# Household essentials and transport



# Tightening the belt

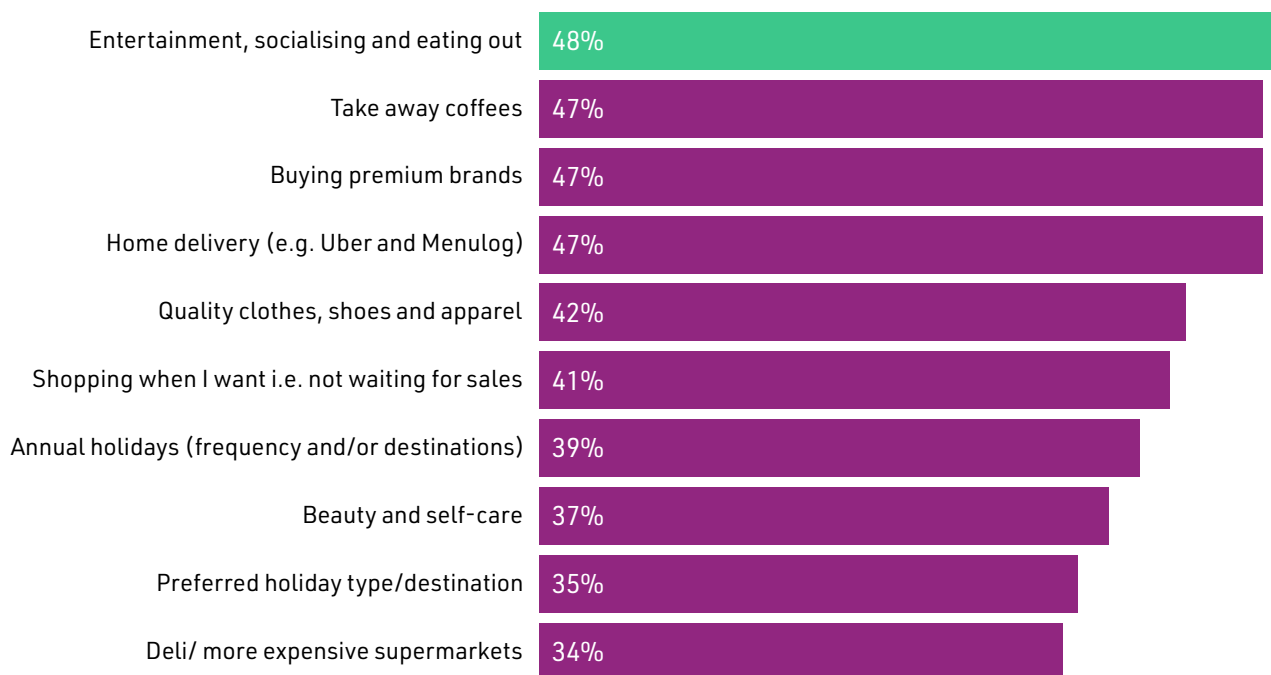
Have you/your household been making any efforts to spend less/save more money in response to rising cost of living pressures?



Nearly 9 in 10 (87%) households have been making efforts to spend less and save more money to combat mounting living costs.

However, more than 1 in 2 (54%) reported at least some form of tension within the family due to these reduced spending measures.

Which of the following household expenses are you MOST willing to make any sacrifice/compromise on in view of the rising cost of living pressures?



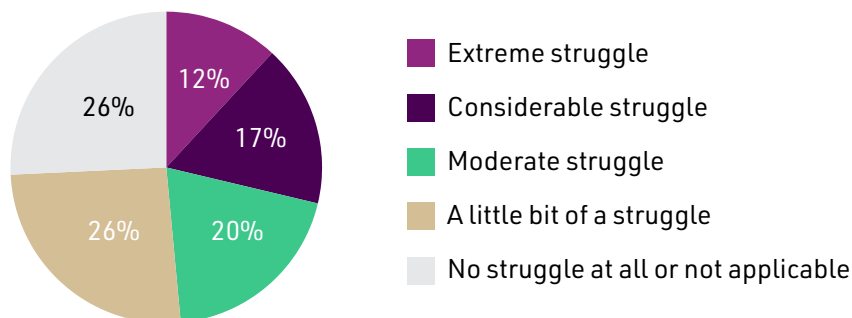
\*Multiple responses allowed. Top 10 responses only.

