

A woman and a young girl are running through shallow ocean waves at sunset. The woman is wearing a pink tank top and denim shorts, and the girl is wearing a floral dress. They are holding hands and splashing water. The sun is low on the horizon, creating a warm, golden glow over the water and sky. The sky is a mix of blue and orange.

Everyday ways to maximise
**your finances and
minimise stress**



A downloadable eBook

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Introduction

Maximising our finances is a common goal for many Australians, and that goes hand-in-hand with minimising our stress levels for a more comfortable lifestyle. While that sounds easy on paper, in reality it's not always simple to achieve. The good news is that with the right strategies in place you can set yourself on the path to financial freedom.

At Real Insurance, we're committed to conducting detailed research that provides insights for everyday Aussie families. Most importantly, we have a strong desire to truly understand the key concerns of people in order to help reduce your worries.

Our [Real Concerns Index](#) – surveying 5,029 Australians aged over 18 (under-55s: 4,779; over-55s: 250) – is the first of its

kind for Real Insurance. Based on the information gathered, we found that Aussies want to amplify their wealth while also minimising their day-to-day worries. However, we also found that there are a number of factors contributing to Australians' financial concerns.

From the rising cost of living to environmental worries and even the influence of work on our mental health, we've uncovered the top concerns of Australians and put together this eBook to offer some handy tips to help reduce your worries. Tracking your spending and reducing your everyday expenses are just a few of the strategies we'll explore – so read on to get started on your new journey.



How financial stress is impacting the lives of everyday Australians

Unsurprisingly, when it comes to the concerns and worries of regular Australians, our finances are number one on the list.

Financial woes topped family, work and education, health and technology concerns. In fact, concerns over finances were the biggest worry for under-55s with an index score of **51.4**, and they were the second-most concerning issue for over-55s, with an index score of 53.9. With the burden to keep our finances healthy and growing stronger every year, there are various contributing factors putting added stress on everyday Aussies.

Rising cost of living

The [rising cost of living in Australia](#) was found to be far and away the biggest contributor to financial worries for both age groups. However, within that bubble of 'rising costs', the specific worries of under-55s and over-55s are at times dramatically different.

More than two in three under-55s (68.5%) are concerned about wage growth not keeping up with inflation. To compound that figure, 43.8% say job security is a long-term worry. So we're becoming more and more concerned about how work plays an increasingly important role in our overall wellbeing. And when we have that additional stress – i.e. worrying about our worries – then that can seriously impact our mental health and general wellbeing.

For over-55s, more than half say they are concerned about economic instability (53%), the rate of inflation (51.2%) and an uncertainty or lack of clarity surrounding government policies (51.2%). Once again, it's the stress that results from being constantly worried that can have knock-on effects into other parts of our lives, particularly around how we manage our finances.

Cost of energy and fuel

Another major player in all of our financial stresses is the cost of energy and fuel. Both are essential for a comfortable life in Australia, but most respondents feel like there are poor systems in place to monitor these rising prices (78.7% of under-55s; 86.3% of over-55s).

Just as important to more than half of both under-55s (51.6%) and over-55s (57.0%) is a lack of certainty or commitment around using alternative energy sources. With external environmental factors driving conversations around our need for more eco-conscious energy, it's becoming of greater concern to most Australians.

Saving enough money to last through retirement

Another big concern for all Australians is whether or not they will have enough money stashed away in their superannuation, savings and assets to maintain their lifestyle through retirement.

The rising cost of living is influencing this worry for three-quarters of both age groups. Also, approximately half of all over-55s and under-55s are worried about being able to save enough money in time for retirement and ensuring they can maintain their standard of living while doing so.

The good news is that the vast majority of over-55s (71%) say they are aware of how much they need to put away to last through retirement, although more concerning is that 46.9% of under-55s don't have a solid figure in mind of how much they will need in their post-work years.





We are growing more concerned about climate change and the environment

Following close behind financial concerns as the biggest worry for most Australians is climate change and environmental concerns – with an index score of 49.9 for under-55s and 55.0 for over-55s.

Considering that the start of 2020 saw some of the [worst bushfires in Australia](#) as well as severe storms and flooding across the east coast, these concerns may become more prominent as the discussion around our changing environment becomes even louder.

Environmental legacy

According to respondents, they have three key concerns about the environment and climate change, the first being the environmental legacy they are leaving their children.

Chief concerns are the reliability of food and water sources (75.9% of under-55s; 82.1% of over-55s) and the impact on their children's quality of life (78.5% of under-55s; 73.7% of over-55s).

The financial aspects of our changing environment are also a major worry, with almost two in three Australians concerned about the increasing costs to cope with climate change, and more than half worried about its impact on the economy.

Climate change, more frequent severe-weather events and the overall decline of our natural environment are also big

contributors to environmental concerns for both under-55s and over-55s.

