

19 January 2023



## **7 out of 10 youths are cutting back on non-essential spending to address rising cost of living**

*Expenses outpacing income, inability to cut down on expenses, and reduced personal and household income, top three reasons for cost of living struggles*

4 out of 5 youths<sup>1</sup> surveyed in November 2022 to gauge youth sentiments on cost of living, have cited higher cost of daily essentials such as food, transport, rent and mortgage as the main reasons for the increase in their monthly expenses over the past year. To manage the increase, youths are undertaking a combination of measures. 70 percent of them are cutting back on non-essential spending, about 40 percent are reducing food and grocery expenses, whereas putting off big ticket items, finding better paying employment and taking up additional work are other ways youths are adjusting to higher costs. About 1 out of 5 youths are greatly struggling to cope with expenses, some of the reasons provided were monthly expenses outstripping income, inability to cut down on expenses, and reduced personal and household income.

### **Cost of living impact across the youth demographic**

2 Youths 16 to 19 years who are mainly students living at home with their parents are largely cushioned from the brunt of the increase in cost of living. Those 19 to 24 years are more likely to take up additional work, while employed youths are looking for better job prospects and salaries.

3 Youths 30 to 34 years are more likely to have experienced an overall increase in monthly expenses by a lot. At least 4 in 5 youths from this age cohort are cutting down on non-essential spending, whereas half of them are reducing monthly food and grocery expenses. Those married with children are also more likely to cut down on non-essential spending. For youths who are in a relationship and dating, the higher cost of living has influenced their life aspirations and goals, causing them to adjust their marriage and housing plans.

### **Rising cost of living against household income**

4 Youths in household income of \$3,000 and below are more likely to struggle to cope with the rising cost of living and more likely to cite reduced personal or household income as a reason. Those in households earning \$6,000 to \$9,000 per month were likely to be taking up additional work. For households earning more than \$9,000 per month, these youths would be putting off big ticket purchases such as houses and cars.

### **Youth Concerns**

5 Cost of living, mental well-being, jobs & future-readiness, sustainability, and support for vulnerable groups are issues that are consistently top-of-mind among youth. To help young Singaporeans achieve their aspirations and goals despite raising cost of living, the NYC will be assessing youths' levels of financial literacy, attitudes toward financial planning and

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<sup>1</sup> The Youth Sentiment Poll on Cost of Living was conducted between Nov 14 to 25, 2022, with 500 Singaporean youths aged between 16 and 34 years old, nationally representative by age, gender and ethnicity.

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approaches to help youths deepen their financial knowledge. These findings will be released next month.

6 Chief Executive Officer for the National Youth Council, Mr David Chua said, “Increases in cost of living and inflation are real concerns for youths both here in Singapore and globally. By hearing about the issues our youths are experiencing, we can understand the unique challenges they encounter at different life stages. I encourage youths to tap on the financial literacy and career guidance resources and tools available through the National Youth Council, and I welcome partnerships to deepen the resilience and future readiness of our youths in a world that is becoming increasingly complex and volatile.”

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*Refer to ANNEX for a breakdown on measures youths are undertaking to manage rising cost of living*

*Interviews with youths are available on request. Do reach out to the media contacts below.*

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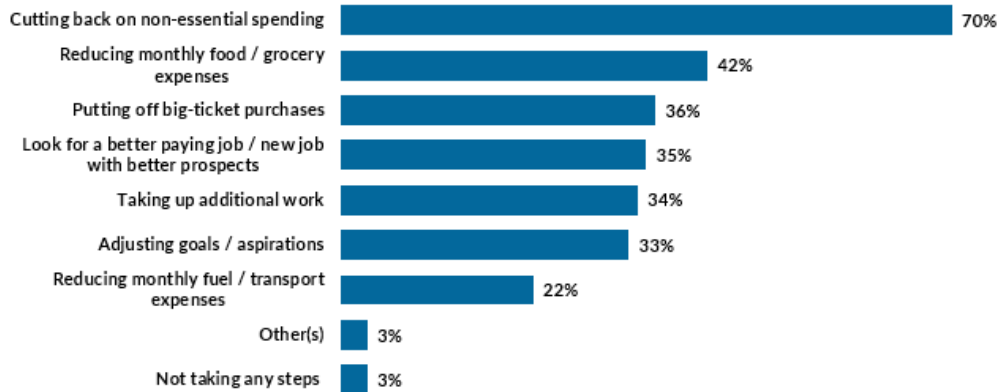
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### **About the National Youth Council**

At NYC, we believe in a world where young people are respected and heard and have the ability to influence and make a difference in the world. Together with our partners, we develop future-ready youth who are committed to Singapore by instilling in them a heart for service, resilience, and an enterprising spirit.

### Cutting down on non-essential spending is the top priority

- The youth are taking up a combination of different steps to tackle increase in cost of living
- Overwhelming majority are cutting down unnecessary spending
- Close to 4 in 10 are reducing monthly food / grocery expenses
- About 35% are also putting off big-ticket purchases, looking for better job prospects, taking up additional work or adjusting aspirations



N=500 (All respondents)