Understanding Modern Australia

A national Index tracking aspirations, pressures and behaviours shaping modern Australian life

TAL | mccrindle

Contents

Introduction

Behind every number in this report is a person, a family, and aspirations and fears for the future.

As our nation's largest life insurer, TAL protects 5 million Australians, from their first job through to retirement, giving us a unique vantage point on how people are really living, not just how we imagine they're living. We see it in the conversations our people have with customers and advisers every day, and in the moments when certainty matters most.

But those conversations only tell us so much and, to genuinely support modern Australians, we need to understand them before life's turning points arrive, not just after.

TAL partnered with McCrindle to create the Modern Australia Confidence Index (MACI), a new, evidence-based benchmark of how Australians think, feel and act across the areas of life that matter most to their sense of security and wellbeing. This inaugural year establishes the baseline for a longitudinal study that will track the nation's evolving beliefs and behaviours year-on-year, across five core pillars: Health & Wellbeing, Society & Culture, Financial Wellbeing, Digital Life, and Personal Connections.

By pairing aspiration with action, the Index surfaces the 'say-do' gap, the space between what Australians value in principle and how consistently they act on it, with real implications for anyone trying to support them.

For TAL, understanding this shift will help us shape how we design our products and services, support the advisers and partners we work with, and show up for the communities we serve.

Fiona Macgregor
Group CEO and Managing Director
TAL

Australians are traversing a genuinely uncertain period of human history. Cost-of-living pressure, shifting work patterns, an ageing population and rapid AI adoption are reshaping how people plan for their future and think about what financial security really means.

This report draws on a nationally representative survey of over 2,000 Australians aged 18 to 80, complemented by qualitative insight from four generational focus groups and interviews with 9 financial advisers. Together, these capture the perspectives of both everyday Australians navigating these pressures and the professionals supporting them.

The findings suggest the challenge for modern Australians is not simply one of preparation. Australians are engaged, informed and actively seeking to improve their financial knowledge. Many are already using tools and technology to manage their money. Yet many still struggle to feel secure or make the progress they want. The real challenge is navigation in an era of information overwhelm: knowing who and what to trust, making confident decisions, and turning information into meaningful action.

This report is for anyone with a stake in the financial and emotional security of Australians, including insurers, advisers, policymakers and employers. We hope it equips you, as it does us, to build more relevant, responsive support for Australians now and into the future.

Mark McCrindle
Founder and Principal
McCrindle

A snapshot of the key insights shaping modern Australia

INSIGHT #1

Financial security is Australians' biggest aspiration in life

Australians' hopes and fears are driven by financial security:

Top 5 hopes

1. **59%** To have full financial freedom and independence
2. **43%** To travel and see the world
3. **40%** To have peace of mind my family would be financially secure if I were seriously injured or ill
4. **40%** To free up time and spend it with those I love
5. **39%** To pursue interests and hobbies

Top 5 fears

1. **53%** I won't have enough money to live comfortably
2. **45%** Suffering a long term illness/disease
3. **32%** Not being able to travel and experience the world
4. **28%** Not being able to support my family if I were seriously injured or ill
5. **24%** Not reaching my full potential

Relationships foster satisfaction, yet Australians are dissatisfied with their finances:

High satisfaction
(extremely/very satisfied)

- **50%** Relationships
- **43%** Sense of contentment
- **42%** Mental health

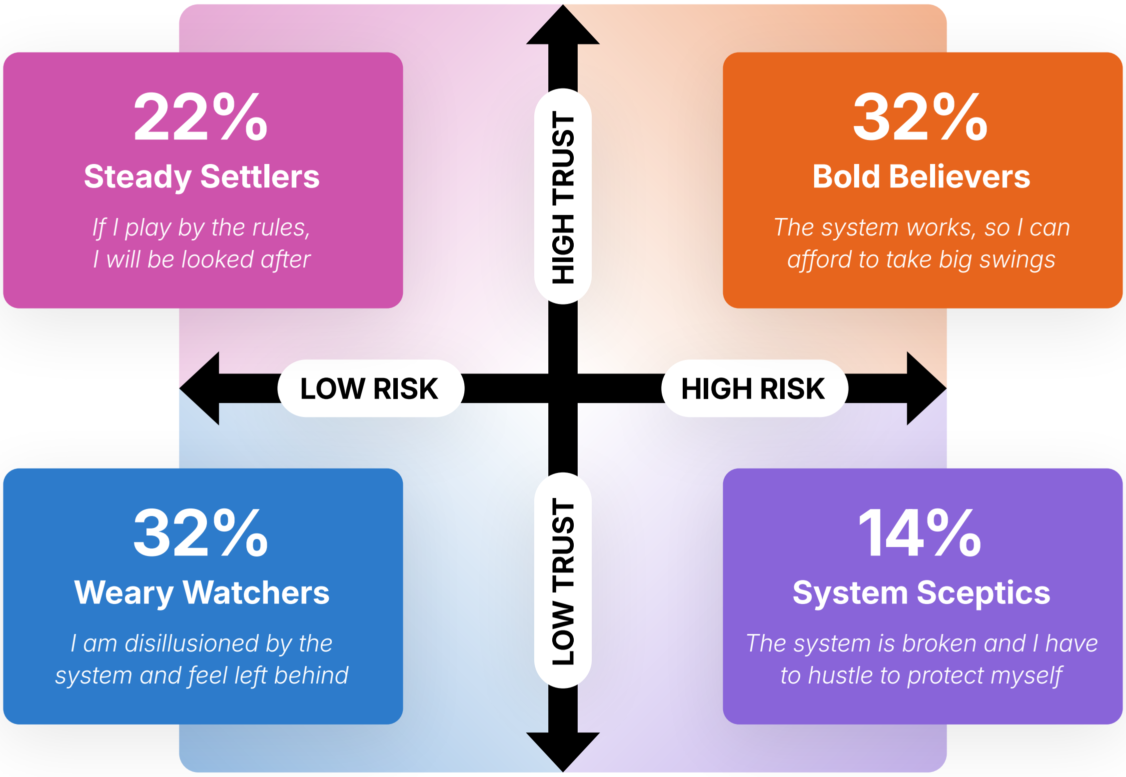
Dissatisfaction
(extremely/very dissatisfied)

