

News Release

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Why you should create a savings safety net [\(+video\)](#)

ANZ is encouraging people to set up a regular savings plan, after its research found many people would have trouble paying an emergency expense of \$500.

"You never know when something unexpected is going to happen," said ANZ General Manager, Wealth Products, Ana-Marie Lockyer. "Money Week 2018 is a great time to create a savings plan, if you haven't already. It can make all the difference."

Research for ANZ by UMR found that 34 per cent of respondents said they would struggle to cover an emergency expense of \$500.

Half of the respondents said they would use money in their cheque or savings account. But some people said they would have to borrow from a friend or family member, sell something or pay for the expense on their credit card.

The theme of Money Week 2018 (3 – 9 September) is 'Weather the Storms'. The aim is to focus attention on how to get through a financial shock.

"We agree with the Commission for Financial Capability that saving even \$500 can make all the difference. If you can make it \$1,000 or more that is even better," Ms Lockyer said.

Research for ANZ's 2018 Financial Wellbeing report found that having a savings buffer of at least \$1,000 was associated with higher financial wellbeing.

"Two factors made a big difference to people's sense of financial wellbeing - active saving and not borrowing for everyday expenses," Ms Lockyer said.

"If you can save 10 per cent of your income you are putting yourself in a really good position. Every bit helps."

ANZ Chief Executive David Hisco's advice to young people (and adults too)

Starting saving as early as you can is a message that ANZ Chief Executive David Hisco recently shared with pupils at Ellerslie School.

He told the students that he left school at 17 and joined ANZ. "My first job was sweeping out the carpark. At night, I wrote and recorded radio jingles with my mate. Then I became a teller, and I've been working my way up ever since.

"Saving money doesn't mean you are greedy or stingy. It means you are giving yourself choices, and giving yourself something to fall back on if things get tough."

He advised pupils to get an after-school job to earn money and learn how to manage it. It is also a great way to impress potential employers later on.

"They want to know that you'll show up on time, get on well with other people, learn how to do something and do it well.

"Money is hard to get, and it's impossible to save everything you earn. But if you can get into the habit of putting a little bit away every week you are going to get ahead."

David Hisco's money tips for children (and adults too):

1. Get into the savings habit – if you put aside a small amount it will grow quite quickly.
2. Somebody will always be trying to sell you something or take your money off you – so be very careful about handing it over to anyone. Before you hand over your money for something you should ask yourself “what am I getting, what is the value in it?”
3. Keep track of your money – money is like having a pet, you've got to look after it.
4. Only borrow what you can afford to pay back – and pay it back as quickly as you can.
5. You don't have much time – so start saving now.

Download David Hisco's [video here](#)

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