



mccrindle

Financial Wellbeing in Australia

MLC Financial Freedom Report 2024

Report produced
October 2024



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Introduction

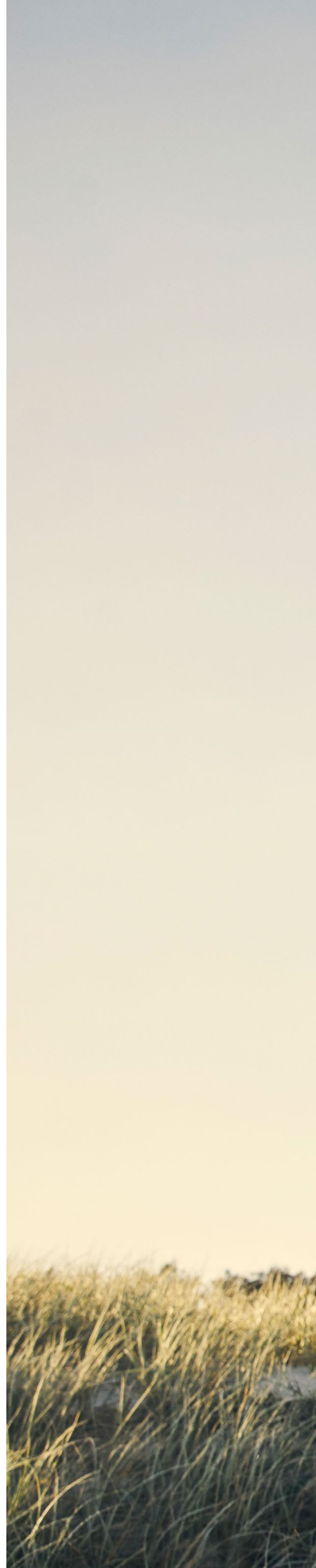
At MLC our focus is to empower every Australian to achieve financial confidence through all stages of life. With the financial landscape evolving rapidly, we understand aspirations and needs can vary greatly among individuals and communities.

MLC wanted to understand how the aspirations of Australians today are changing, particularly in light of the current economic climate featuring higher inflation and well-documented challenges with costs of living and housing. For this reason, social research agency McCrindle was commissioned to explore the aspirations of Australians across generations, genders, and demographics.

The inaugural [*Financial Freedom Report: Uncovering the Aspirations of Modern Australia*](#) was published in 2023. The report highlighted how Australians aspire to financial independence and seek to live their dream lifestyle. They defined this as aspiring to take regular holidays, having a good work-life balance, owning their own home and having a trusted group of family and friends. The report also introduced the Financial Freedom Index, a tool designed to measure and track Australians' ability to achieve their dreams and provides an instrument to track these financial foundations, attitudes, and behaviours over time.

While the report confirmed Australians as an aspirational people, it also highlighted an eagerness to improve financial literacy, being driven by the younger generations. The research revealed women are leading the charge in their motivation to achieve their dreams, and the steps they are already taking to enhance their financial position.

This year's research builds upon the previous findings, providing an updated look at Australians' financial sentiment and behaviours amid the evolving social and economic challenges of today. The report reveals how financial wellbeing is foundational for modern Australians seeking to live a satisfying life. It delves into the various dimensions of financial wellbeing as understood and experienced by Australians across different life stages, highlighting how a healthy financial footing enables Australians not only to meet basic needs but also to aspire towards and achieve broader life goals. Central to this year's findings is the key role financial security can play in influencing overall quality of life, mental health, and family happiness.

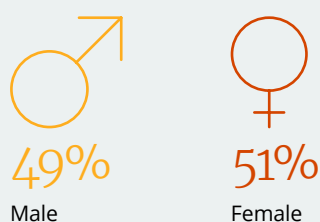




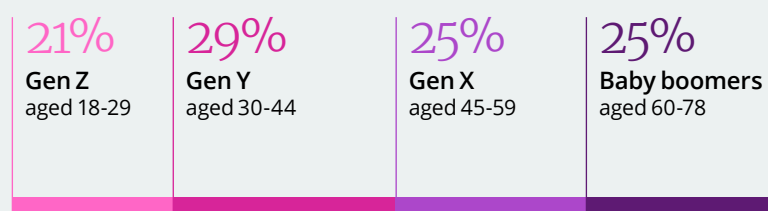
Demographic overview

The MLC Financial Freedom Report is the collation of qualitative and quantitative data gained through focus groups and an online survey representative by age, gender and location. The demographics below represent the survey conducted with 2,507 Australians infield from the 15th to the 26th of March 2024.

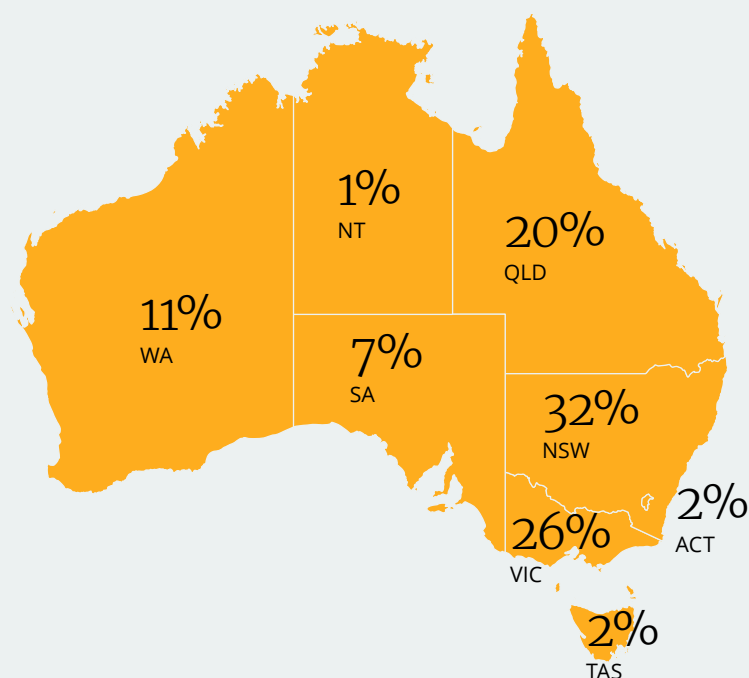
Gender



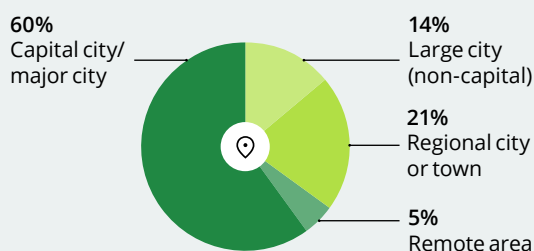
Age (in 2024)