Entertainment (48%), take away coffees (47%), buying premium brands (47%) and home deliveries (47%) are among the top expenses households are willing to sacrifice.

The top 3 expenses households are not willing to make any sacrifice/compromise on include quality healthy food/ingredients (31%), ways of getting to work (26%) and healthy lifestyle maintenance (24%).

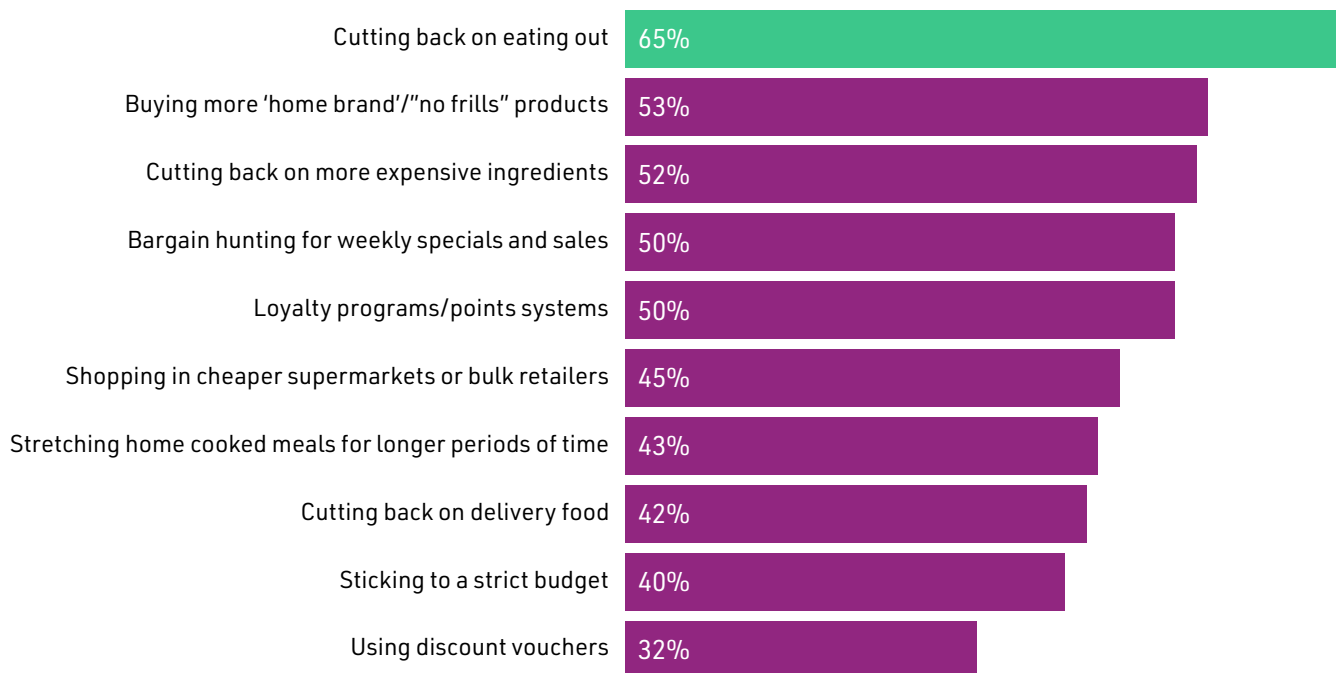
# Groceries

## Are you struggling at all to afford groceries for yourself or family in the past year?



Nearly 1 in 2 (48%) experience moderate or greater struggle affording household groceries in the past year.