- **18%** Finances

INSIGHT #2

Trust and decision making in the age of information overwhelm

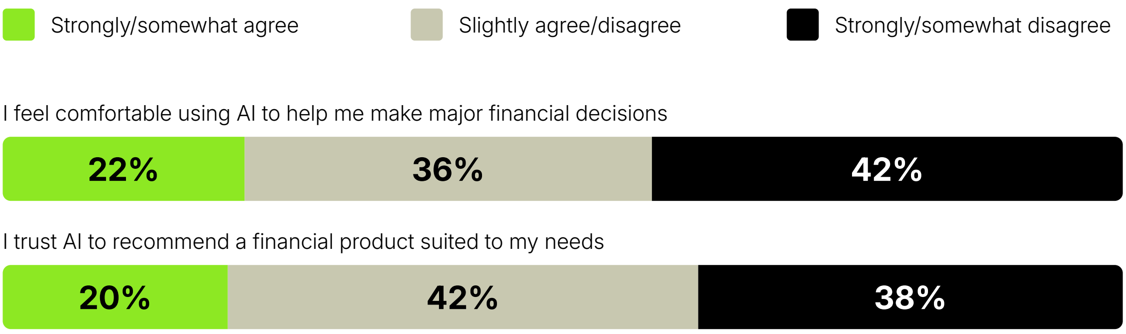
The trust and risk compass demonstrates how Australians differ in their risk and trust appetites:



INSIGHT #3

Tech, AI and the human advantage in giving advice

Australians are divided in their comfortability turning to AI for financial advice:



INSIGHT #4

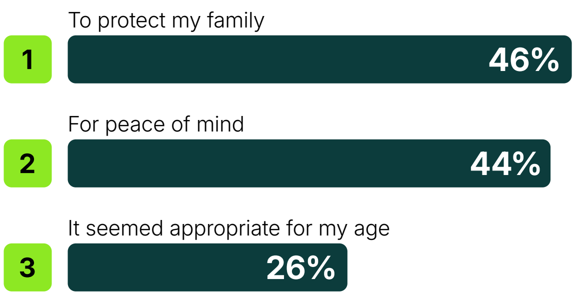
Wellbeing and peace of mind are reshaping how Australians approach security

Australians strive to achieve security in their lifestyles through a proactive approach to health

93%
believe it's important to take a proactive approach to their overall health

Protecting loved ones and personal peace of mind matters most for Australians when considering life insurance.

Top 3 reasons Australians take out/would consider taking out life insurance:



INSIGHT #5

Work and retirement redefined

Work is impacting mental health, and Australians face limited job security:

One in four Australian workers (26%) strongly/somewhat agree work has a negative impact on their mental health

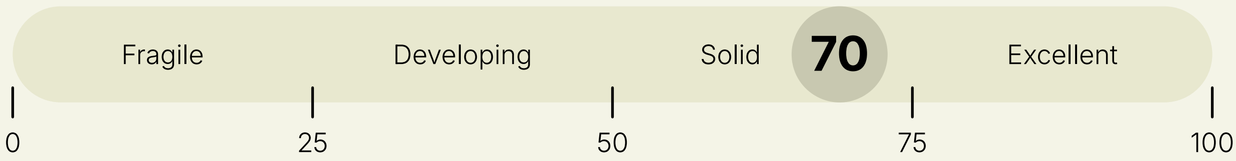
One in three Australian workers (34%) are concerned about their future job security

The Modern Australia Confidence Index proves how these insights are shaping Australians' lives

