

IRISH LEAGUE OF CREDIT UNIONS LAUNCH RESULTS OF DECEMBER 2013 ‘WHAT’S LEFT’ TRACKER

Disposable Income

The research results for the last quarter of 2013 continue to show signs of stabilisation. This improving trend is most evident amongst those currently in employment where there has been the strongest growth in increased disposable income.

1.664 million people have €100 or less left at the end of the month once all the bills are paid, a decrease of 131,000 on the September 2013 figure of 1.795 million.

1.098 million people have €50 or less left at the end of the month once all the bills are paid, this represents a decrease on the September 2013 figure of 1.208 million.

480,000 have nothing left at the end of the month a drop of 38,000 since September 2013.

These figures would indicate that more people are moving out of the lower disposable income categories and into the higher categories, indicating a gradual recovery in family finances.

Disposable Income – All Adults

Disposable income across the population has increased by €10 (€172 to €182) since September 2013. Overall this indicates an increase of €49 from December 2012 (€133)

Disposable Income – Working Adults

For working adults, disposable income has also increased by €12 (from €105 to 217) since September 2013 and by €56 from December 2012 (€161 to €217)

Disposable Income:	All Adults 3.453m (Dec 2013)	Working Adults 1.78m (Dec 2013)
None	14% (480k)	10% (174k)

<€20	4% (152k)	3% (59k)
€21-€50	13% (466k)	10% (180k)
€51-€100	16% (566k)	15% (274k)
€101-€150	11% (363k)	12% (203k)
€151-€200	10% (328k)	13% (221k)
€201-€250	5% (166k)	4% (75k)
€251-€300	4% (124k)	4% (69k)
€301-€350	2% (79k)	3% (46k)
€351-€400	3% (93k)	3% (59k)
€401-€500	4% (135k)	5% (94k)
€500+	14% (501k)	18% (326k)
AVG (per person):	€182 €172 €163 €133 €165 €168 €178	€217 €205 €188 €161 €194 €200 €208

Net Monthly Income and Expenditure

Average net income for a household in Ireland is €2,707 per month, up from €2,604 in September 2013. In terms of disposable income, an average family household is left with €367 at the end of a typical month, an increase from €326 in September 2013.

Breakdown of average family spend in categories

Household / Utilities: Dec 2013 Sept 2013 May 2013	MONTHLY HOUSEHOLD SPEND Dec 13 Sept 13 May 13
1. Mortgage (50% 48% 51% pay)	€806 €817 €846
2. Rent (29% 31% 26% pay)	€525 €458 €464
3. Electricity (98% 99% 98% pay)	€82 €84 €90
4. Gas (52% 50% 50% pay)	€73 €66 €79
5. Oil (37% 40% 41% pay)	€75 €88 €92
6. Bin charges (77% 79% 78% pay)	€24 €26 €23
7. Other heating options (33% 30% 32% pay)	€53 €49 €60
Total Household / Utility Bills:	

Telecoms / Home Entertainment: 12/2013 8/2013 4/2013	MONTHLY HOUSEHOLD SPEND Dec 13 Sept 13 May 13
1. Mobile phone (97% 97% 97% pay)	€34 €36 €34
2. UPC/Sky/Satellite TV (67% 69% 69% pay)	€45 €44 €44
3. Internet (77% 77% 77% pay)	€29 €25 €27
4. Landline (58% 58% 57% pay)	€37 €33 €37

5. Music Downloads (21% 20% 17% pay)	€17 €32 €20
6. DVD Rentals (15% 14% 15% pay)	€16 €15 €9
Total Telco / Home Entertainment Bills:	

Loans / Insurance / Pension: 12/2013 8/2013 4/2013	MONTHLY SPEND Dec 13 Sept 13 May 13
1. Credit Card Payments (61% 61% 60% pay)	€282 €268 €296
2. Health Insurance (51% 51% 54% pay)	€168 €137 €144
3. Personal Loan Repayments (34% 41% 42% pay)	€238 €262 €250
4. Pension Contribution (41% 37% 40% pay)	€163 €168 €172
5. Car Insurance (87% 84% 85% pay)	€54 €62 €54
6. Home Insurance (72% 70% 71% pay)	€47 €47 €48
7. Life Insurance (53% 50% 52% pay)	€58 €59 €64
8. Pet Insurance (6% 8% 10% pay)	€36 €37 €17
Total Loans / Insurance / Pension:	

Groceries / Food / Going Out: 12/2013 8/2013 4/2013	MONTHLY SPEND
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	Dec 13 Sept 13 May 13
1. Groceries (98% 98% 98% pay)	€355 €338 €337
2. Take-Away / Eating out (78% 72% 74% pay)	€60 €51 €54
3. Nights Out (53% 51% 52% pay)	€74 €72 €63
4. Lunch at work/school (57% 57% 54% pay)	€61 €54 €56
5. Alcohol at Home (69% 68% 68% pay)	€44 €38 €39
Total Groceries / Going Out:	

Child Related Expenses: 12/2013 8/2013 4/2013	MONTHLY SPEND Dec 13 Sept 13 May 13
1. Third level education costs (15% 15% 14% pay)	€288 €249 €250
2. Childcare (11% 10% 11% pay)	€349 €285 €399
3. Extra-curricular activities (30% 31% 31% pay)	€71 €61 €69
4. School related costs (28% 31% 27% pay)	€52 €87 €101
5. Kids Pocket money (24% 25% 25% pay)	€55 €71 €52
Child Related Expenses:	

