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**Media release**

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## **AUSTRALIANS SURVIVE ON CREDIT CARDS**

### **90% still rely on credit cards and put up with heavy fees and surcharges**

Australians are struggling to make their money last from month to month, with over half of Australians admitting to using their credit cards to get them between pays, a survey by NEWS.com.au reveals.

Cardholders are being stung with fees and charges and they are not happy about it, with many people ditching their cards for cash payments to avoid fees.

The survey revealed more than 90 per cent of respondents had at least one credit card with 36 per cent having two, and half of those with credit cards have been stung by penalty fees or interest rates in the last 12 months.

Conducted by CoreData in partnership with NEWS.com.au, the national survey of 1366 respondents conducted during October also found:

#### Repetitive

- Over half of all cardholders (54 per cent) use their credit card to get them between pays.
- Most respondents (84 per cent) feel ripped off by their credit card company, home loan supplier or transaction account institutions when they fail to make payments and incur fees and charges, and 64 per cent wanted to close off their account as a result.
- Not all consumers are full informed about their credit cards with nearly one third of cardholders (32 per cent) not sure of the interest rate on their credit card. A similar amount (34 per cent) admit to being unsure of the fees and charges they might incur in the event of a late payment
- However more than three quarters (78 per cent) know how many interest free days they have on their credit card
- One out of every three card holders who incurred fees and charges did something about their situation - the majority of these people complained to the organisation (70 per cent) and nearly half demanded a refund (47 per cent).
- More credit card or transaction account holders were charged late fees and interest in the past 12 months compared to home loan buyers.

"What these findings reveal is that credit card holders are concerned about surcharges and penalty fees, however a lot of them are still unaware of the interest and fees they will be slugged with," NEWS.com.au business editor Nicki Bourlioufas said.

“An increasing number of merchants are using surcharges on credit card payments to recoup costs they incur in credit-card transactions. Therefore knowing what you are signing up for and the pros and cons of having a credit card is something consumers need to get a handle on” she says. “Having said that, it is promising to see that more than one third of consumers who incurred fees and charges in the last 12 months did something about their situation.”

NEWS.com.au also today officially launched its new **MONEY** section, which offers a unique and trusted guide designed to educate and guide people through decisions they will make in their lives when it comes to money management and investment.

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