

Australians cut back as daily spending drops 5.7% in May 2023

6 June 2023

Sydney, Australia – Spending fell in May 2023, with the average daily spending for Australians down 5.7% from \$58.84 to \$55.49, according to the Beforepay Cost of Living Index. Daily spending was down month-on-month across all key categories, with the largest decreases seen in durable shopping and fitness and health. Daily spending also decreased year-on-year, down 3.3% from \$57.36 in May 2022.

Discretionary spend categories saw the largest decreases month-on-month, led by the 10.3% drop in durable shopping expenses from \$6.69 in April to \$6.01 in May.

This was followed by an 8.6% decrease in spending on fitness and health, down from \$2.44 in April to \$2.23 in May, and a 6.8% decrease in entertainment and leisure, dropping from \$3.10 to \$2.89.

Necessities saw the least month-on-month decrease in spending. Australians spent 4.1% less on groceries, with the average daily spend down from \$15.24 in April to \$14.62 in May. Similarly, food and drink was down 4.4% from \$10.52 in April to \$10.06 in May.

While utilities dropped only 3.4% month-on-month from \$5.96 in April to \$5.76 in May, it saw the highest year-on-year increase, up 11.8% from \$5.15 in May 2022.

Petrol and auto expenses also saw a 6.4% drop from \$7.85 in April to \$7.35 in May.

“As Australians begin to experience the impact of inflationary pressures and interest rate rises on their spending and savings, budgeting is becoming more important for consumers to effectively and confidently manage their expenses,” says Geoff Chang, Lead Machine Learning Engineer at Beforepay.

“Whether it’s the budgeting tool in the Beforepay app or resources like moneysmart.gov.au and the National Debt Helpline, we encourage Australians to find the tools and support that will help them manage their finances.”

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.

May 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.

\$55.49

May 2023

∨ **5.69%**
m/m
∨ **3.26%**
y/y

\$58.84

April 2023

\$57.36

May 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-may-2023

	May 2022	Jun 2022	Jul 2022	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023
Cost Of Living Index	\$57.36	\$56.24	\$66.46	\$83.27	\$58.81	\$59.78	\$60.48	\$62.02	\$56.83	\$58.23	\$57.17	\$58.84	\$55.49
Sub Categories													
Groceries	\$14.74	\$14.41	\$15.96	\$18.89	\$15.20	\$15.54	\$15.48	\$15.33	\$15.27	\$15.27	\$15.06	\$15.24	\$14.62
Food & Drink	\$10.67	\$10.55	\$12.58	\$14.55	\$11.15	\$10.87	\$10.74	\$10.66	\$10.22	\$10.08	\$10.15	\$10.52	\$10.06
Petrol And Auto	\$8.10	\$8.08	\$8.71	\$10.63	\$7.91	\$8.10	\$8.34	\$7.97	\$7.60	\$7.95	\$7.87	\$7.85	\$7.35
Shopping	\$7.17	\$7.06	\$9.39	\$10.55	\$7.13	\$7.24	\$7.74	\$9.73	\$6.44	\$6.59	\$6.53	\$7.04	\$6.58
Utilities	\$5.15	\$5.15	\$5.83	\$8.02	\$5.32	\$5.81	\$5.82	\$5.63	\$5.80	\$6.18	\$6.01	\$5.96	\$5.76
Entertainment & Leisure	\$3.10	\$2.57	\$3.17	\$4.25	\$3.13	\$3.25	\$3.20	\$3.31	\$3.07	\$3.10	\$3.00	\$3.1	\$2.89
Durable Shopping	\$6.26	\$6.25	\$8.28	\$12.53	\$6.62	\$6.55	\$6.73	\$6.84	\$6.08	\$6.58	\$6.21	\$6.69	\$6.01
Fitness & Health	\$2.17	\$2.17	\$2.54	\$3.85	\$2.35	\$2.42	\$2.43	\$2.55	\$2.35	\$2.48	\$2.34	\$2.44	\$2.23

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-may-2023

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-may-2023>

-ENDS-

For more information, please contact:

Kasey Kaplan

0403 575 898

Acting Communications Lead, Beforepay

mediaenquiries@beforepay.com.au

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