

Election won't fix our finances, say voters

By Jim Dickins

April 29, 2007 12:00am

Article from: Sunday Telegraph

JOHN Howard and Kevin Rudd's competing economic claims have left voters cold, with many convinced the coming federal election will make little difference to their own personal finances.

Newspoll research conducted for debt-relief company Fox Symes found almost half of those surveyed did not believe the election outcome would affect their personal debt over the next few years.

Many said their own impulsive credit card use was a major cause of financial worries.

The results come after a reprieve for homebuyers last week when analysts agreed that moderate new inflation data had removed the threat of an immediate increase in interest rates.

They suggest economic management may not play the same role it did in the last federal election, when voter doubts about then Opposition leader Mark Latham's credentials played a key role in his defeat.

Interest rates now seem likely to remain on hold, decreasing the chance of a voter backlash against Mr Howard this time around.

Almost 50 per cent of those surveyed said the election result would not affect their debt levels, while 20 per cent said that a Rudd government would improve them.

Mr Howard retained a slight edge over Labor, with 25 per cent of respondents saying a returned Coalition government would help reduce their personal debt.

However, many people blamed themselves for their deteriorating finances, with 40 per cent saying "new purchases" had pushed them further into the red over the past three months.

Fox Symes executive director Deborah Southon said that a large majority of those polled described their personal debt as a "serious concern".

"One of the greatest difficulties people report is keeping their own spending habits under control," she said.

"Purchases on hi-tech equipment, new cars, holidays and other forms of self-indulgent spending are causing greater worry than cost-of-living increases and interest rate hikes."

Despite widespread concern about personal balance sheets, 55 per cent of those surveyed said they had been approached with new or expanded credit card offers recently.

Many of those approaches came from the borrower's own mortgage lender.