



Survey shows Aussies ashamed to share their money troubles

A survey released today shows one in three people borrow money to pay their bills and the same number are ashamed or embarrassed about their financial situation.

The survey of 1,000 people across Australia by not-for-profit Good Shepherd Microfinance showed that overwhelmingly people turn to family to help them through financial tough times, with five per cent borrowing money for household bills and essentials every month.

Good Shepherd Microfinance CEO Peter McNamara said nearly half of respondents had also loaned money to a friend or relative over the past year.

“People are most likely to tell family if they’re in financial strife but one in three stays silent,” Mr McNamara said.

“It is heartbreaking that so many people feel ashamed or embarrassed about their finances. If you’ve never had to scrimp and save, you may not know how demoralising it can feel.”

Another 18 per cent told the survey that the hardest part about financial stress was feeling left out because everyone else seemed to be coping.

“Clearly, we need a more open, honest national conversation about our cost of living challenges and what we can do to fix economic inequality,” Mr McNamara said.

The survey revealed that family were most often asked to tide people over, with 61 per cent most likely to ask a relative for a loan, 18 per cent asking a friend, nine per cent applying to a bank, eight per cent applying for a fast cash loan and one per cent seeking a no interest loan.

“No interest loans are the best and cheapest way for people on low incomes to cover household expenses and necessities,” Mr McNamara said.

“With our No Interest Loan Scheme (NILS), you only repay what you borrow, so you don’t get caught in a cycle of borrowing and debt.”

Most survey respondents (62 per cent) said borrowing money from family had been a good experience, however a quarter of respondents said it was eye-opening or a disaster.

“You don’t want close relationships and friendships ruined by a bad experience with money. There are safe, fair and affordable alternatives,” Mr McNamara said.

To apply for a no interest loan, visit nils.com.au to find your nearest provider.

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GOOD SHEPHERD MICROFINANCE BORROWING SURVEY

The people I am most likely to tell if I am in financial difficulty is:	AUS
My family	54%
I don't tell anyone	34%
My friends	7%
My church	1%
A local charity	1%
A financial help phone line	1%
Creditors	1%
The hardest part about financial stress is:	AUS
Feeling ashamed or embarrassed about my situation	32%
Feeling left out – everyone else seems to be coping	18%
Hiding our struggles from friends and family	14%
Not knowing where I can get help	7%
Over the past year, I have needed to borrow money for bills, household expenses or necessities:	AUS
Never	63%
Once or twice	29%
Every month	5%
More than monthly	3%
When I need to borrow money to cover bills, household expenses or necessities, I am most likely to:	AUS
Ask a relative	61%
Ask a friend	18%
Apply to a bank	9%
Apply for fast cash	8%
Apply for a no interest loan	1%
Borrowing money from friends or family has been:	AUS
A great experience – they like helping me out and I always pay it back ASAP	62%
Eye-opening – they get upset or demanding when I can't pay it back straight away	17%
A disaster – it has damaged my relationships with those people	7%
NA	14%
How often do you get asked by friends or family to lend them money:	AUS
Never	53%
Occasionally	41%
Often	5%
Weekly	1%