

# The European financial crisis prevails: One third of Europeans are on the outside of the economic recovery

November 19, 2013

Intrum Justitia AB Press release The European financial crisis prevails: One third of Europeans are on the outside of the economic recovery The results of Intrum Justitia's European Consumer Payment Report 2013 show that one third of the European consumers find themselves in a troublesome financial situation; as many as 27 percent said in the survey that they didn't have enough money for a dignified existence. The reason behind the financial problems among European Consumers differs, creating a divide between the northern and German speaking Europe and the southern and eastern Europe.

Stockholm, 2013-11-19 08:00 CET (GLOBE NEWSWIRE) -- The evidence of a polarization between northern and southern Europe has been seen several years in a row in Intrum Justitia's survey European Payment Index. In Intrum Justitia's first ever pan-European survey among consumers, results show that this is still valid, but also that one third of the European Consumers, in the south and east, as well as in the north and west are experiencing serious financial difficulties.

Results show that 35 percent of the respondents said that they could not pay a bill on time at least at one occasion in the last 6 months. Even more alarming, 26 percent have no money left after paying their monthly bills and 27 percent said that at the time they didn't have enough money for a dignified existence.

"This threatens the economic recovery long-term and could potentially form a risk of creating tension within and between countries," says Lars Wollung, President and CEO of Intrum Justitia Group.

The survey shows that the majority of Europeans, a full 76 percent of respondents, want to take full responsibility of their own finances and feel that bills should be paid on time. Even so, a staggeringly high percentage of respondents struggle to make ends meet each month.

"People want to do the right thing, but the financial situation in Europe right now is making things hard for many people. And the developments we're seeing threaten to make the situation worse. That as much as one quarter of the respondents feel anxious to open the mailbox in fear of new bills is in itself a worrying signal. It seems as if the European citizens are not yet feeling any effects from the measures taken by governments to turn around the bad economic climate," says Lars Wollung, President and CEO.

The reasons behind the financial problems among European consumers differ. The survey shows that citizens in the northern and German speaking European countries (i.e Sweden, Finland, Norway, Denmark, Austria, Switzerland, Germany) view themselves to be better off financially than the European average. Instead the citizens see financial difficulties arising from overspending. Fast credits are available and more frequently used in the northern European countries, particularly in Scandinavia.

The citizens of southern and eastern Europe (Italy, Spain, Greece, Portugal, Hungary, Poland, Estonia, Czech Republic, Slovakia) sees high unemployment rates and low access to liquidity as causing their financial difficulties.

"To resolve the situation and restore the confidence among consumers in Europe measurements has to be taken -- and the responsibility lies on companies, authorities, and banks alike. Improved and strengthened laws and regulations should be addressed and put in place to ensure that companies are able to pursue healthy businesses and expand their operations. Likewise consumers should be able to trust that the set regulatory environment will help them avoid getting into debt situations. Furthermore, all Europeans countries need enhanced emphasis on education at an early stage in school to change the attitude towards payments. This will change payment habits and the European economy in the long run", concludes Lars Wollung, President and CEO.