



Media release – 2 October 2024

Australians are falling short on their financial dreams

69% of Australians don't feel equipped to make effective financial decisions

- **According to the 2024 MLC Financial Freedom Report, more than half of Australians (53%) regularly think about their dreams, but only one in three (34%) are taking steps to make their dreams a reality.**
- **Most people lack confidence in their ability to manage their finances, with 41% feeling only somewhat equipped and a combined 28% feeling slightly, or not at all equipped to do so effectively.**
- **Around one in three (30%) believe developing good financial habits would boost their confidence, while one in four (24%) say they would benefit from professional financial advice.**
- **Only one quarter (25%) feel extremely or very prepared to navigate unexpected financial challenges, and a further two in five (41%) worry about their finances all the time or often.**

Seven in ten Australians (70%) say financial wellbeing is key to achieving life's aspirations but less than one in four (23%) are satisfied with their current position and only three in ten (31%) feel extremely or very equipped to make effective financial choices, according to the findings of the 2024 MLC Financial Freedom Report.

The report revealed Australians clearly recognise the impact financial wellbeing can have on their health and mental wellbeing (70%), and on personal (67%) and family (62%) happiness.

Jenneke Mills, MLC Head of Technical Services said: "Australians view financial wellbeing as the ability to meet their financial needs, live free from financial stress or worries and have the financial freedom to make independent choices. While they have big dreams, the 2024 MLC Financial Freedom Report reveals many lack the confidence to achieve them. The research highlights that in today's world, developing good financial habits, underpinned by family support, is key to building confidence and achieving those dreams."

The 'aspiration-action' gap

The research, commissioned by MLC and conducted by social research agency, McCrindle, surveyed 2,507 Australians across diverse demographics. It found more than half (53%) of people frequently think about their life dreams, with financial independence (54%), taking regular holidays (52%) and a good work/life balance (48%) featuring as key aspirations across each generation.

Despite this, only one in three (34%) are taking steps to make their dreams a reality.



Only one quarter (25%) feel extremely or very prepared to navigate unexpected financial challenges, and two in five (41%) worry about their finances all the time or often.

Almost seven in ten lack confidence in their ability to effectively manage their finances (41% feeling only somewhat equipped and a combined 28% feeling slightly or not at all equipped).

“The latest MLC Financial Freedom Report shows many Australians are vulnerable to financial shocks and believe they could be doing a better job of controlling their finances, but don’t know where to start or go for help,” Ms Mills said.

“Confidence in managing your money is crucial, but it’s the right advice and accessible resources that bridge the gap between dreaming and doing. Those who seek help for their financial needs, whether it be through tips, coaching and guidance to holistic advice, are better equipped to overcome challenges and build the security they need to take control of their future.”

Barriers to success

Many Australians recognise their own use of money – including being in debt (21%), not having savings (20%), and current spending habits (16%) – is holding them back from achieving their dreams.

Cost of living was the common barrier (62% overall) to Australians achieving their financial aspirations, with Generation X feeling the pressure most acutely (74%). Cost of living was also a concern for Generation Z (58%), Generation Y (60%), and Baby Boomers (57%).

Other external barriers identified in 2024 include current income (34%), interest rates (25%), not owning a home (17%) and a lack of job security (13%).

Family support helps turn dreams into reality

When asked what would boost their confidence in navigating financial challenges, one in three (30%) said developing good financial habits would be useful.

A quarter of Australians (24%) say they would benefit from having access to financial advisers or professionals, up from one in five (20%) in 2023.

The 2024 MLC Financial Freedom Report showed family support is playing an increasingly important role in setting young people entering adulthood up for success.

More than two in five Australians (43%) who have received substantial support from their families are extremely or very satisfied with their current financial situation, compared with fewer than two in ten (17%) who did not receive financial help.

The most common form of support that Australians with children provide or plan to provide is allowing adult children to live at home for free or for board (40%). Other common forms of support include paying school and university fees (38%), helping adult children to buy their first car (37%), and paying for educational supplies or technology support (30%).



Grandparents are playing an increasingly prominent role in supporting younger generations. Half of Australian grandparents (52%) are currently, or planning to, provide financial assistance to their grandchildren, ranging from one-off financial gifts (18%) to regular financial support (16%).

Among the younger generations, six in ten (60% Generation Z; 56% Generation Y) received financial support from their grandparents upon reaching adulthood. This compared with just two in ten (20%) Generation X and less than one in ten (6%) Baby Boomers.

“Developing good financial habits is key to building confidence in navigating life’s financial challenges. Family support, especially for younger generations, goes beyond providing short term relief – it fosters a foundation of financial security and confidence. By offering support, whether it be through financial education or practical assistance, parents and grandparents are helping to shape how young Australians approach their financial futures,” said Ms Mills.

“MLC is committed to helping Australians to access educational online tools and resources, and tailored, practical financial advice so they can feel empowered to take control of their finances and make actionable plans for achieving their dreams.”

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About MLC

MLC is an Australian business that provides investments and superannuation solutions to corporate, institutional, and retail customers. Its purpose is to create future confidence for Australians through superannuation, professional financial advice, asset management and modern investment platforms underpinned by leading technologies.

MLC is part of the Insignia Financial Group, which consists of Insignia Financial Ltd ABN 49 100 103 722 and its related bodies corporate. Insignia Financial Ltd is listed in the top 200 companies on the Australian Securities Exchange (ASX: IFL). As one of the largest wealth managers in Australia, with over 175 years’ experience in helping Australians secure their financial wellbeing, the Insignia Financial Group provides services to more than 1.5 million clients and has more than \$311.4 billion in funds under management and administration (as at 30 June 2024).

Learn more about MLC at www.mlc.com.au.

Notes to editors

Methodology

The MLC Financial Freedom Report is the collation of quantitative and qualitative data gained through an online survey of 2,507 Australians conducted by McCrindle and representative by age, gender and location. The survey was in field from the 15th to the 26th of March 2024.

In addition to the survey, McCrindle conducted four focus groups with Australians from across the country. The focus groups were conducted between the 30th of April and the 8th of May 2024 and each group had between seven to nine participants. The focus groups represented the following demographic profiles:

- Gen Z and Y participants, who have received significant financial support from their Grandparents as an adult
- Gen X and Baby Boomers
- Individuals born in a non-English speaking country, and have moved to Australia
- Generation Y, X and Baby Boomer women who are either single mothers, divorced or widowed.

The generations referred to throughout the report are as follows:

- Gen Z (18-29 year olds)
- Gen Y (30-44 year olds)
- Gen X (45-59 year olds)
- Baby Boomers (60-78 year olds)