## How have you/your household been trying to save money on food and grocery related costs in recent months?

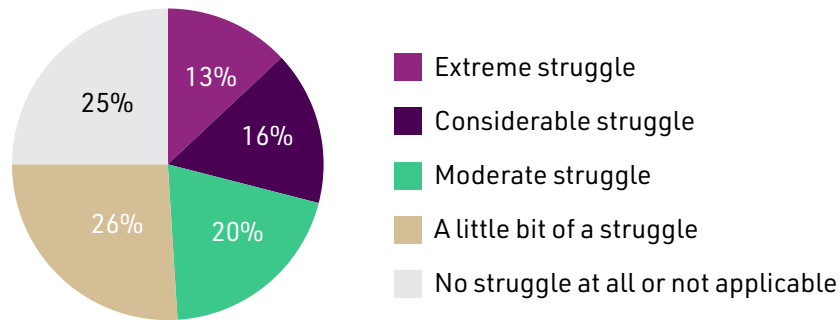


\*Those making any efforts to spend less/save more money in response to rising cost of living pressures (n = 4,370). Multiple responses allowed. Top 10 responses only.

Top strategies for saving money on food and groceries include cutting back on eating out (65%), buying more "home brand"/"no frills" products (53%), cutting back on more expensive ingredients (52%), bargain hunting for weekly specials and sales (50%) and using loyalty programs/points systems (50%).

# Utilities and other regular bills

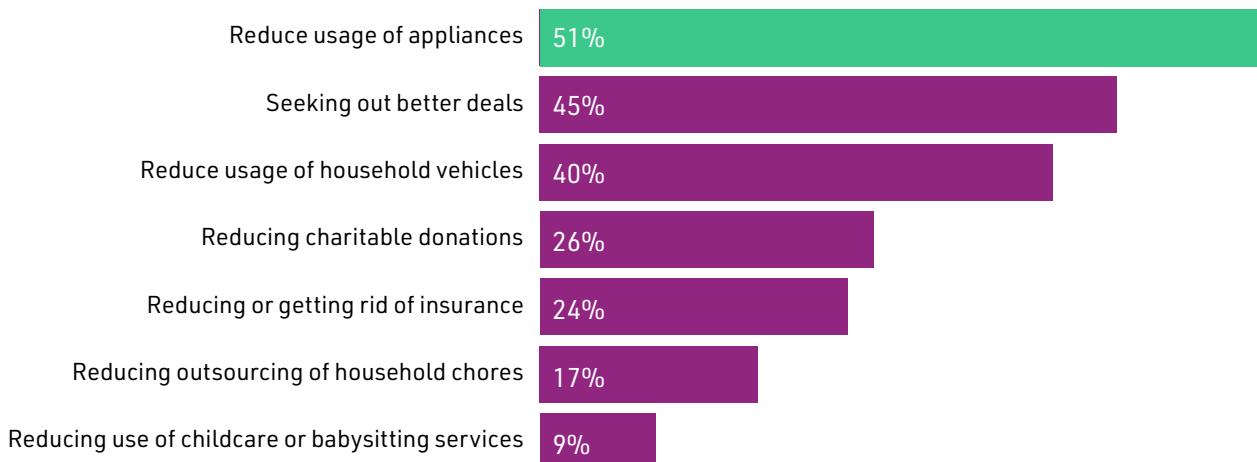
**Are you struggling at all to cover your household bills in the past year e.g. utilities and other regular household expenses outside of groceries?**



Nearly 1 in 2 (49%) are experiencing moderate or greater struggle covering utilities and other regular bills outside of groceries.

Close to 1 in 5 (18%) have had to apply for hardship relief or set up a payment plan to pay for utilities in the past year and over 1 in 5 (22%) may have to in the coming months.

**How have you/your household been trying to save money on utility and fuel related costs in recent months?**

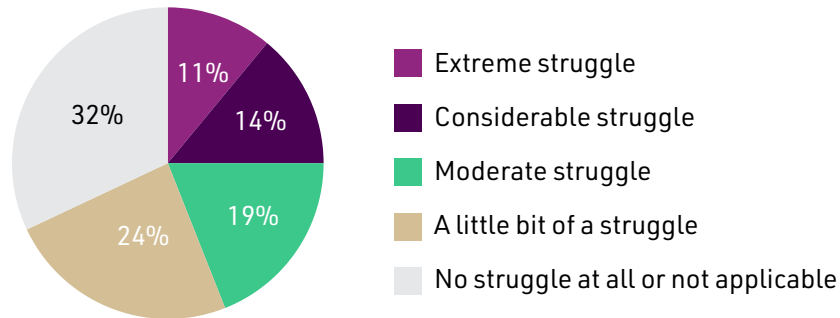


\*Those making any efforts to spend less/save more money in response to rising cost of living pressures (n = 4,370). Multiple responses allowed. Top 7 responses only.