Transport Expenses: 12/2013 8/2013 4/2013	MONTHLY SPEND Dec 13 Sept 13 May 13
1. Petrol / Diesel (88% 87% 88% pay)	€141 €144 €155
2. Car tax (86% 85% 86% pay)	€64 €68 €61
3. Public transport (39% 35% 34% pay)	€57 €46 €48
Transport Expenses:	

Personal Expenses: 12/2013 8/2013 4/2013	MONTHLY SPEND Dec 13 Sept 13 May 13
1. Clothes / Footwear (89% 88% 86% pay)	€57 €58 €54
2. Other expenses (27% 28% 25% pay)	€115 €100 €109
3. Cigarettes (25% 21% 21% pay)	€128 €122 €122
4. Beauty and cosmetics (23% 72% 71% pay)	€30 €27 €25
5. Sports / Club Membership (30% 25% 27% pay)	€49 €46 €44
Personal Expenses:	

Essential Bills

One third of people put off paying their essential bills on time each month. 99% have to sacrifice spending in other areas to pay their bills. Of non essential items – clothing and footwear (68%), health insurance (38%) and food (28%) are the most sacrificed items.

A number of changes have taken place in the monthly essential bill categories in the period between September 2013 and December 2013. Household and utility bills increased from an average of €719 monthly in September 2013 to €740 in December 2013. Rent bills in particular in this category have seen the biggest increase by an average of €67 between September and December 2013.

In other categories, health insurance payments have increased by an average of €31, groceries by €17, childcare costs by €64 and public transport costs by €11.

Credit Cards

76% of people (2.624 million) have a credit card. This is slightly more than the 2012 figure of 74%. 31% of this group depend on their credit card to make ends meet each month, this is an increase on the 25% recorded in 2012.

3 in 10 credit card owners do not pay their bill in full each month, a decrease from 39% in 2012. In addition, 23% say that from time to time they do not pay any money on their credit card bill at all. This is a drop from 28% in 2012.

Credit Card Payments	Dec 2013	Sept 2012
Yes, I pay my credit card in full each month	70%	61%
No, I can only make the minimum payment each month	18%	34%
No, I cannot afford my CC repayments at the moment	11%	3%
No, I cannot afford to make any payment at all on my CC	1%	2%

70% of people currently owe money on their credit card, this is an increase from 63% in 2012. The average amount owed on credit cards is €2,480 (slight increase from 2012 figure of €2,400). On average €470 is spent by credit card holders on a monthly basis.

55% of credit card holders do not know what interest rate is charged on their card, down from 54% in 2012.

Almost 30% felt they were more dependent on their credit card throughout 2013 than in 2012, 56% ranked their dependency as the same as 2012 and 17% they were less dependent on their credit card. 4% had their card revoked by their provider in 2013.

Saving

44% of adults are now likely to be able to save money each month. This represents an increase on the 2012 figure of 31%. The average amount of money being saved is estimated at €175 which is lower than the September 2013 figure of €187. However, this figure could be impacted by use of savings to pay for Christmas.

Saving Each Month:	6/11	9/11	12/11	3/12	6/12	9/12	12/12	4/13	8/13	12/13
<€50	19%	14%	12%	13%	14%	9%	20%	23%	16%	21%
€51-€100	15%	13%	18%	18%	16%	19%	14%	15%	16%	18%
€101-€150	10%	10%	14%	14%	9%	11%	12%	14%	13%	10%
€151-€200	9%	11%	11%	9%	16%	18%	14%	12%	11%	12%
€201-€250	8%	11%	9%	9%	6%	7%	10%	7%	10%	11%
€251-€300	7%	6%	9%	7%	11%	8%	6%	5%	6%	3%
€301+	32%	35%	27%	30%	27%	29%	24%	24%	28%	25%
Average:	€195	€210	€192	€197	€195	€200	€180	€170	€187	€175

Property Tax

3 in 10 property owners had paid the property tax by 15th December 2013.

Preferred Method of Payment

Method of Payment	Paid Tax	Haven't paid	TOTAL
Visa/Debit Card	41%	7%	18%
Direct Debit Instalments	23%	35%	31%

Single Direct Debit Payment	22%	28%	26%
Deduction from Salary / Pension	8%	16%	14%
Cheque / Postal Order	6%	5%	5
Approved payment provider (i.e. An Post)	0%	9%	6%

4 in 10 homeowners have to sacrifice spending in other areas of the household budget to the 2014 property tax. The tax is likely to have an adverse impact on spending on essential items like clothing and footwear, household bills and credit card / personal loan repayment.

Items Sacrificed / Likely to be Sacrificed	Paid	Haven't Paid	TOTAL
1. Socialising (alcohol, cigs, nights out, cinema, etc.)	61%	65%	64%
2. Clothing / footwear	61%	52%	55%
3. Groceries	42%	38%	39%
4. I had to / will have to delay paying my household bills	14%	24%	21%
5. I had to / will have to delay repaying my CC / personal loan	16%	20%	19%
6. Car related costs – petrol, diesel, NCT	18%	17%	18%
7. Kids hobbies / activities	28%	14%	18%
8. Health insurance payment	13%	14%	14%
9. I will have to delay paying my mortgage	5%	5%	5%
10. Car insurance payment	2%	5%	4%

The vast majority of homeowners fear a rise in the property tax (97%) in the coming years. 3 in 10 are aware of other property owners deliberately undervaluing their property in order to pay less tax. 6 in 10 felt that the valuation they received for the 2014 tax was on par with their expectations