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Don't bury yourself in debt this Halloween

RACQ Bank has warned Queenslanders using credit options to pay for day-to-day expenses to think ahead and ensure they could repay on time, with new research revealing young people were suffering debt-related stress.

RACQ spokesperson Lucinda Ross said the survey looked at payment options including credit cards, payday loans, buy now, pay later and personal loans.

"Of the people using credit, 18-34 year-olds were most concerned about the impacts on their financial wellbeing with almost 50 percent saying debt held them back," Ms Ross said.

"Close behind, almost 40 percent of 35-54 year-olds admitted to feeling the pressure of mounting debts."

Ms Ross said the research also revealed three-quarters of Queenslanders with debt considered it necessary to managing their household budget.

"Not all debt is bad, but if you're relying on credit to survive, now is a good time to look at your budget and make sure your expenses aren't regularly exceeding your income," she said.

"The first step is to take a look at your spending behaviours and consider strategies to prevent impulse purchases.

"When online shopping, 'sleep on it' to decide whether you really want to buy something before completing the transaction. Ask yourself, 'if I can't afford to pay for it now, how will I pay for it later?'

"Some forms of credit have high interest rates and hefty penalties if you miss a payment so you need to be sure you can repay on time.

"If you're keeping a credit card for emergencies, it might be time to consider whether you can give it up and create an emergency fund instead, because you could be wasting money in annual fees."

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