Top strategies for saving money on utility and fuel related costs in recent months include reducing usage of appliances (51%), seeking out better deals (45%) and reducing usage of household vehicles (40%).

# Clothes and cars

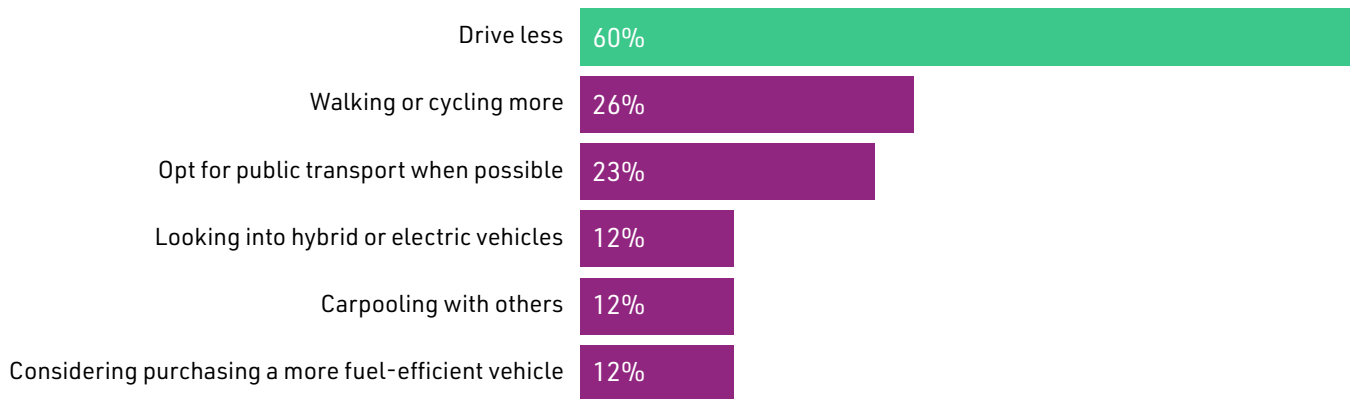
Are you struggling at all to be able to cover household expenses with regards to clothes, footwear, apparel etc. in the past year?



Over 2 in 5 (44%) are experiencing moderate or greater struggle affording clothes, footwear, apparel etc. in the past year.

Close to 3 in 5 (57%) have been trying to save money by cutting back on buying new clothes and shoes.

Is the cost of fuel influencing you to do any of the following?



\*Those who own a car (n=4,430). Multiple responses allowed. Top 6 responses only.

For those that own a car, around 4 in 5 (81%) are changing their habits due to the cost of fuel. Most commonly, 3 in 5 (60%) are driving less, 1 in 4 (26%) are walking or cycling more and almost 1 in 4 (23%) are opting for public transport where possible.



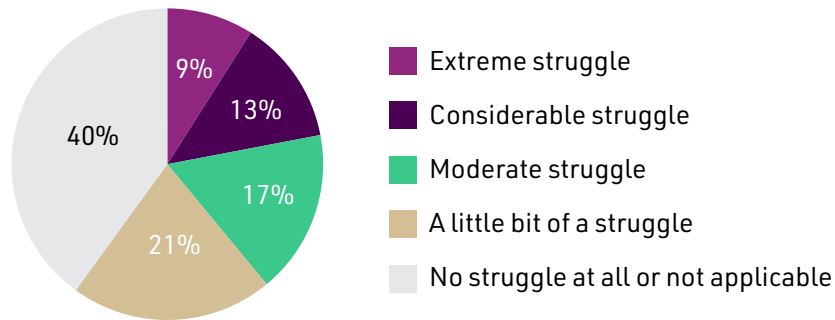
Health, career and  
lifestyle





# Keeping fit and healthy

**Have you struggled at all to afford necessary medicine and/or medical treatments required for yourself or family in the past year?**

