Debtors Are Everywhere

That’s real! More than one of two young people aged 18-30 in UK has got debts. Without a secured job, low wages and growing prices are striking their pockets. So, they are pushed to borrow cash until payday.

The situation is worse than appears. The survey of 4000 participants aged -30 shows that more than 45% of man-participants and 51% of women-participants borrow money regularly. That's the only way to stretch money. But, one of four is constantly still in debt.

How do young people get cash until payday? Most commonly, 20% rely on overdraft. The same number of participants borrow money from parents and friends. Fewer use credit cards. One of ten Get money from payday loan companies. And one of four parents aged 18-30 get into a debt in the same way.

On the other hand, there are participants who manage to work this situation ont. They have to work extra hours and buy cheaper goods to get until the end of a month. Many of people who were questioned were doing their best just for survival.

Anyway, debt charities report that the number of debtors aged 30 is growing. They look for ways to be able to live and work for their own. StepChange, one of the charities, is deeply concerned about increasing number of renters younger even 40 years old. Tendency shows an increase in the number of loans for essential goods for families with low income.

The Young Women Trust is concerned about “no or low-pay trap“ that many young people find themself in. Most of the participants claim their will work hard and deal with debt. But they have to work for low wages, so, finally, they are likely to fail on their promise and go and get a loan again.

Young women under 30 are also stuck in debts. The reason - the contracts with no fixed hours and low wages. They are absolutely unsure how much they will get. Besides, an hour of low pay contract costs lower than an hour of child care. That's critical for young parents.

61% of young debtors don't expect to get out of debt before 40. 25% of participants are sure that their debt has increased for the past year.

Young people have only got “hope”, but it is most unlikely it will be sufficient. Banks are going to raise interest rates in the nearest future. Such a state of things makes young people even more worried; and it also pushes them further into debt.

Age discrimination is one of the main problems that now occurs in the UK. A lot is to be done to improve the life of young people. Charity organisations are trying to help people in searching of better education and a job, so that they could get better wages. From another point of view such approach is beneficial for UK economy and business either. Hard-working young people can do more for their country. But government and companies need to make a step forward first.