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One in three Qlders have no savings: RACQ Bank

A new study released by RACQ Bank has revealed one in three Queenslanders were struggling financially and had no savings.

RACQ's Financial Fears Survey also found one in four Queenslanders had their financial goals affected by COVID-19 and almost 20 percent would not set financial goals in 2021.

RACQ Bank spokesperson Lucinda Ross said the biggest concerns people with no savings had were cost of living and paying bills.

"We know many Queenslanders are still feeling the financial impacts of COVID-19, so it's not surprising they're struggling with saving and everyday expenses," Ms Ross said.

"When we asked what Queenslanders most wanted to achieve in 2021, the overwhelming answer was to increase their savings and reduce debt."

Ms Ross said the best way to increase your savings was to set clear goals and start small.

"When setting a longer-term savings goal, it can take a while to learn how to stay motivated and diligently put money away for a rainy day, but the first step is to start," she said.

"If you know your registration and car insurance costs \$1,000 a year then break it down to monthly, weekly or even a daily expense and put it in an account you can't see or touch. Have different accounts for the bigger expenses. You can make separate accounts for school fees, bills, travel, coffee or takeaway and everyday expenses.

"To become a good saver, you need to create a new habit which will take time – don't be put off if it doesn't happen overnight. Start with any amount you can, and as you get better at putting this away, increase the amount.

"Becoming a better saver can also help you clear debt and reduce financial pressures. One way to tackle smaller amounts of debt could be to build up your savings to the point where you can pay off your debt in a lump sum."

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