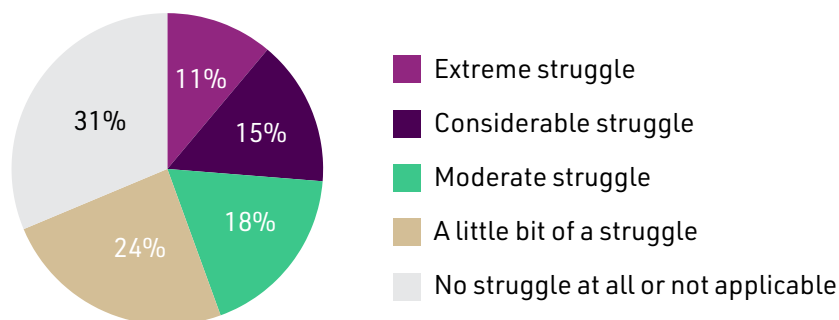


Close to 2 in 5 (38%) have reported moderate or greater struggle to afford necessary medicine or medical treatments for themselves or their family.

Almost 2 in 3 (65%) have avoided medical services to escape out-of-pocket expenses.

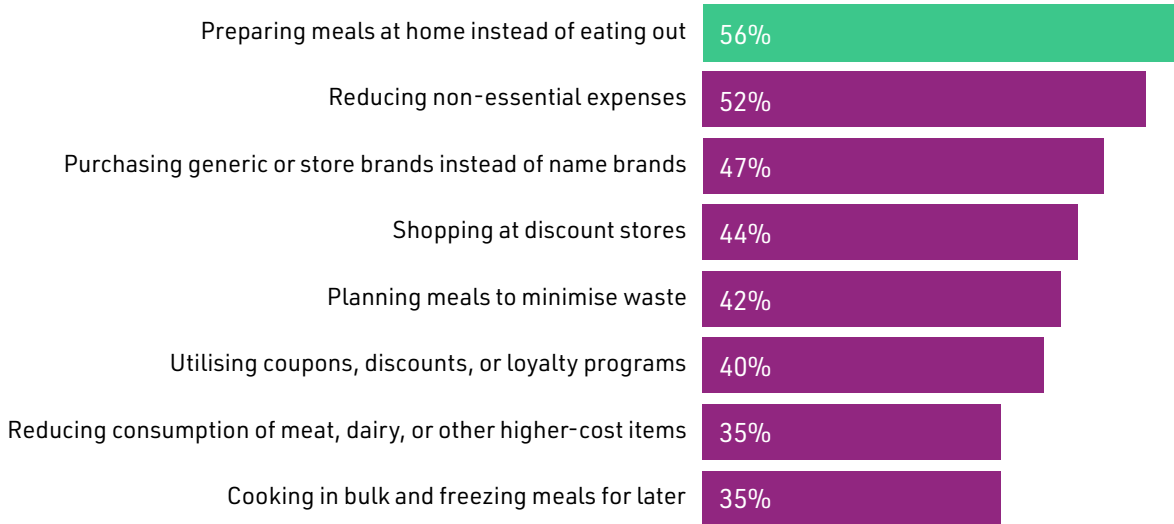
Over 3 in 5 (62%) also struggle to some extent to afford private health insurance.

**Are you struggling at all to afford healthy food options for yourself or family in the past year?**



Nearly 1 in 2 (45%) are experiencing moderate or greater struggle affording healthy food options in the past year.

## Have you had to do any of the following to help afford healthy food options for yourself or family?



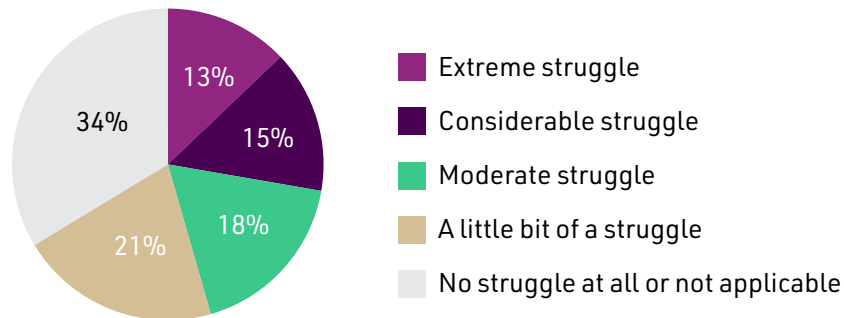
\*Those who are struggling to afford healthy food options (n=3,464).

