

For immediate release  
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# 1 in 2 Aussies fear they couldn't afford for something to go wrong

- ➔ 58% of Australians fear an unexpected event could lead to financial stress
- ➔ Baby boomers (70%) are most worried about not being able to cover an unforeseen cost
- ➔ Tips for growing your emergency cash stash

**20 February, 2017, Sydney, Australia** – Cash-strapped Australians fear they don't have enough savings to cope with the financial shock of an unexpected event, according to [finder.com.au](http://finder.com.au), Australia's most visited comparison site<sup>1</sup>.

New data released by [finder.com.au](http://finder.com.au), which surveyed 2,031 Aussies, discovered 58% of people fear they couldn't afford a surprise expense such as a medical emergency.

That's equivalent to 10.5 million adults who believe they may not cope financially with an unforeseen event, like illness or a sudden loss of employment.

Losing their job (41%), having a bad credit score or report (40%), falling behind on credit card repayments (34%), and leaving debt over to family (29%) also made the list of top financial fears.

## Biggest money fears

Money fear	Percentage (%)
I'll face an unexpected cost, such as a medical emergency, and won't be able to cover it.	58%
Losing my job.	41%
Bad credit score or credit report.	40%

<sup>1</sup> Experian Hitwise 2015

Falling behind on credit card repayments.	34%
Leaving my debt over to my family to pay off.	29%
Being rejected for a credit application (e.g. home loan, credit card, or personal loan).	29%
Falling behind on mortgage repayments.	22%
Falling behind on loan repayments.	16%
Not being able to complete a deposit for a home loan.	16%
Not being able to pay off my mortgage due to higher interest rates.	16%
Addiction to unhealthy financial habits such as gambling, risky investments or unethical practices such as pyramid selling.	14%
My partner will find out about my debt.	5%

source: [finder.com.au](https://www.finder.com.au)

Respondents were asked to list their top three money fears.

Bessie Hassan, Money Expert at [finder.com.au](https://www.finder.com.au), says it's concerning Australians don't have sufficient savings in reserve.



“Being worried about an unexpected cost indicates Australians don't have enough funds up their sleeve to manage a financial emergency. In short, many Australians are just one surprise situation away from financial stress.

“This isn't just an issue isolated to low-income earners, but it's something people from all walks of life should be preparing for.

“We often get into the mentality of ‘it won't happen to me’, but a short term personal trauma could very quickly become a financial emergency.

“Sooner or later there could be a bump in the road, whether it's forking out for a major car repair or footing the bill for your child's dental work, so having a savings buffer is a must,” she says.

A staggering 70% of Baby Boomers feared some kind of money emergency, compared to 57% of Generation X and 49% of Generation Y.

More women (60%) than men (55%) confessed an unexpected cost was their biggest financial fear.

## Tips for building an emergency cash stash

- **List expenses you can reduce:** Carry out an audit on your financial accounts and decide where you can pull back on costs. Whether it's your internet bill, energy plan, or food costs, decide how you can reduce your outgoings. Even a saving of \$150 a fortnight could help you quickly [increase your savings balance](#).
- **Place your money in a high-interest account:** If you want to build your 'rainy day' funds, [put extra money in a high-interest savings account](#) or [a term deposit account](#). With these accounts, make sure you understand the terms and conditions of the account. For instance, you may need to deposit at least \$1,000 and make no withdrawals each month to earn the bonus interest rate (on top of the base rate). A term deposit account can be useful but less flexible as you can't withdraw during the fixed term without incurring a penalty.
- **Organise an automatic salary deposit:** Ask your employer to deposit a portion of your salary directly into a nominated savings account. If they regularly deposit 5-10% of your salary into the account, [you'll quickly grow your savings balance](#).
- **See if you're properly insured.** It's important to check your insurance policy details for major accidents and illness (such as heart attack and cancer). You should review your health insurance policy and pay upfront before April 1. Total and permanent disability, trauma and [income protection insurance](#) are designed to get you money when you need it most.