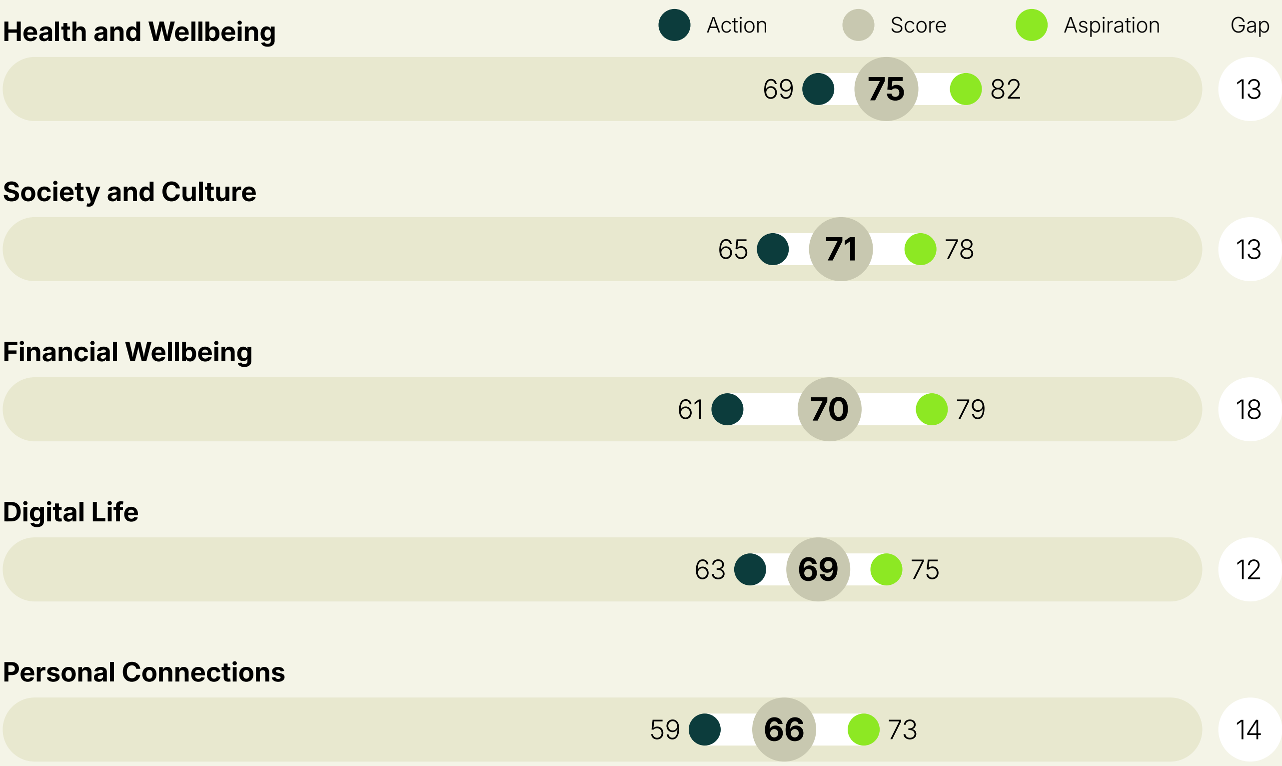
Financial Wellbeing has the largest aspiration–action gap, showing it is the biggest challenge according to the new Modern Australia Confidence Index.

The Modern Australia Confidence Index (MACI) measures the sentiment and actions of Australians across five key pillars. The difference between the sentiment and action scores highlights a gap between how strongly an individual believes in the importance of a pillar, and how actively their behaviours align with this belief.

MACI overall



MACI by pillars



INSIGHT #1

Building financial security

Financial security is Australians’ biggest aspiration in life

Financial freedom appears at the top of Australians’ hopes, but money itself is rarely the end goal. What Australians are really seeking is what financial freedom and independence enables: stability, time, choice, family security, travel, health and the ability to live life on their own terms. Australians are trying to secure a better lifestyle, one that endures amidst greater uncertainty, fragility and disruption.

Financial security motivates the heart of modern Australia

Australians' hopes and fears centre around a sense of financial security. It's not just about wealth, but about the freedom and buoyancy that financial security provides, a life without financial stress or worries. Australians' top hope is to have full financial freedom and independence (59%), while their top fear is not having enough money to live comfortably (53%).

Health and financial concerns in this 'longevity boom' are real. Although life expectancy is above 80 years for men and women, the reality of financial concerns from an illness is another key factor for Australians, with just over two in five Australians (45%) fearing suffering a long-term illness or disease. If this circumstance was to arise, two in five (40%) hope to have peace of mind that their family would be financially secure, while 28% fear not being able to support their family in this scenario.

Australians love to travel and desire to live a rich and full life, which can be fuelled by financial security. Australians are increasingly global citizens who desire to travel and see the world (43%), while the third top fear is not being able to travel and experience the world (32%).

> *"A marker of wealth these days is having time and freedom to do what you want."*
>
> **Gen Y**

> *"[I fear] financial insecurity or just uncertainty around cost of living, especially being in Sydney and going into the future and how that's really going to look over the next 10, 20, 30 years."*
>
> **Gen Z**

Top 5 hopes

1. **59%** To have full financial freedom and independence
2. **43%** To travel and see the world
3. **40%** To have peace of mind that my family would be financially secure if I were seriously injured or ill
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Top 5 fears

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5. **24%** Not reaching my full potential

Generation Z still aspire to home ownership despite challenging conditions, while Generation X battle to find financial freedom

Gen Z are the most likely to hope to own their own home in the future (39% cf. 34% Gen Y, 31% Gen X, 19% Baby Boomers). They also hope to excel in their career (29% Gen Z, 23% Gen Y, 9% Gen X, 2% Baby Boomers), a key way to earn and save for a home as well as find their place in the workforce and make contributions to society. Gen X are often referred to as the 'sandwich generation', being expected to look after both their children, who are increasingly staying at home for longer, and their ageing parents. It's unsurprising then, that they are the generation most hoping to have full financial freedom and independence in the future (65% cf. 61% Baby Boomers, 58% Gen Y, 51% Gen Z).

"[I hope for] happiness, both for me and my family and also reaching a point where I've got a little bit more financial freedom, rather than feeling like I've got a financial burden hanging over my head. That will also help with that happiness from a mental perspective."

Gen X

When it comes to top fears, younger generations are more fearful of being stuck in a job they don't enjoy (33% Gen Z, 29% Gen Y cf. 17% Gen X, 2% Baby Boomers). Older Australians, however, are much more likely to fear suffering a long-term illness or disease (64% Baby Boomers cf. 47% Gen X, 42% Gen Y, 29% Gen Z).

"When I come towards the end of my life, [I want to have lived a life] with purpose, one that's meaningful, and not wanting to reflect back and realise that I haven't achieved something I wanted to."