States and territories

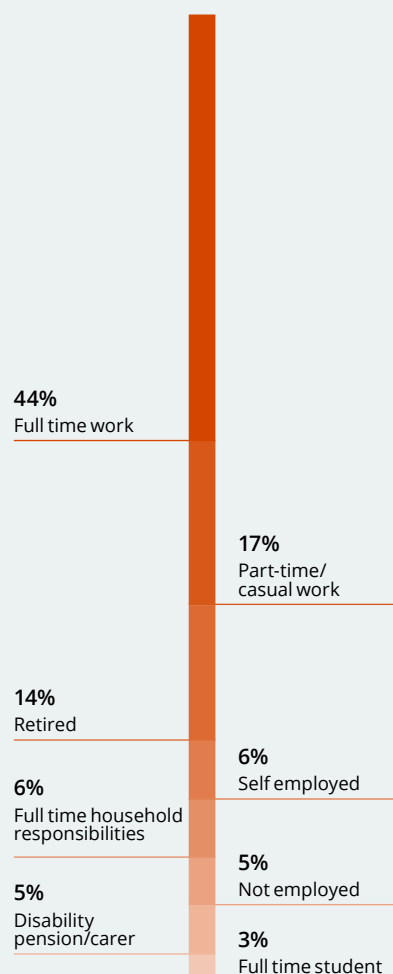


Location

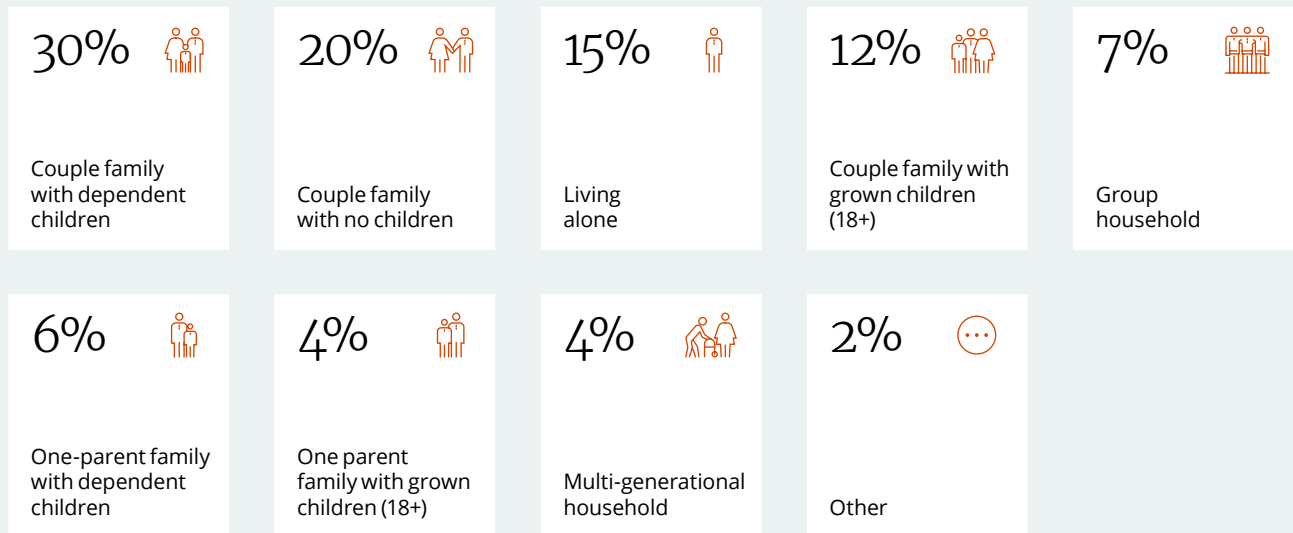


Aboriginal or Torres Strait Islander
3.2%

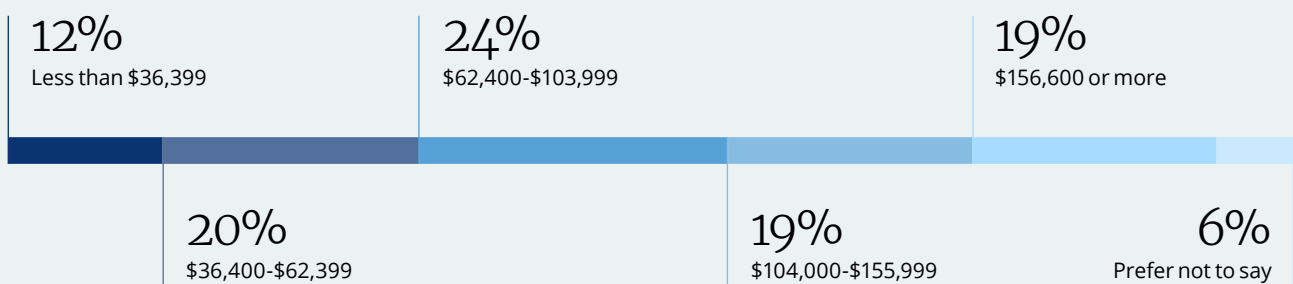
Employment status



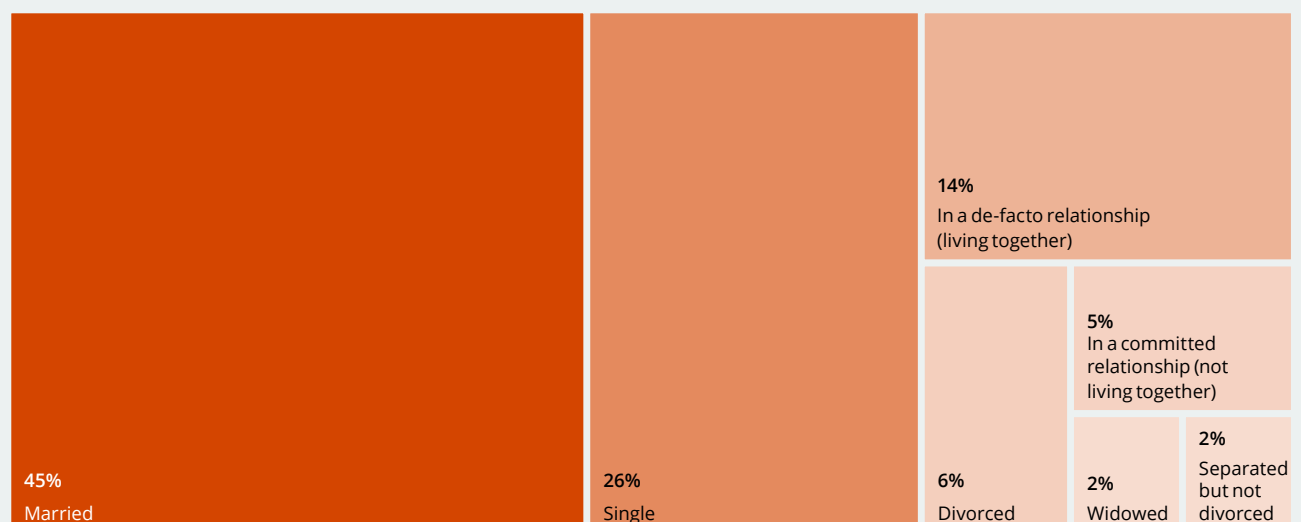
Household composition



Household income



Current marital status



Executive summary



Australians see financial wellbeing as foundational, and impacting all aspects of life

Australians see financial wellbeing as foundational for their overall quality of life, with seven in ten Australians (70%) considering financial wellbeing extremely or very important for achieving life's aspirations. While defined in a variety of ways, Australians tend to think of the more fundamental quality-of-life aspects when they think of financial wellbeing, including having enough money to meet their needs (61%), having no financial stress or worries (57%), and having the financial freedom to make choices (56%).

When considering the aspects of life most impacted by financial wellbeing, Australians identify health and mental wellbeing (70%), personal happiness (67%), and family happiness (62%) as key aspects.

Australians aspire for day-to-day stability and satisfaction

The most common life aspiration for Australians continues to be financial independence (54%). The other top aspirations provide hints as to what Australians believe financial independence can help them achieve, namely: regular holidays (52%), good work/life balance (48%), a trusted group of family and friends (45%), a happy marriage (44%), and owning their own home (43%). These aspirations reflect a level of pragmatism that Australians have become known for.

While many Australians think a lot about their life dreams and aspirations (53%), a much lower proportion are taking practical steps to achieve their dreams (34%). This gap highlights the opportunity to support Australians in attaining financial freedom and turning their dreams into reality. Perceived barriers to achieving financial aspirations are headlined by external market forces like the cost of living (62%) but also include barriers relating to Australians' own use of money, such as being in debt (21%), not having savings (20%), and current spending habits (16%).

Financial education and knowledge are identified as key to success

Australians express a lack of satisfaction with their financial position, and many are constantly anxious about their finances. Less than one in four Australians (23%) are extremely or very satisfied with their current financial situation, while two in five (41%) worry about their finances all the time or often. They identify a mix of financial security and a desire for greater financial knowledge to provide them with the confidence to navigate financial challenges, including having an emergency fund (35%), developing good financial habits (30%), and access to financial advisers or professionals (24%).



Gen Z are channelling anxiety into action

Despite having fewer financial obligations than those in later life stages, Generation Z are the generation most likely to worry about their finances all the time or often (49% Gen Z cf. 44% Gen Y, 47% Gen X, 26% Baby Boomers). This anxiety may be a key motivator in their proactive attitude towards financial management, which includes building additional income streams (29%) and investing in shares (22%).

While many Australians have an aversion to discussing money and finances with others, Gen Z and Gen Y are leading the way in having conversations with others about money or finance (66% Gen Z, 69% Gen Y cf. 57% Gen X, 50% Baby Boomers).

The bank of nan and pop is helping set up young Australians

While social commentary often highlights the “bank of mum and dad”, grandparents emerge as unsung heroes in the modern realities of family support. This “bank of nan and pop” appears to be increasingly stepping in with financial assistance that plays a pivotal role in the lives of their grandchildren. Gen Z are far more likely to have received some form of financial support from their grandparents upon reaching adulthood compared to the previous generations (60% Gen Z cf. 56% Gen Y, 20% Gen X, 6% Baby Boomers). This financial support most commonly involves financial gifts (one-off or regular), support for travel, childcare expenses, or living in their home either rent-free or paying board. With half of Australian grandparents (52%) currently or planning to provide financial support to their grandchildren, the bank of nan and pop is set to grow in relevance.

Those born overseas are coming to Australia with strong aspirations

Those born overseas are more likely than those born in Australia to aspire for financial independence (59% cf. 53%). Additionally, they are more likely to be striving for a good work/life balance (53% cf. 46%) and a successful career (35% cf. 28%), demonstrating their aspirational attitudes as they come to a new country. Despite these strong aspirations, those born overseas may face additional barriers in achieving financial independence. Australians born overseas are less likely than those born in Australia to be having conversations with others about money or finances (56% cf. 62%). In addition to this, a higher proportion of those born overseas who don't discuss finances report not feeling knowledgeable enough to discuss finances (21% cf. 16%).