Almost 80% of both age groups are worried about pollution and its effects, as well as the [destruction of natural wonders like our Great Barrier Reef](#). Interestingly, over-55s are far more concerned about water security and energy security (78.5% and 70.3%, respectively) than under-55s (65.4% and 54.1%, respectively).

Australia is now considered a weather 'disaster zone'

Rounding off the top three contributors to environmental woes is the belief that Australia is increasingly becoming a 'disaster zone' for severe weather events, especially from fires and flooding.

Over-55s have the biggest concerns here, with the human cost of fire and flood (82.3%), impact on quality of life (76.8%) and impact on the economy (64.9%) major worries for this age group. But that's not to say under-55s aren't concerned as well, especially about the human toll of severe weather disasters and the impact on their quality of life.



Work and education worries are influencing the way we live

A further concern for Australians according to the [Real Concerns Index](#) relates to work and education, with worries including jobs not paying enough, the potential for national and global recessions, and how work negatively influences our overall wellbeing.

Australians' jobs simply aren't paying enough to keep up with living costs

For most Aussies, jobs aren't paying enough to keep up with [rising daily expenses](#). Contributing to this concern is the accelerating cost of living and slow wage growth – the top two worries for under-55s and over-55s.

However, another factor that's concerning to more than half of over-55s is the [casualisation of the workforce](#), leading to worries about how the [gig economy](#) (which includes freelancers, share-ride drivers, and people jumping between short-

term jobs rather than long-term employment with a single organisation) and less-traditional work styles are impacting our finances and overall wellbeing.

We're concerned about future job security and market stability

Speaking of the gig economy and other modern influences on the workforce, Australians are worried about how economic uncertainty (52.5% of under-55s; 72% of over-55s) and casualisation rather than full-time permanent positions (52.4% of under-55s; 69.2% of over-55s) are negatively influencing future job security and market stability.

It's worth acknowledging that over-55s are more worried about the contributing factors to future job security and market stability in every category compared to under-55s. These concerns include "technology increasingly replacing people"

(57.4% compared to 46.5%), "overpopulation" (45.9% compared to 40.8%) and "businesses restructuring to find efficiencies" (43.3% compared to 37.6%).

Work has a direct impact on life and wellbeing

When it comes to how work affects our lives and wellbeing, by far the greatest driver for under-55s is the modern demands on

time and lifestyle (65.2%). Over-55s, however, are more worried about the increasing pressure to work long hours (70.0%), while approximately half of both age groups feel there are a lack of employers who support flexible working environments and hours.





What do Aussies wish for?

It's true that Australians are concerned about a number of things in their lives, from finances to the environment, technology, work and family. However, we are also aspirational about what we wish for the future.

In our inaugural 2020 [Real Wishes Report](#), we asked 5,000 everyday Aussies about their long-term hopes. Here are some standout stats that show how we are focused on creating a more positive future for ourselves and the world around us:

Finances

- ✓ 87% want to build personal financial security for the future
- ✓ 81% want to budget better and save more money

Work and education

- ✓ 70% want to feel confident in their job security
- ✓ 68% want to update their skills or retrain to learn new skills

Environmental consciousness

- ✓ 73% want to make a difference and improve the environment
- ✓ 62% want to invest in sustainability (e.g. solar panels, battery and energy-saving devices/home design)





Easy tricks to maximise your finances and minimise stress

With finances the biggest worry for most Australians, you may want to consider putting in place strategies and safety nets to help put your mind at ease that you will have some financial security – even if the unexpected were to happen.

Here are a few tips for maximising your savings while also minimising your concerns:

- ✓ **Consider insurance:** You can't predict the future, but you can plan for how your finances will be protected in case of an illness or injury keeping you out of work for an extended period. Having insurance in place – [such as income protection insurance](#) – can help put your mind at ease that you and your family wouldn't be left in the lurch if you couldn't earn an income due to illness or injury.
- ✓ **Track your spending:** There's a huge selection of apps on the market that can live in your phone and help you track your spending. Using a budget tool may seem time-consuming at first, but you might be surprised by just how much you end up saving when you see where your money is really going.
- ✓ **Find out what your financial stressors are:** What causes you the most financial stress – the rising cost of groceries, expensive fuel prices, staying on top of your debt, putting aside enough money for retirement? Whatever causes you the greatest stress, write it down and then put in place a few strategies to overcome it.



Conclusion

[Income protection insurance](#) is one simple thing you can do to protect your income. This important cover means that we will be there to help you take care of yourself and your family financially if you become seriously ill or injured and are unable to work.

READY TO GET THE RIGHT COVER FOR YOUR FAMILY AND YOUR MOST VALUABLE ASSET – YOU, AND YOUR ABILITY TO EARN AN INCOME?

CALL REAL INSURANCE ON 1300 665 187 OR [REQUEST A QUICK QUOTE NOW.](#)

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