

Women and high earners feel pinch

By [Beck Vass](#)

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Women, middle-aged people and high-income households are under more financial stress than other New Zealanders, a survey has shown.

The Consumer Credit Expectations Survey, conducted by the credit reporting and collection company Dun & Bradstreet, shows that 38 per cent of high-income households (those with an income of \$60,000 or more) expect they will need to pay for purchases using credit cards in the September quarter.

The survey, which focuses on the expectations of 1000 New Zealand adults for savings, credit usage, spending and debt performance, revealed that 23 per cent of women intended to make a significant purchase on their credit card; 33 per cent hoped to use an interest-free deal to fund their shopping.

By comparison, 33 per cent of men expected to make a significant purchase; just 25 per cent expected to use an interest-free deal.

The company's New Zealand general manager, John Scott, said higher-income families were now feeling the pinch of the economic downturn, which had hit them later than low-income families.

Families in that demographic might not have anticipated job losses and bonuses might not have been as large as expected, he said.

In total, 18 per cent of households expected their debt levels to increase during the September quarter.

But Mr Scott said the study had revealed both positives and negatives.

While some demographics might find themselves struggling to pay back their debts before interest-free deadlines, younger consumers appeared to have learned a lesson from the recession.

In the past, consumers aged 18-34 had shown a tendency to use credit to make purchases, but the latest survey showed this group being more cautious with debt.

"This is a very positive sign and we'd hope to see it continue once the global economy is performing well and people are feeling much more secure about their finances."

The chief executive of the Federation of Family Budgeting Services, Raewyn Fox, said the study backed up what she was seeing every day.

"We've definitely seen a trend in our budget services with a greater percentage of our clients in the middle-income brackets.

"Some of that is around people who had investments and it's more likely to be the middle-aged-type people who have got involved and lost money in investments over the last couple of years. The bite's coming on and also, they're more likely to have mortgages."

Ms Fox said women generally were more likely to be in charge of paying bills, which might explain the higher percentage of women expecting to need to pay by credit card.

PLASTIC PLANS

Those intending to use credit to pay for otherwise unaffordable expenses:

- * 40 per cent of women.
- * 43 per cent of middle-aged people.
- * 33 per cent of men.



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