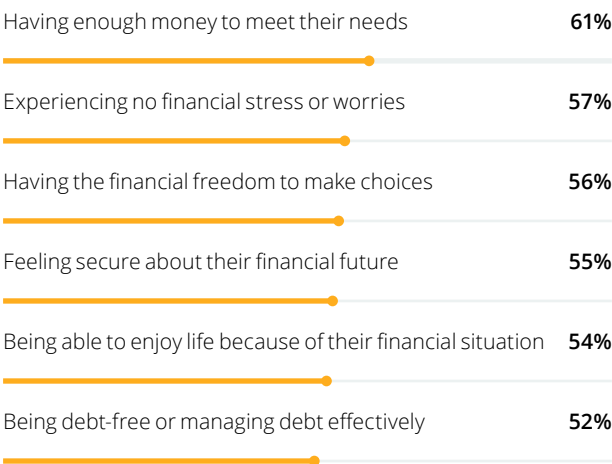
Resilient women face barriers to achieving financial independence

Resilient women are those who are navigating life as a single parent, or those adjusting to new realities post-divorce or widowhood. The greatest aspiration of these women is for financial independence, held by more than half of resilient women (52%). Despite this, resilient women are more likely to identify barriers to achieving their financial aspirations compared to Australians, including in cost of living (69% cf. 62%), their current income (45% cf. 34%), or not having savings (29% cf. 20%).

Financial wellbeing

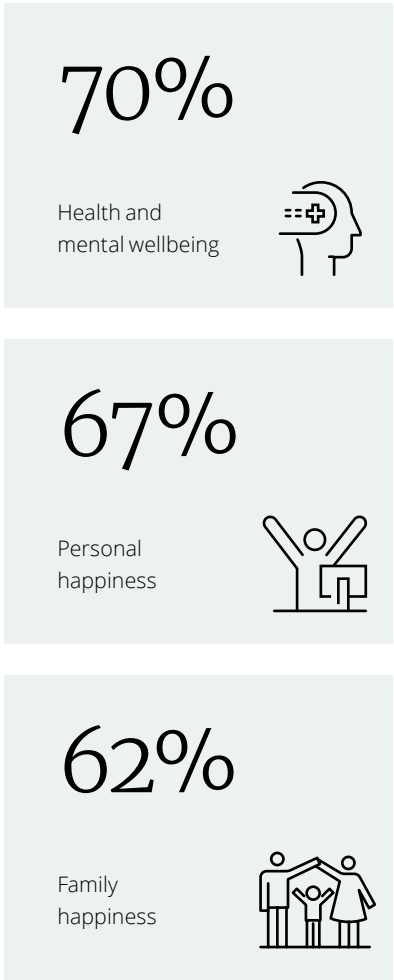
Australians define financial wellbeing in a variety of ways. We are a pragmatic nation, and this is reflected in how people think of financial wellbeing. Australians define financial wellbeing as having enough to meet their needs (61%), experiencing no financial stress or worries (57%) and having the freedom to make choices (56%). Australians prioritise these foundational quality-of-life aspects over more aspirational goals such as planning for retirement, achieving financial milestones, or contributing to their community and other causes.


Australians define financial wellbeing as:



While the precise definition of financial wellbeing may vary from person to person, it is clear financial wellbeing is inextricably linked with Australians' overall quality of life. Seven in ten Australians (70%) consider financial wellbeing extremely or very important for achieving life aspirations. Financial wellbeing is believed to impact a person's mental and physical health, personal happiness, and family satisfaction. Understanding and achieving financial wellbeing is crucial for reaching life aspirations and living a fulfilling life. Those born overseas are even more likely to consider financial wellbeing extremely or very important for achieving life's aspirations compared to those born in Australia (74% cf. 69%).

Australians believe having good financial wellbeing has the greatest impacts on:





” ” ”

[Financial wellbeing is] a roof over [my child's] head, food on the table, bills are paid and I've got a little bit of change if I need to...

Gen X

[Financial wellbeing is] being able to meet the obligations and having savings and a good retirement plan, meaning that when you retire, you have enough money to live, not relying on the government.

Gen Y born overseas

I'd say [financial wellbeing] is not being stressed about money and just knowing that the bills will get paid. I'm in that boat; I know the bills will get paid, but you just see it all over the news and begin wondering...

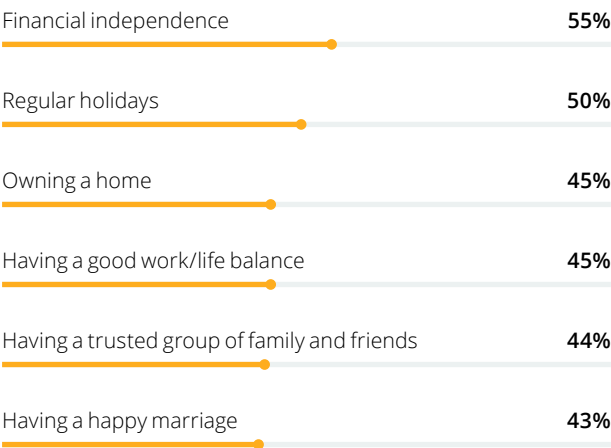
Gen Z with grandparent support

Dreaming of a life well-lived

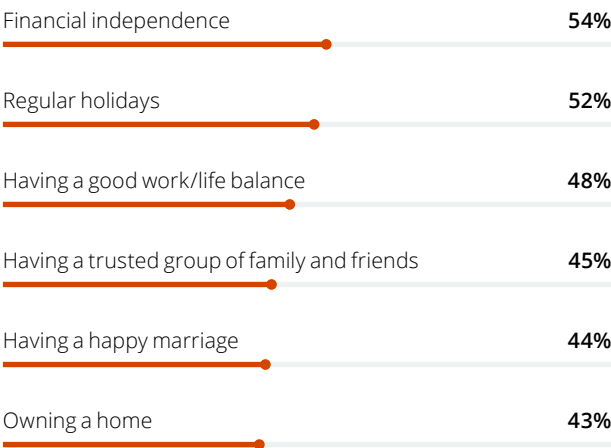
Australians’ financial aspirations are closely intertwined with their sense of wellbeing and quality of life and reveal a focus on achieving day-to-day stability and satisfaction.

Australians’ most commonly-held aspirations

2023



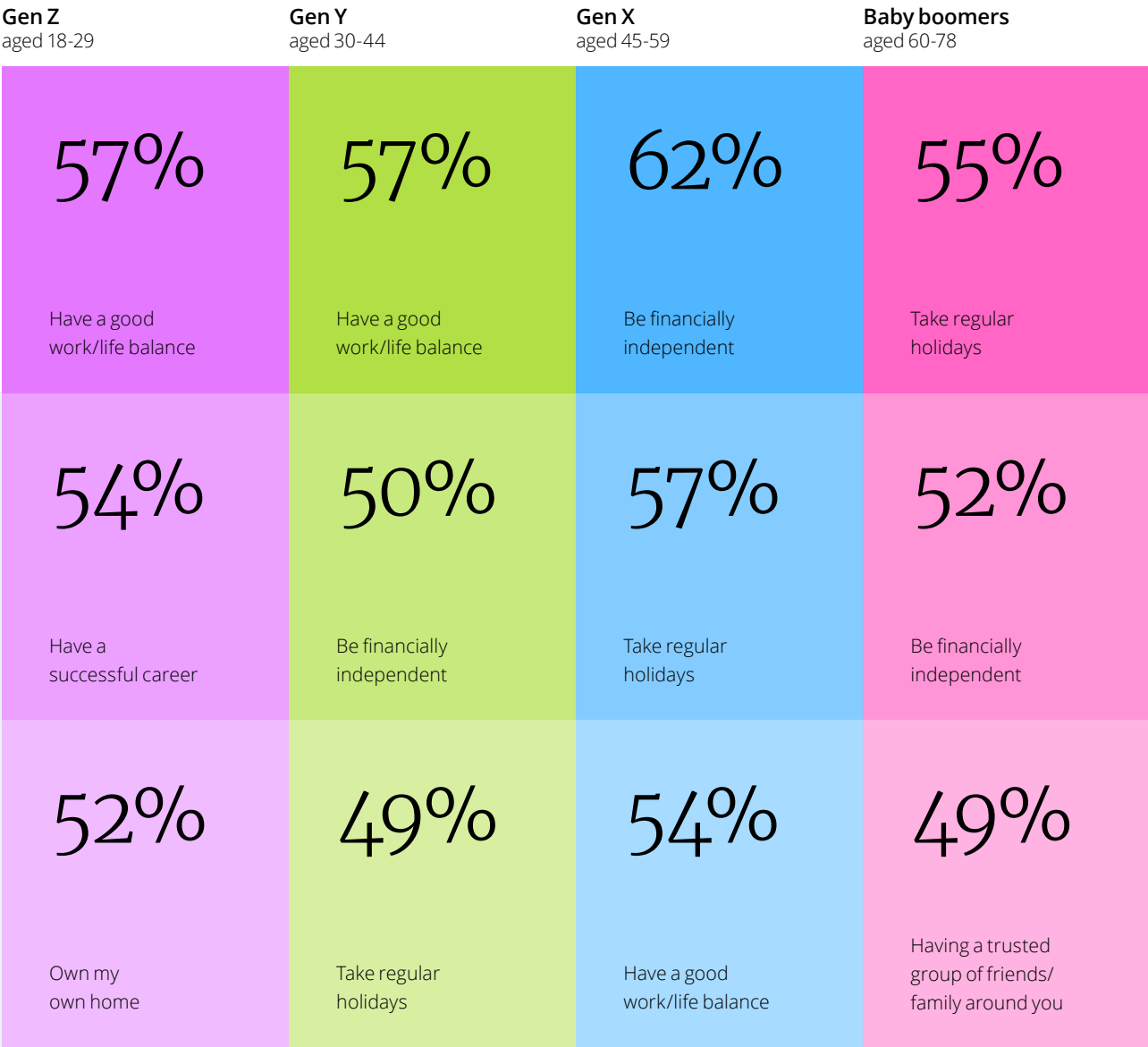
2024



Across the generations, Australians share common aspirations centred around balance, financial security, and personal fulfilment. Gen Z and Gen Y most aspire to achieving a good work/life balance (57%), highlighting the importance of personal well-being alongside professional success. For Gen Z, however, the aspiration to own their own home has decreased from being their top aspiration in 2023 (52% cf. 63% 2023). Financial independence is a key aspiration for all generations, featuring

in the top 3 aspirations for Gen Y (50%), Gen X (62%), and Baby Boomers (52%), however, its prominence for Baby Boomers has increased (cf. 41% 2023). Taking regular holidays is also a top aspiration for Gen Y (49%), Gen X (57%), and Baby Boomers (55%). This cross-generational focus on balance, financial stability, and leisure reflects a collective understanding of the importance of managing work, finances, personal wellbeing, and fulfilment.