Gen Z

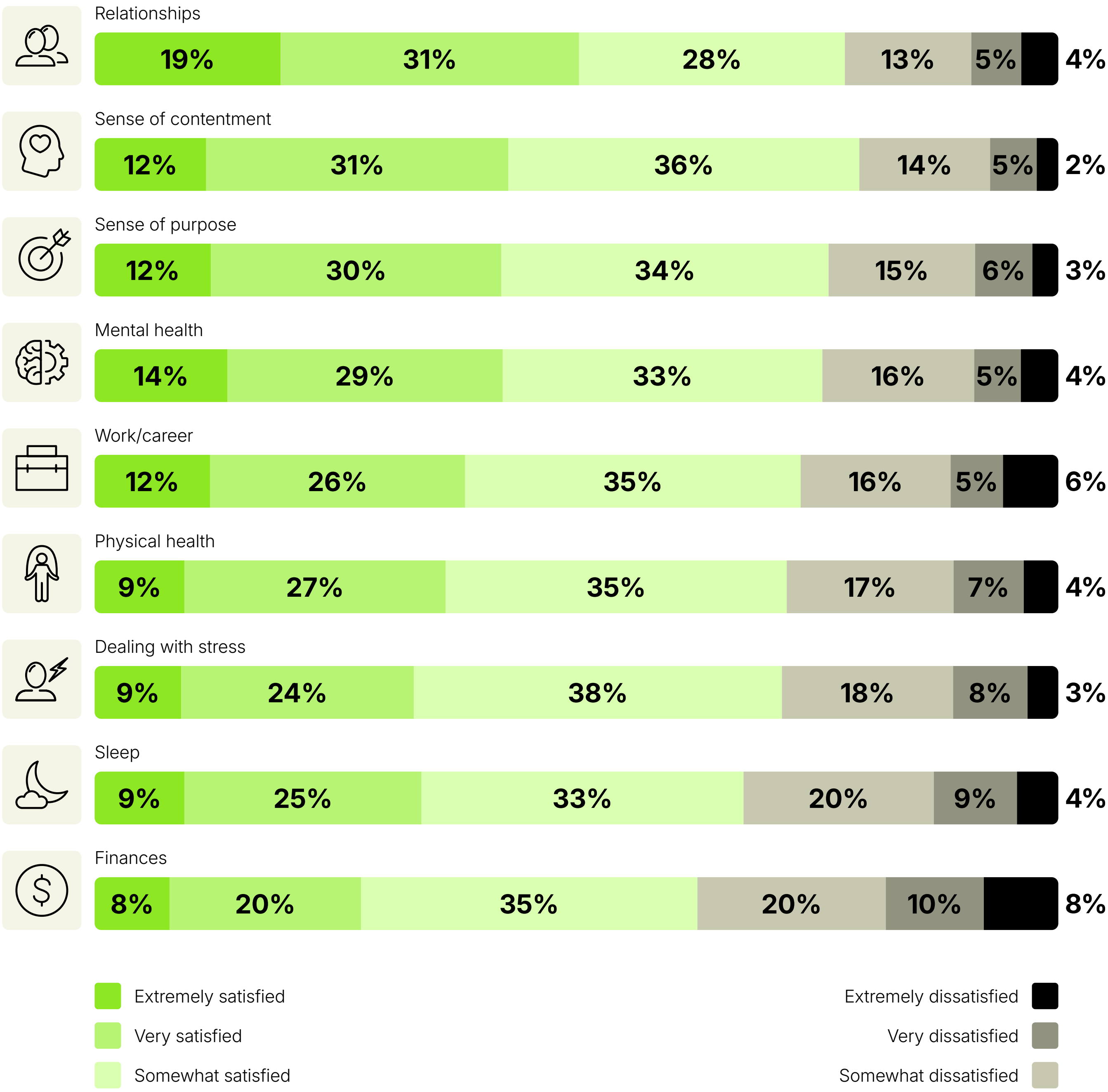
"You don't want to retire and then not be able to travel, or not be able to do anything, because you had a heart attack and dropped dead, or are unable... [so I want to be] well later on in life."

Gen X

Relationships are the top source of satisfaction for Australians, while finances sees the lowest satisfaction

Australians find joy in people. The area of life Australians are most satisfied with is their relationships (50% extremely/very satisfied), followed by sense of contentment (43%) and mental health (42%). Australians are most likely to be dissatisfied with their finances (18% extremely/very dissatisfied).

How satisfied are you with the following areas of your life?



Australians prioritise financial engagement, yet finances are still a point of stress

Australians are actively engaged in managing money, yet this financial activity is not always translating into confidence, control or satisfaction. The issue is not a lack of information or tools; it is the difficulty of turning activity into progress, control and confidence. Australians are working to ensure they regularly monitor their spending (86% yes, definitely/somewhat), feel confident to manage their personal finances (83%) and prioritise budgeting or financial planning (80%).

Finances are a point of tension for many Australians, because despite believing in the importance of financial literacy and working hard to achieve this, many are still feeling stressed by their financial situation. Three in five (62%) feel stressed when they think about their finances and one in three (32%) don't feel in control of their financial future.

Gen Y are most likely to feel stressed when thinking about their finances (70% cf. 69% Gen Z, 65% Gen X, 42% Baby Boomers). It's Gen X, however, who are most likely to feel out of control of their financial future (37% cf. 32% Gen Z, 33% Gen Y, 25% Baby Boomers).