Multiple responses allowed. Top 8 responses only.

For those struggling to afford healthy food options, preparing meals at home (56%), cutting down non-essentials (52%), and patronising generic brands (47%) are among the top strategies to ease the strain of affording healthy food options for the family.

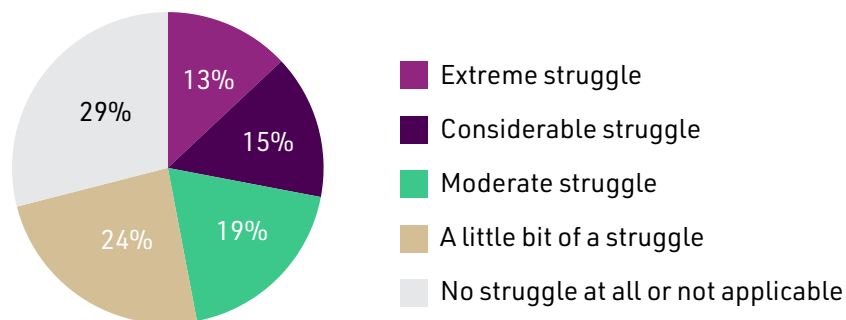
# Lifestyle expenses

**Have you struggled at all to afford the cost of grooming in your household in the past year e.g. haircuts, beauty treatments etc.?**



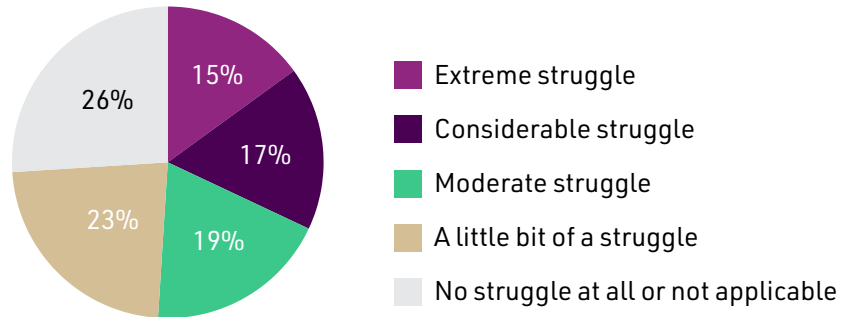
Nearly 1 in 2 (45%) are experiencing moderate or greater struggle paying for personal grooming, including haircuts and beauty treatments.

**Have you struggled at all to afford the cost of entertainment in your household in the past year e.g. movies, subscriptions, going out, entertaining others at home etc.?**



Nearly 1 in 2 (47%) are experiencing moderate or greater struggle affording spending for household entertainment, including going out, entertaining at home, and subscriptions.

## Have you struggled at all to afford the cost of giving gifts in the past year e.g. birthdays, special occasions, Christmas etc.?



Over 1 in 2 (51%) are experiencing moderate or greater struggle affording gifts during special occasions like birthdays and Christmas.

# Cutting back

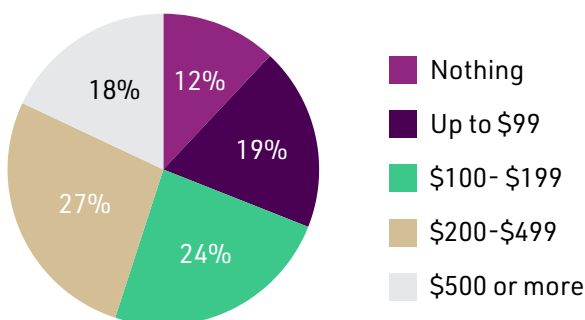
## How have you/your household been trying to save money on other household and lifestyle costs in recent months?