The top aspirations for each generation



Australians need a helping hand in achieving their life aspirations

Half of Australians (53%) are dreamers who frequently think about their life dreams and aspirations. However, there is a gap between the proportion of people who think about these dreams and those making them a reality by being motivated to achieve their dreams (46%) and taking practical steps to achieve them (34%). As Australians move from aspiration to attainment,

a smaller proportion feel confident at each subsequent step of the journey towards making their dreams a reality. This gap presents an opportunity to support Australians in navigating how to turn their dreams into reality and achieve financial freedom.

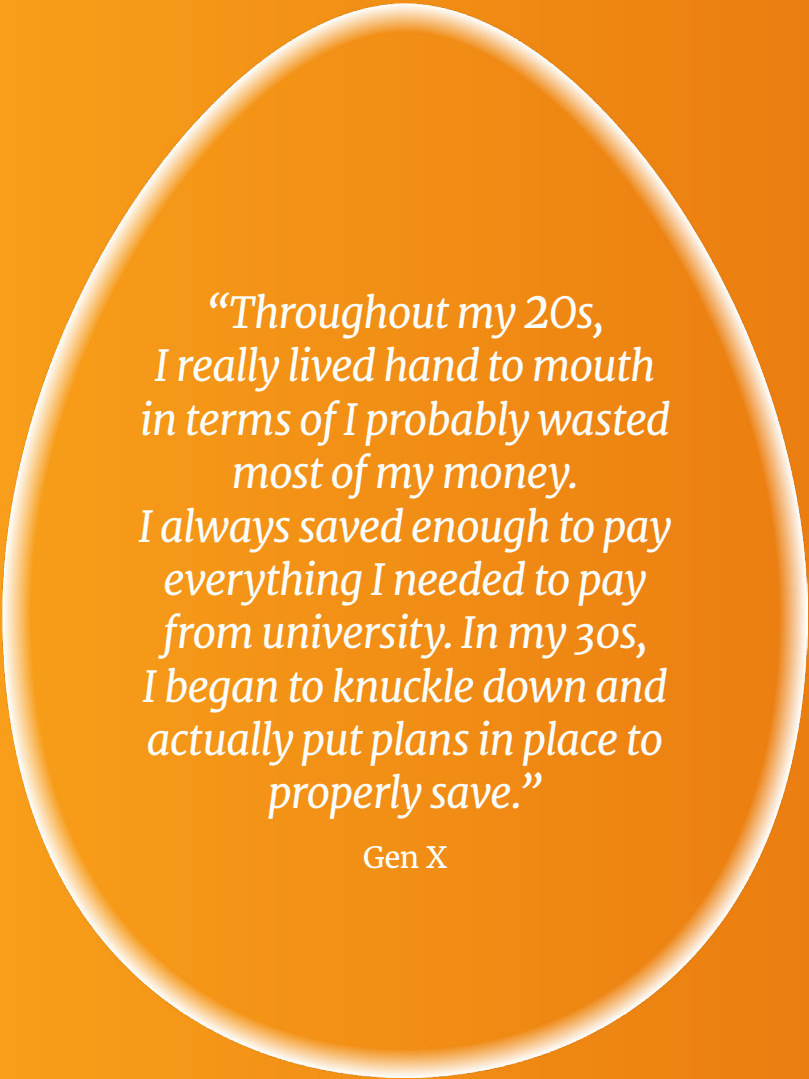
Helping Australians move from aspiration to attainment



Australians identify the cost of living as the biggest barrier to achieving their financial aspirations

Barriers to Australians achieving their financial aspirations include both external market forces and personal circumstances. The cost of living is identified as the biggest barrier to Australians achieving their financial aspirations (62%). Whilst the cost of living was also the biggest barrier for Australians in 2023, there has been a significant decrease in the proportion of Australians identifying it as a barrier (62% 2024 cf. 72% 2023.) Other external barriers identified in 2024 include current income (34%), interest rates (25%), not owning a home (17%) and lack of job security (13%). Australians also recognise barriers that relate to their own use of money, such as being in debt (21%), not having savings (20%), and their current spending habits (16%), which similarly reflects the barriers Australians faced in 2023.

Generation X are feeling the cost of living pressures the most (74%), compared to Gen Z (58%), Gen Y (60%), and Baby Boomers (57%). With many being in their 50s, Gen X are in a stage of life where they are often juggling multiple financial responsibilities such as providing for children and young adults living at home, paying off a mortgage, and saving for retirement.



*“Throughout my 20s,
I really lived hand to mouth
in terms of I probably wasted
most of my money.
I always saved enough to pay
everything I needed to pay
from university. In my 30s,
I began to knuckle down and
actually put plans in place to
properly save.”*

Gen X

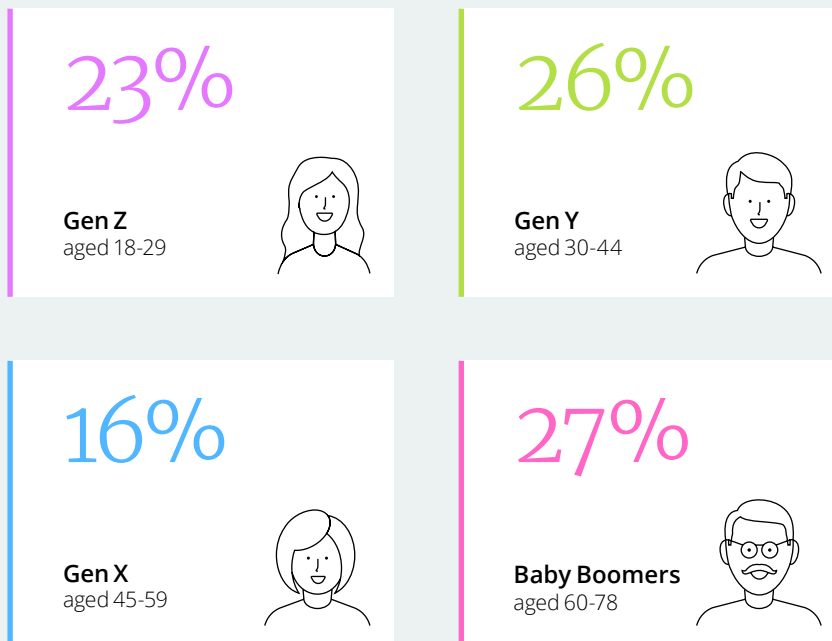
Relationship with money

Australians are concerned about their finances

Not many Australians are happy with their current financial position. Less than one in four Australians (23%) are extremely or very satisfied with their current financial situation, while the greatest proportion are only somewhat satisfied (37%), remaining consistent with 2023 sentiment (22% extremely/very satisfied, 36% somewhat satisfied). Two in five Australians (41%) worry about their finances all the time, or often.

Baby Boomers are most likely to be satisfied with their current financial situation.

% extremely/very satisfied:



Australians are seeking knowledge to equip them for their future

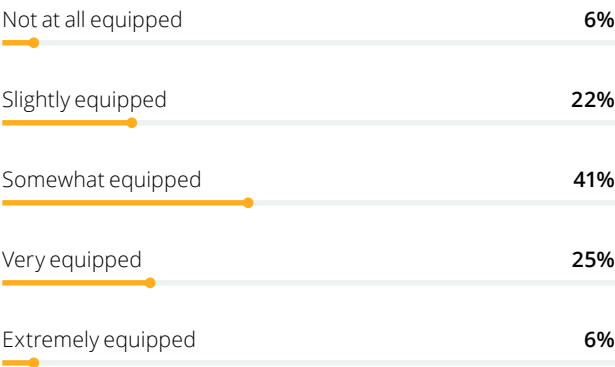
Less than one in three Australians (31%) believe they are extremely or very equipped to make effective financial choices. Most express a lower degree of confidence, with 41% feeling only somewhat equipped and a combined 28% feeling slightly or not at all equipped to manage their finances effectively.