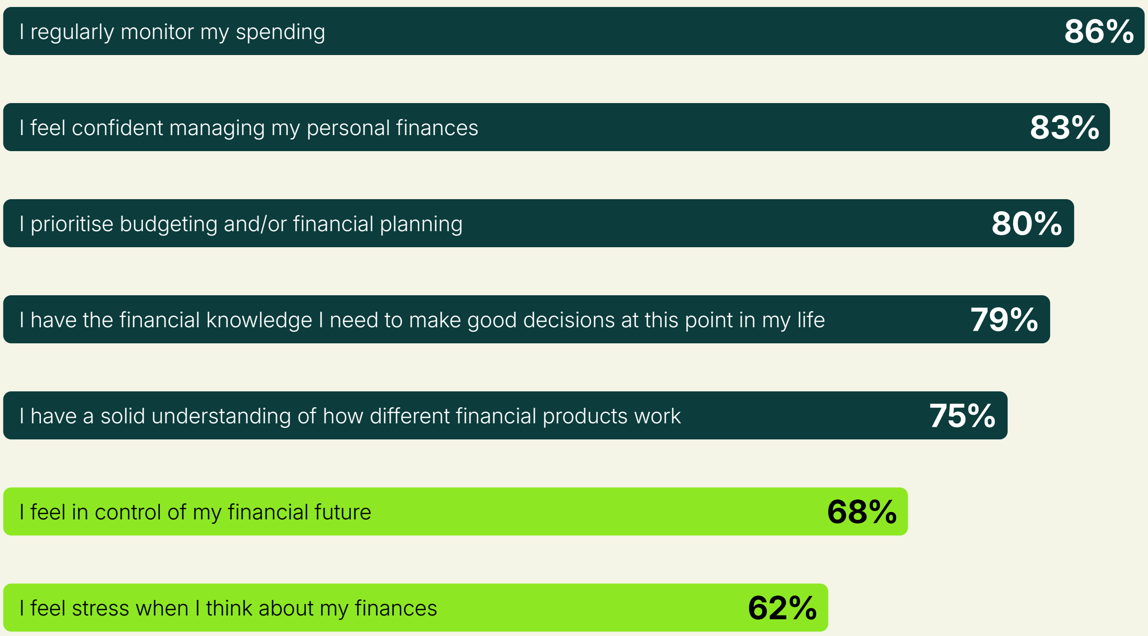
"Finances do, mostly stress me out... it's so much, just the regular bills that come in, and then your paycheque comes in... then your paycheque gets strained paying stuff."

Gen Y

"Especially with what's happening at the moment ... I'm constantly thinking about money and finances, just with the prices of everything going up, so it's always on my mind."

Gen X

To what extent do the following statements describe your behaviours and perspectives?
Yes, definitely/yes, somewhat

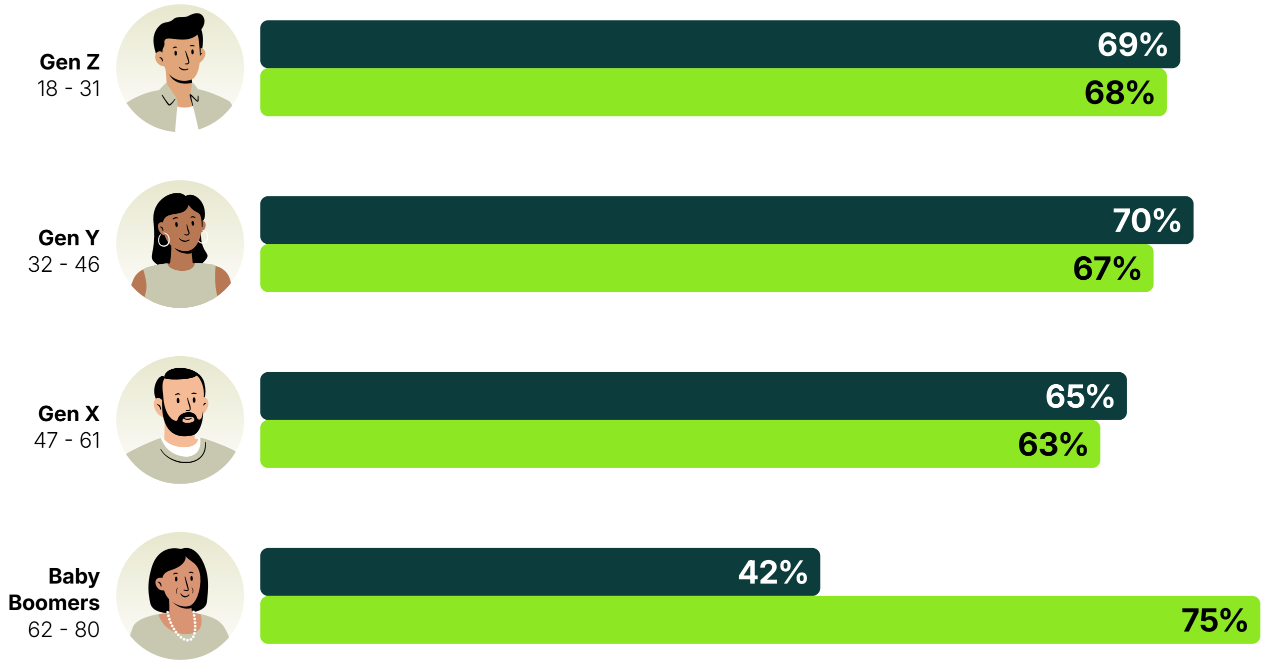


Behaviours and perspectives by generation

% yes, definitely/yes, somewhat feel...