\*Those making any efforts to spend less/save more money in response to rising cost of living pressures (n = 4,370). Multiple responses allowed. Top 10 responses only.

Top strategies for saving money on other household and lifestyle costs in recent months include cutting back on buying new clothes and shoes (57%), cutting back on entertainment and outings (56%), cutting down online shopping habits (49%), cutting down on holiday spend (46%) and forgoing buying things for myself or partner (45%).

## How much would you estimate reducing spending per month on things your household really love in response to cost of living pressures?



Only just over 1 in 10 (12%) have not been reducing spending on things their household really love in response to cost of living pressures. Nearly 1 in 2 (45%) have reduced this spending by over \$200 per month.

# Side hustles

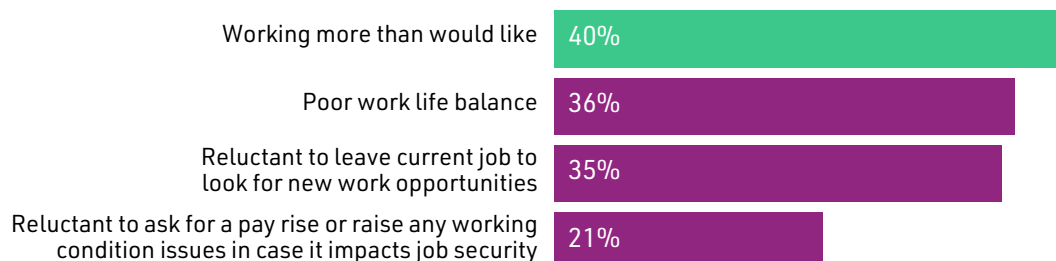
Have you taken up a second job/side hustle to increase income in the past year or are considering doing so?



\*Those who are currently employed (n=3,447).

Almost 2 in 3 (63%) of workers have taken up a second job or a side hustle in the past year or have considered doing so to increase their income.

Are financial pressures making you and/or your partner experience any of the following with regards to your work?



\*Those who are currently employed (n=3,447). Multiple responses allowed. Top 4 responses only.

2 in 5 (40%) employed people report working more than they would like due to financial pressures. This is closely linked to a poor work-life balance, experienced by over 1 in 3 (36%).

Similarly, over 1 in 3 (35%) are reluctant to leave their current job to look for new opportunities and 1 in 5 (21%) are reluctant to ask for a pay rise or raise working conditions, in case it impacts their job security.

# More research from Real Insurance coming soon...

## About Real Insurance

At Real Insurance, we pride ourselves on providing trusted service and real value to our customers. Our passion for what we do has been recognised by 16 consecutive years of industry awards. We specialise in life, income protection, funeral, health, home, car, pet, travel and landlords insurance products. In the market since 2005, we have protected the quality of life of thousands of Australians, through the delivery of innovative products that protect the financial future of people across Australia.

This is general information and does not take into account your financial situation. Please consider the relevant Product Disclosure Statement, Financial Services Guide and Target Market Determination available at [realinsurance.com.au](http://realinsurance.com.au) to ensure these products suit your needs. All products are promoted and distributed by Greenstone Financial Services Pty Ltd ABN 53 128 692 884, AFSL 343079 (GFS), trading as Real Insurance. The insurer for general insurance products is The Hollard Insurance Company Pty Ltd ABN 78 090 584 473, AFSL 241436, and for all life insurance products is Hannover Life Re of Australasia Ltd ABN 37 062 395 484, AFSL 530811. Real Health Insurance is issued by nib Health Funds Limited ABN 83 000 124 381 (nib), a registered private health insurer. GFS is an authorised agent of nib and receives commission from nib. Real Pet Insurance is arranged and administered through PetSure (Australia) Pty Ltd ABN 95 075 949 923, AFSL 420183. The insurer for Real Travel Insurance is Allianz Australia Insurance Limited ABN 15 000 122 850, AFSL 234708 (Allianz). Real Travel Insurance is issued and managed by AWP Australia Pty Ltd ABN 52 097 227 177, AFSL 245631 trading as Allianz Global Assistance, acting as agent for Allianz. Terms, conditions, limits and exclusions apply. Sub limits may apply.

