

HOT TOPIC: MOST HOUSEHOLDS BADLY IN DEBT

THE abuse of credit is one of the key reasons that millions of South African households are in financial difficulty. A recent financial wellness study showed that nearly 60% of 3 000 households sampled were shown to be in bad debt.

Marc Sternberg, managing director of Spark ATM Systems, said the ease with which South African households can access credit in the form

of personal loans and credit cards is resulting in many people spending way beyond their means.

The survey, which was a collaboration between Unisa and insurers Momentum and based on interviews with 2 937 respondents, found that 4,8% of households are in dire debt from which they cannot escape and 48,5% are in debt, but still have a chance to recover. – Witness Reporter.