Australians’ confidence is even lower when it comes to preparedness for navigating unexpected financial challenges. Only a quarter of Australians (25%) are extremely or very prepared to handle such situations, while more than one in three (37%) are only slightly or not at all prepared. Many Australians are vulnerable to financial shocks, suggesting a gap in practical financial resilience training and support.

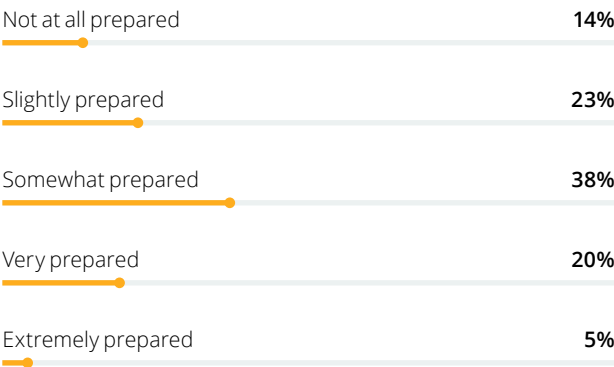
To address these concerns, more than one in three Australians (35%) believe having an emergency fund would help them feel more confident when navigating financial challenges, followed by developing good financial habits (30%) and access to financial advisers or professionals (24%), up from 20% in 2023. These preferences reflect a desire for a mix of foundational financial security and the need for clear, accessible advice and resources that can guide them in making wise financial decisions through life’s challenges.



How equipped are you to make effective decisions with your finances?



How prepared do you feel to navigate any unexpected personal financial challenges?



Gen Z are redefining success



Gen Z want a successful career, with work/life balance

Young Australians are carving out new definitions of success that combine traditional goals with modern aspirations. The top aspirations for Gen Z centre around employment, with the goal to have a good work/life balance most common for this generation (57%), followed closely by the desire to have a successful career (54%). This is followed by the more traditional goal of owning their own home (52%). Gen Z also aspire to achieve financial independence (52%), while 48% dream of a happy marriage.

Top five aspirations for Gen Z:



57%

Have a good work/life balance



54%

Have a successful career



52%

Own my own home



52%

Be financially independent



48%

Have a happy marriage

A more anxious generation, and a more proactive one

Despite having fewer financial obligations than those in later life stages, Gen Z are the generation most likely to worry about their finances all the time or often (49%). This suggests a counter-narrative to common perceptions of their generation being flippant with money or carefree. This financial anxiety may also be a key motivator in their more proactive attitude toward financial management.

Financial independence is a key element of this younger generation’s aspirations, with half of Gen Z defining financial wellbeing as having no financial stress or worries (51%) or having the financial freedom to make choices (50%). They are likely to be talking about money and finances with others (66%), with family (62%), or friends (57%). Gen Z’s relationship with money was summed up well by one focus group participant as being “sensible, happy, saving-focused”, reflecting their sober-minded yet aspirational approach towards financial management.

Striving to generate wealth and build their financial education

Many Gen Zs are proactively taking steps to diversify their income. Three in ten are working on building additional income streams (29%) and one in five are investing in shares to strengthen their financial position (22%), suggesting a forward-thinking approach to their finances. However, there’s a clear indication of the need for enhanced financial literacy, with nearly two in five Gen Z believing they need more help with taxes (39%) and investment strategies (39%).

Australian Gen Zs emphasise the importance of financial knowledge and habits passed down from their parents and grandparents which can play a key role in shaping their attitudes towards money.

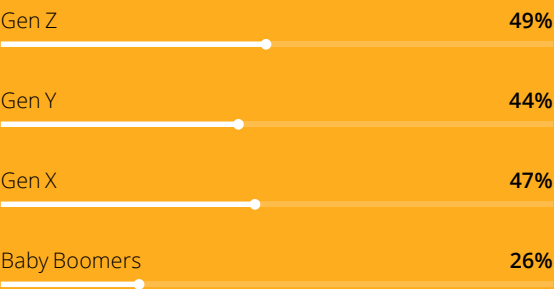
“My parents were always conscious about money and when we got it for birthdays, Christmas, Easter, we had to put it in the bank and build it up. As we got older, we had the opportunity to do things with it.”

Gen Z with grandparent support

Gen Z are concerned about their finances

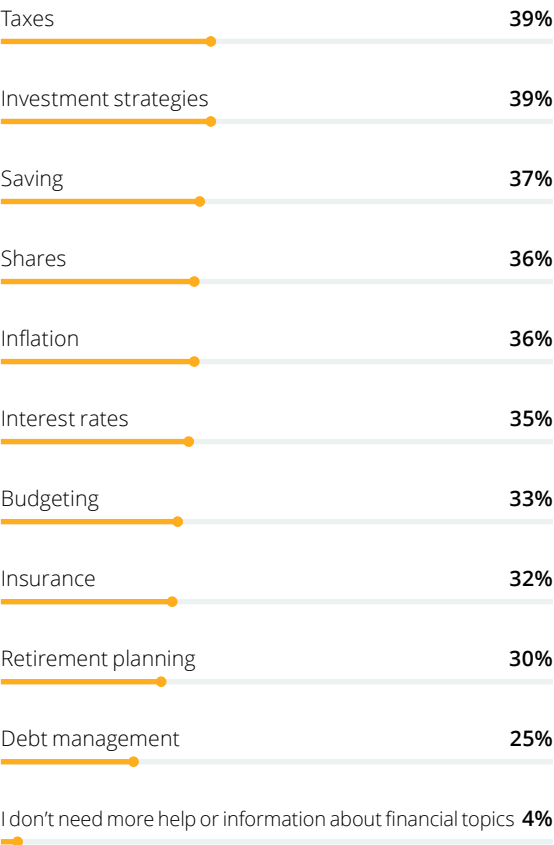
How often do you worry about your finances?

All the time or often



Which of the following financial topics do you believe you need more help with, or more information about?

Please select all that apply. Gen Z Australians (n= 514)



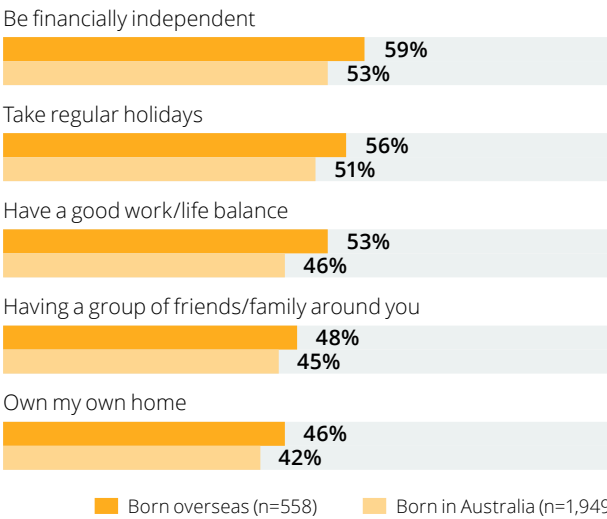
Those born overseas bring aspirations yet face additional challenges

The story of Australia as a nation tells a rich history of migration and multiculturalism. Australia has twice as many residents born overseas (30%) compared with the United Kingdom (17%)¹ and the United States (14%)². Our population growth continues to be driven by overseas migration as people come to our shores in search of a better life and financial stability. In fact, the aspiration for financial independence is a stronger desire for Australians who have moved here, compared to those born in Australia (59% cf. 53%).

Most notably, those born overseas are more likely than those born domestically to aspire for a good work/life balance (53% cf. 46%), a successful career (35% cf. 28%), and to own investment properties (24% cf. 18%). This highlights the strong aspirational attitude that those born overseas bring with them as they set up their lives in Australia.

Which of the following do you most aspire to achieve in your life?

Top five aspiration for those born overseas cf. those born in Australia



¹ Office for National Statistics, International migration, England and Wales: Census 2021
² United States Census Bureau, The Foreign-Born Population in the United States: 2022

Australians born overseas are less open to talking about money

Despite their strong financial aspirations, those born overseas may have additional barriers to achieving financial independence. Some of these barriers may be cultural norms. For example, Australians born overseas are less likely than those born in Australia to be having conversations with others about money or finances (56% cf. 62%). A higher proportion of those born overseas who don't discuss finances report not feeling knowledgeable enough to discuss finances (21% cf. 16%), expressing concern about being judged (17% cf. 15%), and not having anyone they feel comfortable talking to about their financial situation (24% cf. 19%).

