

Things you probably didn't know about credit cards – but should.

Although credit card interest rates are generally higher, a credit card debt can be short term and doesn't necessarily mean interest charges¹ - *if you pay the balance you owe off in full each month.*

However some of us don't use them like that. Here are some good reasons to rethink how you use them – or whether you use them at all.

Credit card interest is costing Australians a lot of money.

\$31,627,035,870
billion



We use credit a lot. Australia has a national credit card debt accruing interest of 31 billion.¹



Aussies borrowed a collective \$29 billion on credit cards over Christmas alone in 2017.¹



On an average 55-day interest-free period, December 2017 cost Aussies \$230 million in interest.²

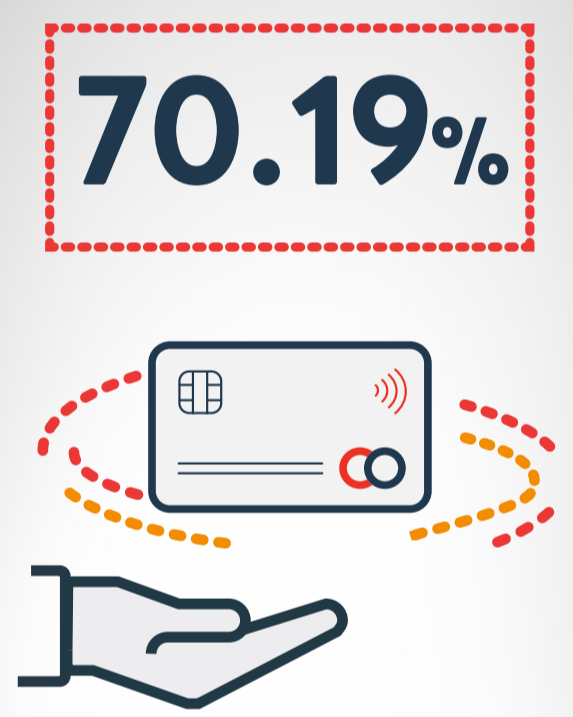
Many of us are not as good at managing credit card debt as we think we are.



19% of card holders take longer than three months to service their debt. 5% of this group takes a year or more!²

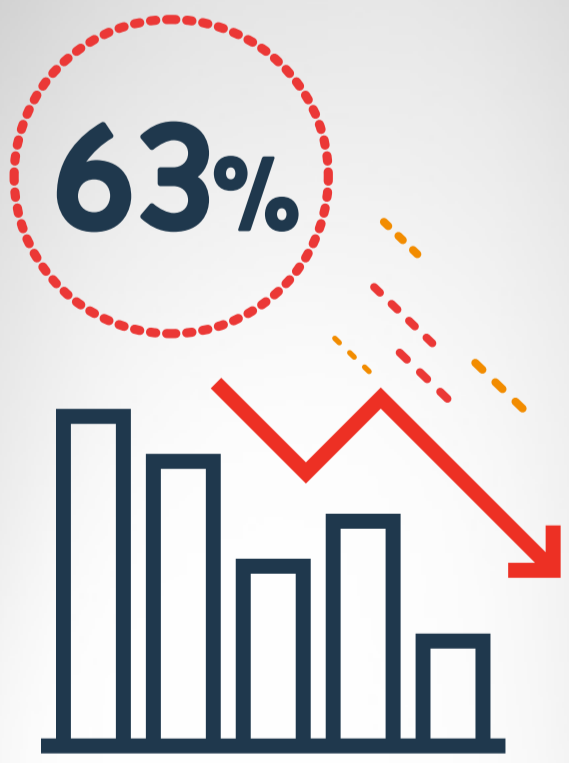


One-third of Australians pay interest without realising it but the real figure is about double that.³



70.19% of Aussies have a credit card. 20.69% of adults 35-54 have 3 or more!⁴

Reward programs are not always rewarding for all of us.



Decreases in credit cards rewards value in the last 12 months in Australia are at around 63%.⁵



After fees, reward programs deliver little or nothing unless you spend well over \$5,000 on your card monthly.⁵



Cards with reward programs are enticing, but often come with higher fees and above average interest rates.⁵

1.<http://www.abs.gov.au/ausstats/abs@.nsf/Lookup/4102.0main+features402014#credit>

2.<https://www.finder.com.au/australians-have-racked-up-29-billion-in-christmas-credit-card-debt>

3.<http://www.abc.net.au/news/2015-12-16/credit-card-debt-australia/6928326>

4.<https://www.finder.com.au/credit-cards/credit-card-statistics>

5.<http://www.smh.com.au/money/borrowing/credit-card-reward-value-falls-63-per-cent-over-past-year-20170831-gy7zun.html>

If you are good at managing your money, and can easily pay the balance off each month – then a credit card can really work for you. If you find yourself constantly struggle to juggle credit card debts, then talk to one of our helpful team on 1300 108 794 about how consolidating multiple small debts into one manageable one could work for you.