Stress when I think about my finances

In control of my financial future



Australians are hungry to learn and grow

Australians want to grow their financial understanding and money management skills. More than four in five Australians (86% yes, definitely/yes, somewhat) believe it's important to grow their financial knowledge. Encouragingly, close to three in five (58%) have taken steps in the last 12 months to improve their financial knowledge.

Younger generations are working the hardest to grow their financial knowledge, with Gen Z 1.7x more likely than Baby Boomers to have taken active steps to improve their financial knowledge in the last 12 months (69% Gen Z, 67% Gen Y, 54% Gen X, 41% Baby Boomers).

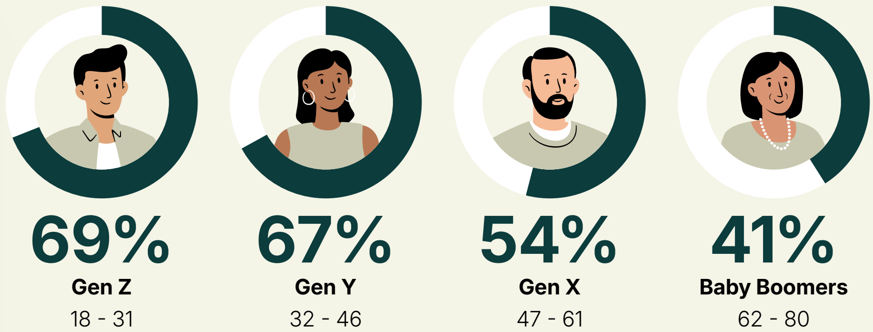
"In the past 12 months, I've taken steps to improve my financial knowledge"

% yes, definitely/yes, somewhat

Gen Z are

1.7x more likely

than Baby Boomers to have taken steps to improve their financial knowledge in the last 12 months.



Adviser insights

What advisers told us

Financial security is about so much more than a financial metric; it is the fundamental enabler of a fulfilling life which includes relationships, career growth, travel, home ownership and mental and physical health. For modern Australians, having a structured financial foundation directly protects and fosters their most cherished asset: their relationships with friends and family. A proactive approach to finances prevents the stress of being a burden on loved ones or leaving them vulnerable. When Australians gain control over their cash flow, and protect their life, income and wealth as they build it, they buy back the emotional bandwidth to engage with their lives and reduce financial stress.

"The sooner you get your stuff sorted, the far better off you're going to [be]... Money's an enabler. But if you're not having conversations around what it is that you're working towards in life, then it makes it very challenging to work out what the right decision is."

Financial adviser, NSW

"[Younger Australians] are better desktop researchers... but they're not necessarily understanding the nuances."

Risk specialist, VIC

"I saw my hairdresser this morning and she said, 'that plan you did for me has made such a difference to our lives... you've just given us a focus and we are so much more at ease.' ...Taking the money worry out of relationships is such a powerful thing."

Financial adviser, QLD

"I try and encourage [clients] to have hard conversations (about decision making and money) in a respectful way, to try and alleviate any unresolved topics between parties. Letting people know it's completely okay to not agree with someone and still be respectful."

Financial planner, NSW

Strategic considerations

Lead with the life goal, not the product:

Our data shows Australians rank family security, time and travel highly as end goals - reinforcing that framing plans around what clients want their life to look like lands better than a purely technical conversation. Help clients map their financial decisions directly to their life aspirations and concerns, acting as facilitators for the lives clients want to lead.

Name the relationship dividend:

Relationships are Australians' most satisfying area of life, finances their least. Money stress doesn't stay contained - it shows up at the dinner table, in arguments, in the time and patience people have for each other. Helping a client get their finances sorted isn't just a financial outcome; it's protecting the space they have for the people they love.

Watch the generational split on fear:

Younger clients fear being stuck in a job they don't enjoy or not being able to afford a home; older clients fear long term illness. A Gen Z's housing anxiety requires a completely different emotional and strategic baseline than a Baby Boomer's estate planning.

Further learning

TAL / Risk Academy

Effective insurance strategies for families with children:

Helping families achieve long-term financial security for their children takes more than insurance alone. This session explores the legal, tax and investment considerations that can help protect and preserve a child's financial future when the unexpected occurs.

GO TO COURSE

INSIGHT #2

Trust and decision-making in the age of information overwhelm

Local and personal builds trust

If financial security is the foundation for a good life, trust in an era of information overwhelm is becoming the mechanism that helps Australians move forward with certainty. In a digital-first world with more information than ever, the challenge is no longer finding answers but insights that have been verified. It is knowing which answers to rely on and who to trust when the stakes are personal and financial. Deciding who and what to trust has big consequences influencing how Australians determine priorities and choose to spend their time and money.