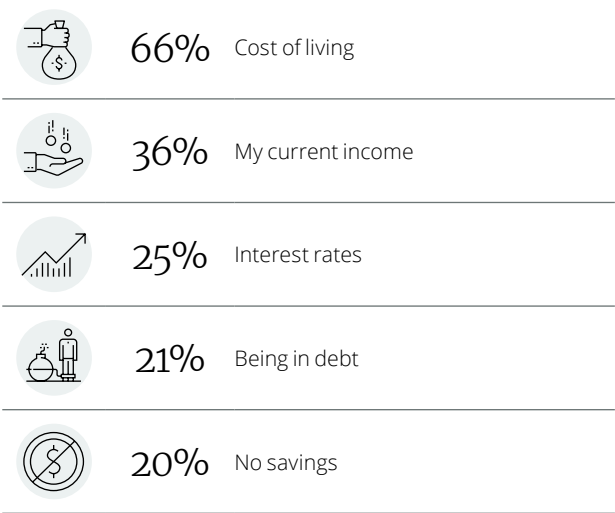
High living costs and systemic challenges create significant financial hurdles for Australians born overseas

Other barriers may be circumstantial, including the high cost of living in Australia, which one in three born overseas (66%) view as a barrier to achieving their financial aspirations (cf. 61% for Australian-born residents). Other obstacles include adjusting to a new financial system, language barriers, and the challenge of trying to receive recognition for overseas qualifications and experiences, which may impact career and household opportunities.

“It’s not usually a topic I want to discuss with everyone, or even family, because everyone has different views, and they might think you spend too much or you save too much. They always have a different view and I don’t really feel comfortable bringing up such topics. It’s like a political opinion – I feel like it’s something I don’t really want to discuss.”

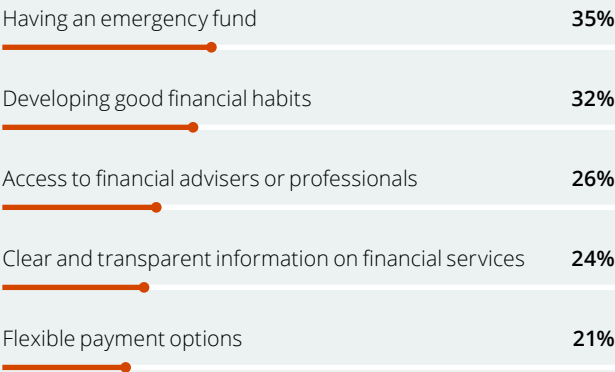
Gen Y Australian born overseas

Top barriers to achieving financial aspirations.



Facing significant financial barriers such as high living costs and income limitations, those born overseas often find themselves navigating complex financial landscapes in their new homeland. More than one in three (35%) believe having an emergency fund for unexpected expenses would help them feel more confident in navigating these challenges, while 32% see the importance of developing good financial habits. Additionally, 26% of those born overseas would benefit from access to financial advisers, and 24% seek clear and transparent information on financial services.

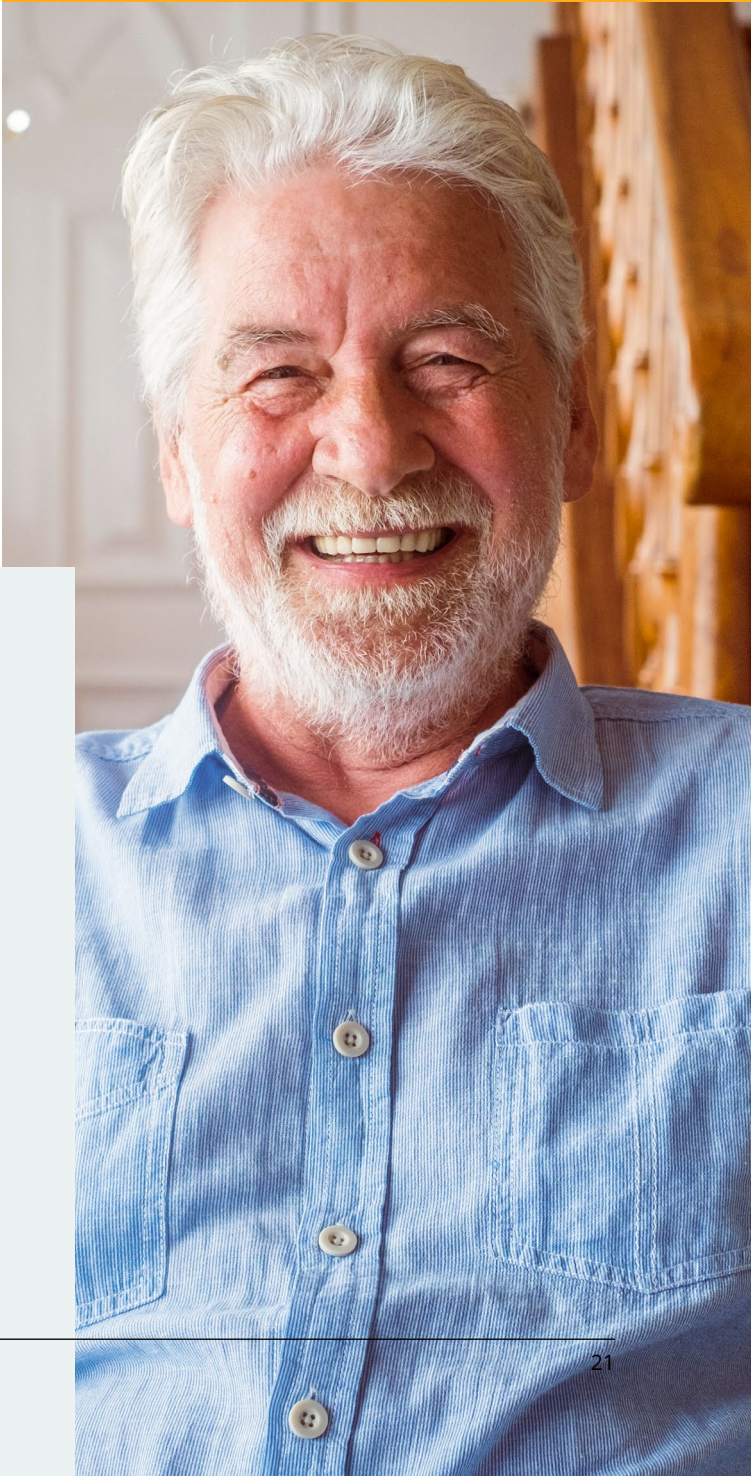
Top five factors that would make those born overseas feel more confident in navigating financial challenges:



”

“Before I moved to Australia, I didn’t have any financial knowledge at all because finances don’t exist in the Soviet Union, so all my knowledge starts only from Australia.”

Baby Boomer Australian born overseas



Resilient women are navigating financial independence

Much social commentary and public policy is discussed through a frame that assumes dual-income family households. There are, of course, many Australians for whom this reality does not exist, whether by choice or through life's unintended circumstances. One such grouping is resilient women - those navigating the complexities of life as single parents, and those adjusting to new realities post-divorce or widowhood. These resilient women manage the normal demands of daily life felt by all Australians while, in many cases, facing additional adversities and barriers to financial freedom.

Aspirations amidst adversity

Australia's resilient women aspire to a range of achievements that highlight their pursuit of independence and quality of life. While financial independence is a goal for more than half (52%), only 25% of women have achieved it. As one woman noted: *"It causes me stress, not having enough... I just associate stress with money."* Another described her relationship with money as a *"struggle"*, highlighting the ongoing financial challenges these women face. A supportive network of friends and family is seen as critical to success, with 50% aspiring to this and 47% having achieved it. This is an even greater priority for resilient women, compared to Australians overall, where 45% of Australians aspire for trusted relationships. While the aspiration to take regular holidays comes in third for resilient women (43%), fewer are aspiring to this than Australians overall (52%). Even fewer resilient women have achieved this (23%), compared to Australians (31%).

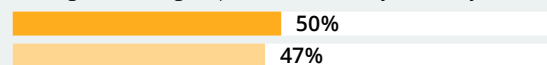
Top 5 aspirations for resilient women

n=227

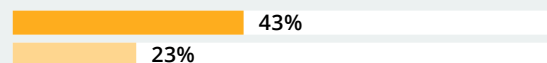
Be financially independent



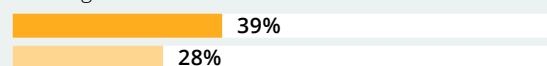
Having a trusted group of friends/family around you



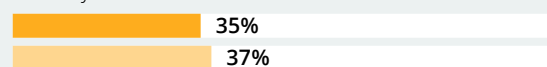
Take regular holidays



Have a good work/life balance



Own my own home



Aspire to achieve Have achieved

”

"I just try not to stress about it... I can only do what I can and just feel good that I'm working, I've got a roof over my head and my kids, yeah, they've got everything that they want."

Gen X

Financial wellbeing is a key focus

Financial wellbeing is a key focus for resilient women, with two-thirds (67%) defining it as having enough money to meet their needs, compared to only 61% of Australians. In their own words, this means “*not thinking about money every day*.” This focus is understandably heightened by the responsibilities they shoulder, not only in managing household finances but also in providing emotional and physical support to their families. These women also believe financial wellbeing is having no financial stress or worries (60% cf. 57% Australians) and being debt-free or managing debt effectively (57% cf. 52% Australians).



Greater barriers to achieving financial freedom

Despite their aspirations and achievements, resilient women in Australia face significant barriers compared with other Australians. Two in three (69%) believe the cost of living is a barrier to their financial aspirations, 5 percentage points higher than the general population (62%). Other significant hurdles

include their current income (45%), lack of savings (29%), being in debt (27%), and not owning a home (23%). These challenges highlight the complex financial landscape these women navigate daily.

