

One-third of students' diets affected by lack of funds

11 June 2013

(Medical Xpress)—More than a third of university students say their diets have been affected by a lack of funds, according to the results of a new Massey University/Westpac survey.

The survey, which was conducted by the Fin-Ed Centre ([Financial Education](#) and Research Centre – a joint venture between Massey and Westpac), found 34.9 per cent of respondents said they had changed their [eating habits](#) in the past six months due to insufficient funds.

The study also found that a large proportion (40.8 per cent) admitted finances are a significant source of worry and hassle for them, although only 11.5 per cent said they struggle to make ends meet. One in ten [students](#) said they couldn't manage on a day-to-day basis without [borrowing money](#).

Massey senior lecturer Dr Claire Matthews, who analysed the responses of nearly 300 students, says that despite a few areas of concern, most [university students](#) have reasonably good attitudes to money.

"On the whole, the students interviewed had good attitudes towards savings and [retirement planning](#), and their attitudes were okay in the areas of money management, debt management and budgeting. Insurance was the only area where students consistently scored low, but that reflects the more limited need they have for it," she says.

"Having said that, only just over a quarter said they have contents insurance, and I'd consider that to be a type of insurance that most students, especially those living away from home, should have."

More than three-quarters of respondents said they had some savings, with just over half having easily accessible funds in the event of an emergency. Only 17.5 per cent of students thought they would need to borrow money if they were faced with an

unexpected emergency.

"Attitudes to saving and investing were pretty good, with over half the students already KiwiSaver members and 91 per cent agreeing they would like to be debt-free at retirement," Dr Matthews says.

"And despite all the media comment about the unaffordable housing market, the Kiwi property dream is alive and well, with 82 per cent indicating a desire to own their home within the next 10 years."

The survey results come from the Fin-Ed Centre's 'student financial [health checks](#)', an initiative to get university students thinking and talking about their finances.

Westpac's Managing Director of Wealth, Insurance and Private, Simon Power, says it is interesting to note young people's attitudes towards Kiwisaver and retirement.

"We know young people are enthusiastic about Kiwisaver, with over 60 per cent of eligible 18-24 year olds in the scheme already. In many cases the reason may be as simple as getting the incentive, for many others it's a way of helping them save for a first home," says Mr Power.

Dr Jeffrey Stangl, also a senior finance lecturer at Massey, designed the questionnaire to highlight potential problem areas.

"The objective was really to raise awareness of managing money well, and to give students feedback on how well they are planning not only for today, but also for tomorrow," Dr Stangl says.

Fin-Ed Centre director Dr Pushpa Wood says the centre plans to run financial health checks for the next few years and the data collected will help inform the centre's future work.

"The survey will provide us with a better understanding of the knowledge levels of our student population, and will make an interesting comparison to the Fin-Ed Centre's longitudinal study, which will survey a group of young Kiwis every five years for the next 20 years," Dr Wood says.

"Our longitudinal study's preliminary findings show that young New Zealanders often know the key elements of good financial management, but may not put this knowledge into practice. This is consistent with the findings of the student financial health check where we found positive attitudes towards saving, yet more than a third said their finances had led to changed eating habits."

Massey student financial health checks – key statistics:

- 269 participants, all current students at Massey University's three campuses in Albany, Wellington and Manawatū.
- 47.9 per cent were eligible to receive a student allowance.
- 67.5 per cent had a student loan; of those with student loans, 83.8 per cent had a loan balance of less than \$25,000.
- 40.8 per cent agree their finances are a significant source of worry.
- 38 per cent rate their understanding of personal finance and money management skills as only 'fair' or 'poor'.
- 34.9 per cent of students had changed their eating habits in the past six months due to insufficient funds.
- 11.5 per cent said they struggled to make ends meet, with 4.1 per cent saying they had serious money problems.
- 77.7 per cent had some savings, with 55.4 per cent having easily accessible funds in the event of an emergency. 17.5 per cent said they would need to borrow money in the event of an emergency.
- Only 20 per cent had contents insurance, but 55.4 per cent had car insurance and 36.1 per cent had medical insurance. Only 18.7 per cent had life insurance.
- 55.6 per cent were KiwiSaver members, of which 73.6 per cent are having contributions

deducted from wages.

- 91 per cent would like to be debt-free at retirement, and 55.9 per cent believe there will be a gap between the income provided by NZ Superannuation and a desirable level of retirement income.

Provided by Massey University

APA citation: One-third of students' diets affected by lack of funds (2013, June 11) retrieved 22 November 2019 from <https://medicalxpress.com/news/2013-06-one-third-students-diets-affected-lack.html>

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