

## **Women, younger South Africans feel most financial stress** **Older, higher-income consumers most indebted but least likely to seek help**

South Africans' levels of financial stress have remained high for the past three years, affecting their home and work lives as well as their health.

Younger people and those with less income are the most anxious, with particularly women carrying the burden of financial stress. Older people and those in the higher income bands are least worried but have the highest levels of unsustainable debt and are less likely to seek help.

These are the headline findings from DebtBusters' third annual **Money Stress Tracker** survey.

The data was drawn from the responses of 26 000 registered users of [www.debtbusters.co.za](http://www.debtbusters.co.za) who are not in debt counselling. This makes it one of the largest online surveys about how financial stress impacts South Africans' lives.

Benay Sager, Executive Head of DebtBusters, says the survey indicated a slight decline in levels of financial stress over the past year, from 78% of respondents in 2023 to 75% in 2024. However, this was up from 70% in 2022. "While the data points to a marginal decline, it is still at an elevated level. The trend over the three-year period is upwards."

The survey was conducted in June. Factors that contributed to consumers feeling slightly less stressed at the time were a significant period without loadshedding and interest rates that remained unchanged for over a year.

Between 2023 and 2024 concerns about interest rate increases declined by 22%. Those concerned about loadshedding declined from 17% to 7% over the same period.

"Increasing interest rates and not knowing if you're going to wake up to stage 3 or stage 6 loadshedding is stressful. Consumers like certainty. Although interest rates are high, consistency is less stressful than dealing with continuous rate hikes," says Sager. Of the 75% people who said they felt financially stressed, 93% said this was negatively affecting their home life, 76% their work life and 74% their health. Compared to men, women are 10% more stressed about finances, with almost four out of five women saying they suffer from financial stress. They are 20% more stressed about health and 30% more stressed about home life.

Psychologist, Andrea Kellerman, says women are more inclined to admit and express their stress. There's also a societal expectation for women to provide emotional support and nurture their families, rather than only providing financial stability.

She explains men tend to compartmentalise stress by focusing on one issue at a time, while women are more likely to keep all their stressors open and constantly analyse them. This tendency to juggle multiple stressors simultaneously leads to increased feelings of stress amongst women.

"Additionally consider that today more women are taking on the dual responsibility of being mothers and breadwinners. This adds on another layer of pressure, and the double burden contributes to heightened financial stress."

Most people's main money concerns are short-term. Running out of money before the end of the month and struggling to pay off debt are the dominant worries. While 'more month than money' is a primary concern across all age groups, 70% of those under 55 say they worry about finances. The 55 or older cohort are least worried about making it through the month and paying off debt, but understandably most anxious about retirement. Middle-aged consumers are most exercised by the dual pressures of not having enough to last the month and repaying debt.

Sager says a concern is that 68% of respondents say they are spending more than 30% of after-tax income on debt repayments. Of these 53% use more than 40% of their pay cheques to service debt. Generally, consumers are advised not to spend more than 30% of take-home pay on debt repayment – at most 40%."

The older people are and the more they earn, the higher their debt levels. Sixty percent of those aged 45 and upwards have unsustainable levels of debt. The same is true of people taking home R20 000 a month and more. These are the backbone of South Africa's middle-class population.

"The research clearly reveals that older people with higher incomes are under the greatest debt repayment pressure, yet are most resistant to seeking help. They cite not knowing who to trust as the main reason for inaction. By contrast, 54% of younger consumers show intent in dealing with money stress although are not always sure of the options available to them. The under 35s say they are embarrassed, while the 35 plusses tend to procrastinate," Sager says.

According to Kellerman, over 55s are often more concerned about retirement than paying off monthly debt. Having lived with debt for a long time they are accustomed to the stress of managing monthly payments. The anxiety of future financial security outweighs the stress of their current situation.

“Heightened stress can lead to a ‘freeze mode’ response. In addition, hormone production decreases in 45s - 55s, and this may further diminish energy and resilience. As a result, some may find it easier to ignore their stressors and avoid confronting them, resulting in future issues.”

She says by contrast, younger people may feel stuck. They may be more motivated and adaptable, and have better trust levels and financial knowledge than their parents but they face other stresses. These include limited job opportunities, higher relative startup costs and a sense of demotivation regarding their prospects.

“The tragedy is there are many people who could benefit from debt counselling and other forms of debt management that are readily available and proven to work, but who don’t seek help because they’re not aware of the options, frozen in indecision, embarrassed or don’t know who to trust,” says Sager.

In addition to debt counselling DebtBusters provides online debt management tools for consumers. Debt Radar is a debt management tool, while the Debt Sustainability Indicator helps consumers make their debt repayments more sustainable.

DebtBusters plans to launch MoneySavers in late 2024, which will help subscribers save on everyday items and expenses.

ENDS

#### **Notes to editors**

- DebtBusters is South Africa's leading and largest debt management company. It holds the 2023 Debt Review industry award for the best debt counselling company, the eighth time it has won in a decade.
- Andrea Kellerman is owner of EQ Advant-Edge and runs her practice from Durban, KZN.



**Benay Sager**  
**Executive Head of DebtBusters**