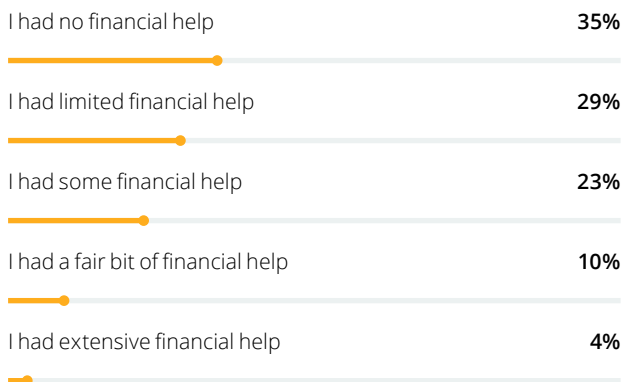


Building a foundation for future generations

Financial support provided by family can profoundly influence an individual's ability to achieve financial stability and pursue their aspirations, impacting everything from educational opportunities to career paths.

Receiving support in early adulthood has a big impact

As Australians enter early adulthood, the level of financial help they receive varies widely, with only 14% receiving a fair bit or extensive financial help.



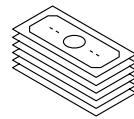
The impact of financial support during this critical life stage is significant. For those who receive substantial support—categorised as either “a fair bit” or “extensive”, the benefits extend well beyond immediate financial relief. This group experiences advantages in both financial satisfaction and stability later in life. More than two in five Australians (43%) who have received substantial support are extremely or very satisfied with their current financial situation, which makes them around twice as likely to be extremely or very satisfied with their current financial position compared to Australians who did not receive financial help (17% extremely or very satisfied).

Greater levels of financial help in early adulthood lead to higher financial satisfaction later in life

% who are extremely/very satisfied with their current financial situation:

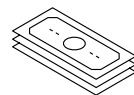
43%

for those who received extensive/a fair bit of financial help



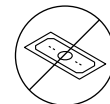
22%

for those who received some/limited financial help



17%

for those who received no financial help



Baby Boomers are the least likely to have received financial support upon reaching adulthood themselves, revealing a social trend towards financial support from family for younger Australians.

Did not receive financial support



Australians most commonly receive support with housing costs in early adulthood

The most common forms of financial support Australians have received from their parents upon entering adulthood include:

31%	Living at home for free or paying board
23%	Help with getting their first car
20%	Paying school or university fees

This reveals many parents are investing in their children’s futures, helping them avoid early debt and build a stable financial foundation.

Planning for future generations

Many Australians with children are also planning to provide financial support to their children (current or future). Two in five (40%) Australians plan to help their children by letting them live at home for free or paying board, and a further 38% and 37%, respectively, plan to support their children as adults by paying school fees or helping them get their first car.

Australian parents are planning to, or currently provide financial support to their children through:



Coupled with this proactive approach is a prevailing sense of optimism about the future, with 46% of Australians believing their children will enjoy a better lifestyle than their own, while 33% anticipate it will be about the same, and only 21% fear it may be worse.

More than just financial support

In addition to financial assistance, many Australians emphasise the importance of passing down life lessons and experiences that can guide future generations. Teaching children about financial literacy, the value of hard work, and the significance of managing money responsibly are all seen as important. This holistic approach ensures that the next generation not only benefits from financial resources but also possesses the knowledge and skills to manage their finances effectively.

”

“I think the best thing is teaching them life lessons and being a good person, earning an honest living, and knowing how to manage money.”

Gen Y

The bank of Nan and Pop is supporting the next generation.

While social commentary often highlights the “bank of mum and dad”, grandparents emerge as unsung heroes in the modern realities of family support. This “bank of nan and pop” appears to be increasingly stepping in with financial assistance that plays a pivotal role in the lives of their grandchildren. Half of Australian grandparents (52%) are currently, or planning to, provide financial support to their grandchildren. Their contributions are varied and vital, ranging from one-off financial gifts, which 18% of grandparents provide to celebrate milestones or alleviate significant expenses, to regular financial gifts offered by 16% to support their grandchildren. Nearly one in ten grandparents (9%) help their grandchildren achieve a degree of independence by assisting them with their first car purchase.

Gen Z are far more likely to have received some form of financial support from their grandparents upon reaching adulthood compared to the previous generations (60% Gen Z cf. 56% Gen Y, 20% Gen X, 6% Baby Boomers).

The gratitude and responsibility felt by Australian Gen Zs who have received grandparent support is significant. They view these gifts not just as monetary support but as investments in their future. Consequently, they are motivated to manage these resources wisely, aiming for long-term stability and making significant life purchases that promise a return on their grandparents’ faith in them.



”

“For me, growing up, I would get a bit of (financial support); it was the first way I learned that I should save. So when I got something in a Christmas card, I tried to develop those habits so I wouldn’t just spend everything. It actually meant something and I got that really young.”

Gen Y with grandparent support

”

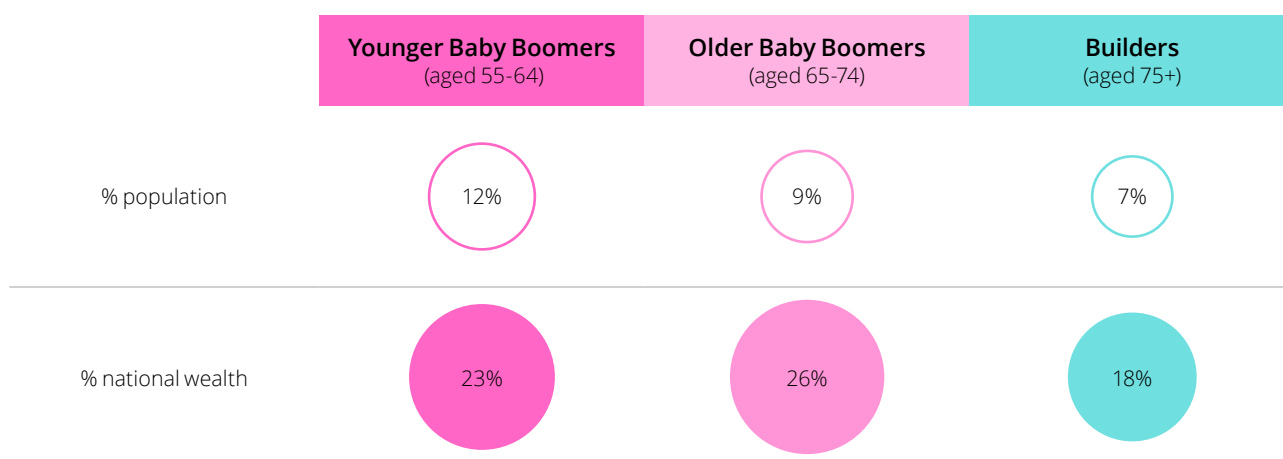
“I found that I was really careful to protect it and to grow it, and now I want to make sure that I make the right decisions (for the future).”

Gen Y with grandparent support

Preparing for the intergenerational wealth transfer

The transfer of wealth from older to younger generations is a cornerstone of financial security and the realisation of life aspirations across Australia. In recent years, the “bank of nan and pop” has become a feature of this wealth transfer. This is driven by a combination of affection and practicality, as many older Australians find themselves with both a desire to assist and also the ability to do so, thanks to their own financial stability later in life.

The financial legacy of older Australians is set to be significant. According to McCrindle’s Income and Wealth Infographic (2023), Australians aged 55+ comprise less than one-third of the national population (28%) yet hold two-thirds of the nation’s household wealth (67%).



The Financial Freedom Index

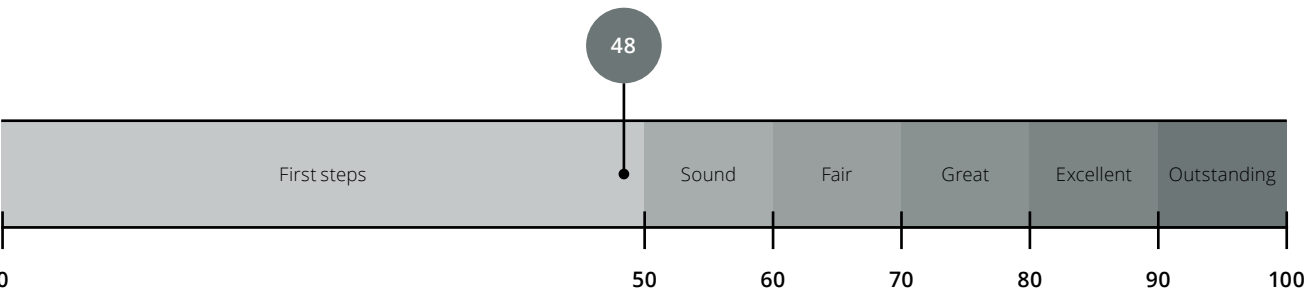
The Financial Freedom Index (FFI) is designed to measure how Australians are positioned to live a life of financial freedom that allows them to achieve their dreams. Australians who score highly in the index are likely to be closer to achieving a sense of financial wellbeing in their life as they are well-positioned to being able to achieve their dreams.