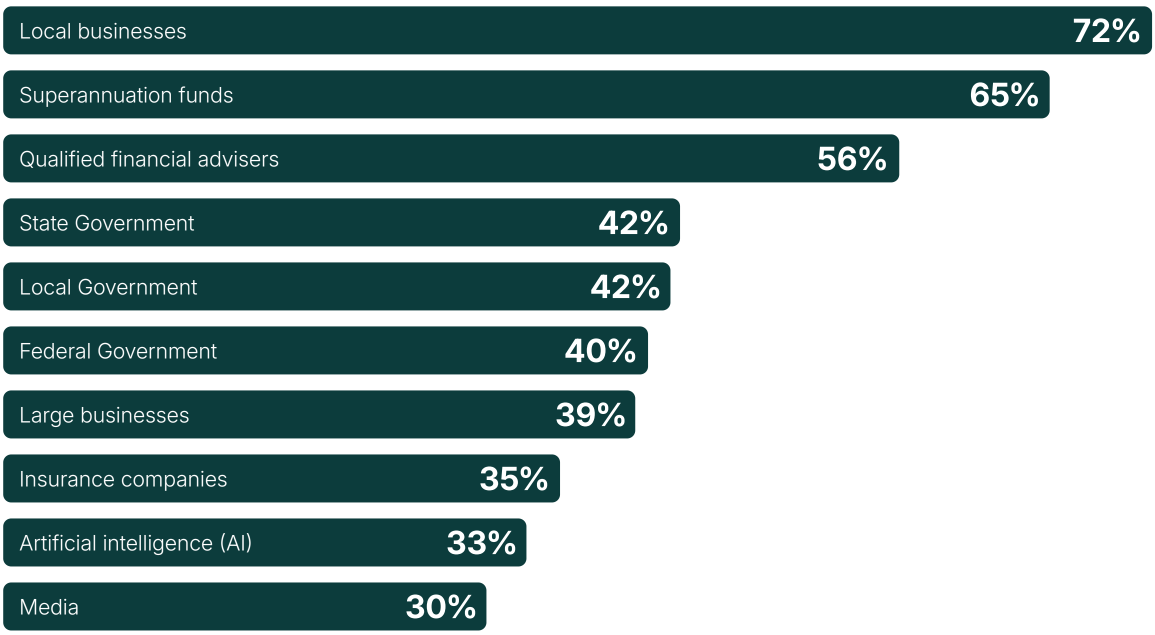
Trust defines modern Australia

In this modern Australia, people are increasingly sceptical and unsure of who or what to trust. In essence, trust and the verification of information are becoming a premium. Australians are most trusting of local businesses (72% extremely/very high/high trust), superannuation funds (65%) and qualified financial advisers (56%), ahead of insurance companies (35%), AI (33%) and the media (30%).

The key factors leading to trust are a personal connection or believing an individual doesn't have an ulterior motive. Therefore, the views of friends and family (46% extremely/very important) and expert opinion (46%) are the most important factors in an Australian's decision to engage with a brand or organisation. This is followed closely by online reviews (44%). Slightly less important for Australians is a company's own website (39%) and their social media or online presence (24%), which may both be influenced by organisational motivations, rather than a connection-oriented experience.

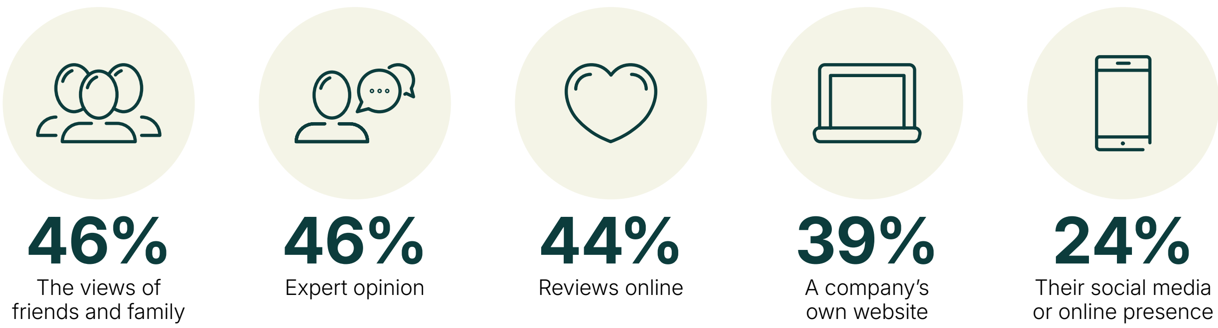
How much do you trust the following?

Extremely/very high/high trust



How important are the following in your decision to engage with a brand/organisation?

