

# Tax season drives 10.6% increase in daily spending in July 2023

4 August 2023

**Sydney, Australia** – Ethical-lending fintech Beforepay released the July 2023 Cost of Living Index today, showing a 10.6% increase in average daily spending to \$65.13, up from \$58.88 in June. Data from more than 400,000 Australians showed increased consumption across all spending categories. Year-on-year spending is down 2% from \$66.46 in July 2022. July 2022 also saw a larger month-on-month increase at 18.2%.

Durable goods saw the largest increase in spending, with the average daily spend up 23.4% from \$6.55 in June 2023 to \$8.08 in July 2023. This includes expenses for items such as electronics and whitegoods.

Discretionary spending rose in July 2023, led by entertainment and leisure, up 15.4% to \$3.52 from \$3.05 in June 2023, and food and drink, up 15% to \$12.02 from \$10.45 in June 2023. Entertainment and leisure expenses are also up 11% year-on-year from \$3.17.

Household essentials saw a modest increase in spending in July. Grocery expenses rose 7.8% to \$15.85 from \$14.72 in June, while petrol and auto was up 7.1% to \$7.99 from \$7.46 in June.

Utilities continue to see a gradual increase as households face rising power bills. July showed daily spending on utilities was up 8.2% to \$6.47 from \$5.98 in June 2023. Year-on-year the figure rose by 11% from \$5.83 in July 2022.

“Tax refunds have provided a welcome respite for a number of Australians, enabling them to catch up on durables spending and even spend a bit on leisure,” said Jamie Twiss, CEO of Beforepay. “We’d also encourage people to take the opportunity to pay down debt if they have some, and put away some savings if possible.”

The Beforepay Cost of Living Index includes various household expenses such as utilities, groceries, food and drink, shopping, petrol, and fitness and health, providing a comprehensive

overview of consumer spending, and is drawn from the spending data of more than 400,000 Australians.

## July 2023

# Beforepay Cost of Living Index

The Beforepay Cost of Living Index tracks the Australian average daily spend across key spending categories including shopping, petrol, utilities, and groceries.

# \$ 65.13

July 2023

▲ 10.61%
▼ 2%

m/m                  y/y

# \$ 58.88

June 2023

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# \$ 66.46

July 2022



Note: Data is derived from Beforepay data, not adjusted for seasonality. It is provided for general info only and shouldn't be relied on. See full disclaimer at: [blog.beforepay.com.au/the-beforepay-cost-of-living-index-july-2023](https://blog.beforepay.com.au/the-beforepay-cost-of-living-index-july-2023)

|                                    | Jul 2022 | Aug 2022 | Sep 2022 | Oct 2022 | Nov 2022 | Dec 2022 | Jan 2023 | Feb 2023 | Mar 2023 | Apr 2023 | May 2023 | Jun 2023 | Jul 2023 |
|------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| <b>Cost of Living Index</b>        | \$66.46  | \$83.27  | \$58.81  | \$59.78  | \$60.48  | \$62.02  | \$56.83  | \$58.23  | \$57.17  | \$58.84  | \$55.49  | \$58.88  | \$65.13  |
| <small>Sub Categories</small>      |          |          |          |          |          |          |          |          |          |          |          |          |          |
| <b>Groceries</b>                   | \$15.96  | \$18.89  | \$15.20  | \$15.54  | \$15.48  | \$15.33  | \$15.27  | \$15.27  | \$15.06  | \$15.24  | \$14.62  | \$14.70  | \$15.85  |
| <b>Food &amp; Drink</b>            | \$12.58  | \$14.55  | \$11.15  | \$10.87  | \$10.74  | \$10.66  | \$10.22  | \$10.08  | \$10.15  | \$10.52  | \$10.06  | \$10.45  | \$12.02  |
| <b>Petrol And Auto</b>             | \$8.71   | \$10.63  | \$7.91   | \$8.10   | \$8.34   | \$7.97   | \$7.60   | \$7.95   | \$7.87   | \$7.85   | \$7.35   | \$7.46   | \$7.99   |
| <b>Shopping</b>                    | \$9.39   | \$10.55  | \$7.13   | \$7.24   | \$7.74   | \$9.73   | \$6.44   | \$6.59   | \$6.53   | \$7.04   | \$6.58   | \$8.30   | \$8.56   |
| <b>Utilities</b>                   | \$5.83   | \$8.02   | \$5.32   | \$5.81   | \$5.82   | \$5.63   | \$5.80   | \$6.18   | \$6.01   | \$5.96   | \$5.76   | \$5.98   | \$6.47   |
| <b>Entertainment &amp; Leisure</b> | \$3.17   | \$4.25   | \$3.13   | \$3.25   | \$3.20   | \$3.31   | \$3.07   | \$3.10   | \$3.00   | \$3.10   | \$2.89   | \$3.05   | \$3.52   |
| <b>Durable Shopping</b>            | \$8.28   | \$12.53  | \$6.62   | \$6.55   | \$6.73   | \$6.84   | \$6.08   | \$6.58   | \$6.21   | \$6.69   | \$6.01   | \$6.55   | \$8.08   |
| <b>Fitness &amp; Health</b>        | \$2.54   | \$3.85   | \$2.35   | \$2.42   | \$2.43   | \$2.55   | \$2.35   | \$2.48   | \$2.34   | \$2.44   | \$2.23   | \$2.39   | \$2.64   |

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## About the Beforepay Cost of Living Index

The Beforepay Cost of Living Index shows the average daily spend of Beforepay registered users across multiple household expense categories. The average income of customers in the sample is approximately \$58,960 (counting only the main source of income) and the average age is 33, with a broadly representative geographic and gender breakdown. The data may vary depending on the main bank account linked with Beforepay. To the maximum extent permitted by law, Beforepay and its related bodies corporate, make no representation or warranty, express or implied, as to the accuracy, completeness, timeliness or reliability of the contents of this article and do not accept any liability for any loss whatsoever arising from the use of this article or its contents or otherwise arising in connection with it.

For more information about the Cost of Living Index visit:

<https://blog.beforepay.com.au/the-beforepay-cost-of-living-index-july-2023>

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## About Beforepay

- Beforepay was founded in 2019 to support working Australians who have not been well-served by the traditional financial-services industry.
- Beforepay is an ethical, customer-friendly way to help people manage temporary cash- flow challenges.
- We've created a simple, transparent and inexpensive fee model that gives our customers total control. Importantly, unlike traditional products like credit cards, we charge only a small transaction fee, zero interest and no late fees.
- We take our commitment to providing funds responsibly very seriously, and that includes only providing funds to people who meet our strict safeguards.
- Our app also includes free budgeting tools and spending insights. For more information visit: [www.beforepay.com.au](http://www.beforepay.com.au)