The following three key measures form the index and comprise 15 individual indicators:



An average score is provided for each of the three measures, and the average across the three measures provides the overall FFI. The FFI can range from a score of 0 to 100. Anything above 50 indicates an individual is well-positioned to achieve their dreams.

Overall Financial Freedom Index score

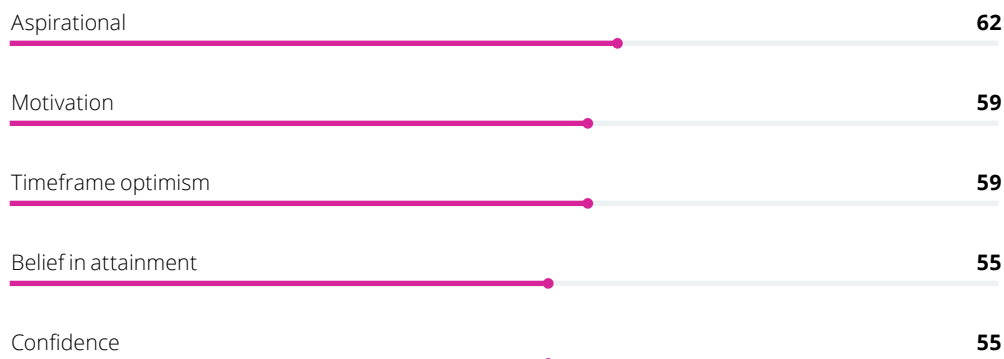




Individual scores

ATTITUDE

58



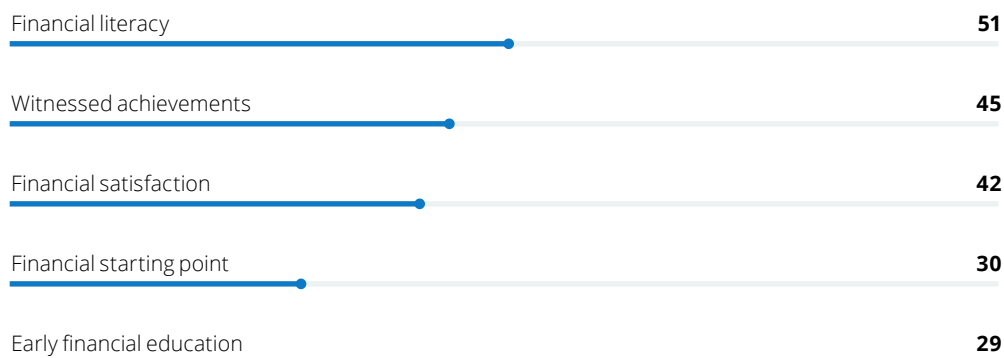
BEHAVIOUR

47



FOUNDATION

39

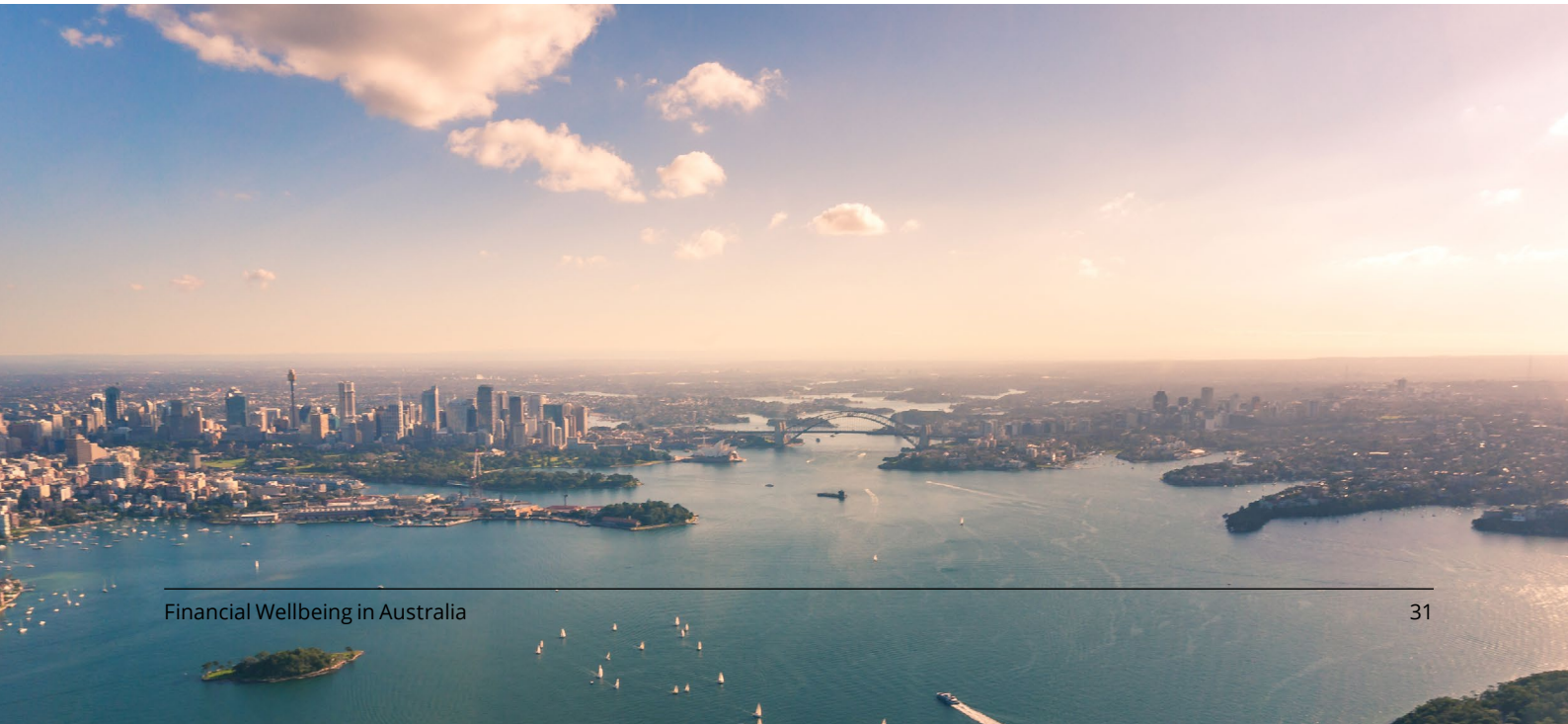






Younger Australians are optimistic about their capacity to achieve financial freedom

The Financial Freedom Index score is 48 in 2024, remaining consistent with the 2023 score of 49. Each of the three measures has similarly remained consistent compared to twelve months ago; however, within ‘Foundation’, some individual measures have observed a more noticeable shift. Fewer Australians are confident in their financial literacy, dropping from 55 in 2023 to 51 in 2024, and fewer report having witnessed financial achievements growing up, with a decrease from 49 to 45.

Younger generations are often more optimistic about their circumstances and prospects, and this is reflected in a stronger score on the Financial Freedom Index (53 Gen Z, 50 Gen Y cf. 45 Gen X and 44 Baby Boomers). Those who have received support from their grandparents upon reaching adulthood are also more likely to have a sense of financial freedom, with higher scores than those who haven’t received support (54 cf. 45). There is little difference, however, between those born overseas (48) and those born in Australia (48) as they receive the same score. Single mothers and women who are divorced or widowed score slightly lower overall (43) than women who are married or in de-facto relationships (48), and Australians more broadly (48).

	2023 score	2024 score	Difference
Overall	49	48	-1
Attitude	59	58	-1
Behaviour	48	47	-1
Foundation	40	39	-1



	 Gen Z 2023 2024		 Gen Y 2023 2024		 Gen X 2023 2024		 Baby Boomers 2023 2024	
Overall	52	53	55	50	47	45	44	44
Attitude	66	64	66	60	56	55	52	54
Behaviour	49	50	53	49	47	44	43	43
Foundation	41	44	45	42	37	36	37	37



Received support from grandparents
upon reaching adulthood



Did not receive support from grandparents
upon reaching adulthood

Overall	54	45
Attitude	62	56
Behaviour	53	44
Foundation	48	35



Born in Australia



Born overseas

Overall	48	48
Attitude	58	59
Behaviour	47	46
Foundation	40	39



Single, divorced, or
widowed women



Women who are married
or in a de-facto relationship

Overall	43	48
Attitude	52	60
Behaviour	42	46
Foundation	34	38

Methodology

Data collection

The Financial Freedom Report 2024 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, four focus groups were conducted with Australians from across the country. Each group had between seven to nine participants. The focus groups were conducted between the 30th of April and the 8th of May 2024. These groups represented the following demographic profiles which are reflected in the quotes throughout this report:

- Generation Z and Y participants, who have received significant financial support from their Grandparents as an adult
- Generation 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.

Graphs and rounding

Data labels on the graphs in this report have been rounded for simplicity. Some graphs, may, therefore sum to 99% or 101%. Any calculations where two data points have been added are based on raw data (not the rounded data labels on the graph) which have been rounded once combined.



Research and design by
mccrindle