

MEDIA RELEASE

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JUST MONEY

A recent youth survey* conducted by Just Car Insurance highlights that Australian 18-25 year olds think about their money and make an effort to spend it wisely.

“At a time when the everyday cost of living is on the rise, Aussie youth are focusing on their finances – more than half (54 per cent) worry about their financial situation (63 per cent of women versus 44 per cent of men) and more than one-third (40 per cent) said they will sacrifice spending on consumer items to save for ‘milestone’ purchases like a car or house,” said Andrew O’Hara, National Manager of Just Car Insurance.

“It’s very competitive out there for young people and along with increased daily living costs there is also the pressure of having to keep up with the latest consumer trends. So while youth are coming across as financially savvy, they are under a significant amount of financial stress.

“Despite half (51 per cent) of respondents saying that having a lot of money was important, two-thirds (65 per cent) have given to charity in the past 12 months, proving their values are still in the right place.

“What’s comforting from these results is that more than half of youth (58 per cent) said they feel positive about their financial future, despite all the monetary pressures placed upon them.”

“Will that be on credit, or savings?”

While one in five (21 per cent) have more than one credit card, one in four (24 per cent) don’t have a credit card at all.

Only one in eight (12 per cent) has had to take out a personal loan to cover debt. Of those with at least one credit card, one in four (28 per cent) said they could not live without it – a view most common among those young people earning \$45K or more (35 per cent).

“Young people are also demonstrating that they know how to pay the bills, and put some money into savings at the same time: more than one-third of youth (37 per cent) has less than \$1000 in total debt, and three in ten (30 per cent) has more than \$5000 in savings,” said Mr O’Hara.

Most survey respondents (89 per cent) said they wanted to purchase their own home – an ambition held by more women than men (93 per cent versus 87 per cent).

“In addition to young people saying they are thinking about their future and have a goal to own their own home, perhaps one of the most interesting facts is that four in ten youth (38 per cent) are already starting to think about their retirement finances – possibly because of attention paid to superannuation in the media and in the workplace,” said Mr O’Hara.

Work matters

The Just Car Insurance survey shows young Australians are hard workers and quite ambitious – more than one-third of people surveyed (35 per cent) said they would sacrifice aspects of their lifestyle for a high-paying job and 41 per cent aspire to owning their own business.

“Even though young Australians are ambitious and prepared to work hard, there seems to be a shift in how they view work: one-third (34 per cent) said that in the future, they would prefer to work part-time rather than full-time and more than one third (38 per cent) said that in the future, they would prefer a job that allows them to work from home — most common among those earning a wage of \$45K or more (41 per cent),” said Mr O’Hara.

“Two-thirds of young people (66 per cent) are confident they will always be able to find a job and four in ten (41 per cent) think it is important to work for a range of different employers to enhance their career prospects, which demonstrates their confidence in the job market that faces them in the future.

“Surprisingly, on average, women are still earning less than men – a greater number of young women than men earn less than \$45K annually (63 per cent versus 76 per cent) and more men than women earn in excess of \$45K (26 per cent versus 14 per cent).

“Interestingly, 32 per cent of undergraduates surveyed are unemployed compared with only 17 per cent of people who completed a TAFE/vocational course. While young people who have undergraduate degrees are earning more than anyone else, they also have the largest amount of debt (42 per cent have in excess of \$5K debt),” said Mr O’Hara.

Just Car Insurance specialises in insurance for young drivers and drivers being insured for the first time. Just Car Insurance is underwritten by AAMI, one of Australia’s leading car and home insurance companies.

For further information, images or interviews please contact:

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* National survey of 1053 18-25 year olds conducted on behalf of Just Car Insurance by independent third-party, *amr interactive*.