Extremely/very important

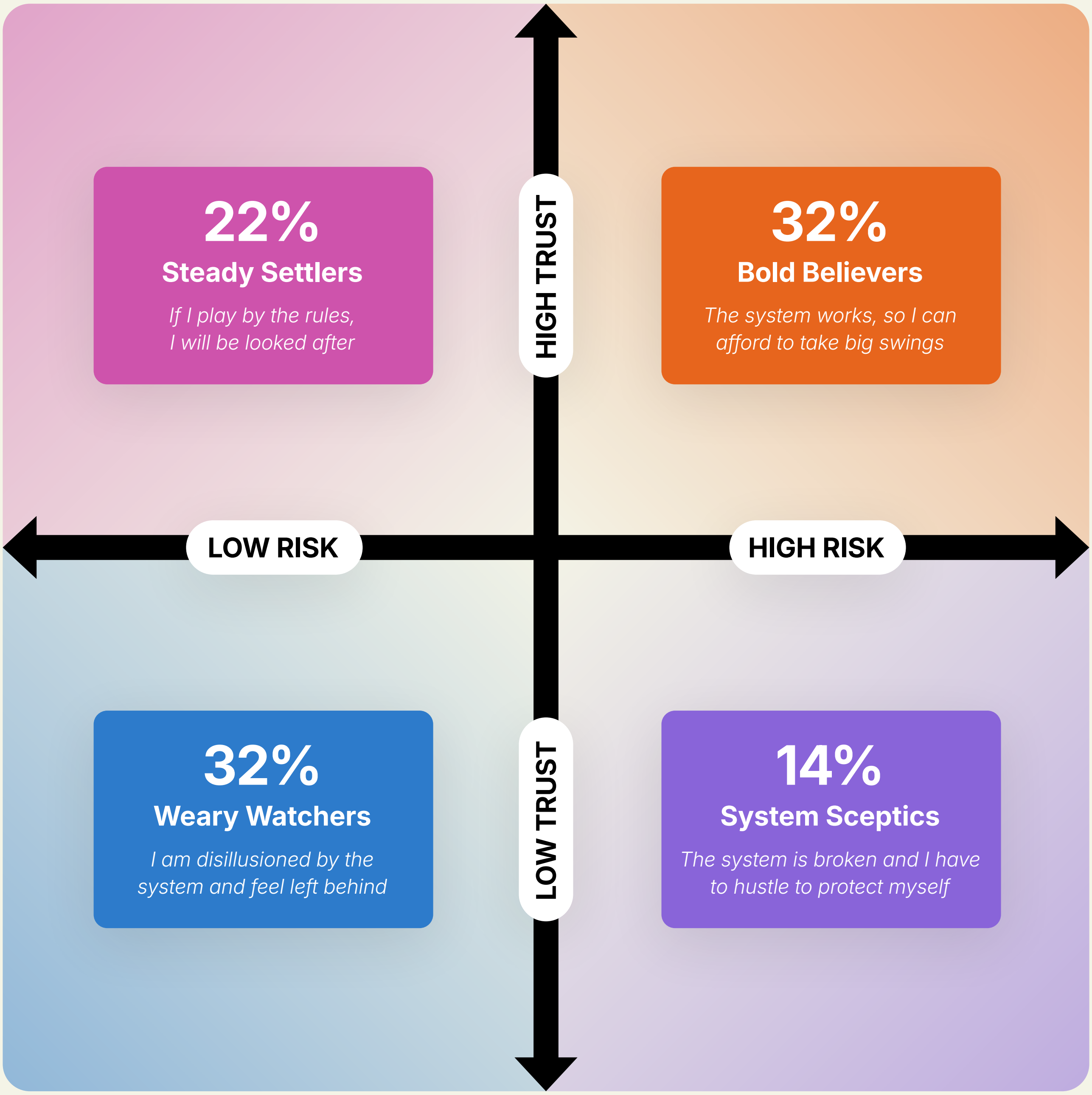


The trust and risk compass frames Australians' approach to life

To help advisers support Australians by understanding their trust and risk approach to life, a quadrant of four personas has been developed. Navigating decision making in modern Australia comes down to adjusting two axes of low-high trust and low-high risk. This compass measures an individual's willingness to trust others and their appetite for risk and places them in the according quadrant.

The most common categories are those who sit at both extremes: either being both low trust and low risk or being both high trust and high risk.

Trust and risk compass



Younger generations are more likely to lean towards being trusting and taking risks, with Gen Z (40%) and Gen Y (36%) most likely to be Bold Believers.

Older generations, however, prefer the low-risk and low-trust approach to life, with Gen X (34%) and Baby Boomers (37%) being most likely to be Weary Watchers.

"I'd probably say that I'm quite trusting. I'm probably more trusting. I like to kind of believe that people, you know, deep down are good and helpful."

Gen Y — Steady Settler

"I do feel I'm a risk-taker, and I'm always trying to push the boundaries of doing different things, being inventive and taking risks."

Gen Y — Bold Believer

"I think the systems and institutions probably consider me a number more than anything... you've got to look out for yourself because they're not going to do it."

Gen Z — Weary Watcher

"I think I've probably become less trusting because I think I used to be very naive about a lot of things... I tend to be quite hyper aware of what's going on around me most of the time."

Gen Z — System Sceptic

Adviser insights

What advisers told us

Trust is a major factor for how Australians navigate financial choices and their likelihood to seek or receive financial advice. Modern Australians fall along the trust and risk compass based on their institutional faith and willingness to take chances, which directly dictates how open they are to receiving professional advice from financial advisers.

Advisers indicated they largely see a mix of Steady Settlers (high trust, low risk) who actively seek expert structure to guarantee outcomes, and Bold Believers (high trust, high risk) who take big swings but need grounding. On the flip side, System Sceptics (low trust, high risk) often try to hustle and build their own safety nets due to a lack of institutional faith, while Weary Watchers ignore their finances entirely or may be in denial of their need for support because it's easier to deny reality than face it.

"Steady Settlers are generally the ones that come in and say, 'Look, what do I need to do? Can you tell me, as the expert, what I need?'"

Financial adviser, QLD

"System Sceptics don't value themselves the same way they value their physical possessions... I've really got to try and renegotiate that thought process with them."

Financial planner, NSW

"For someone in their 20s and 30s to seek professional financial advice so early on in their career and their wealth creation journey, they're pretty aspirational... A lot of them want to take on more risk. They're like, 'Yeah, I'm just saving cash, it's going in the bank account. I know I need to do more, but I don't know why.'"

Financial adviser, NSW

Strategic considerations

Being local builds trust:

Australians place real weight on familiarity and locality. For adviser businesses, this sense of presence and familiarity in the community is important and it's a reminder that credentials alone don't build trust; being genuinely present and interested in a client's life does.

Diagnose the persona early:

Identifying whether a client leans Steady Settler, Bold Believer, System Sceptic or Weary Watcher in the first few conversations shapes how much structure to offer, how much reassurance they need, and how ready they are to act.

- **Ground the Bold Believers:**
  High-confidence clients need advisers to act as an anchor reining in risks and securing their base before they chase big returns.
- **Deliver clear roadmaps for Steady Settlers:**
  They naturally have a willingness to follow expert advice. By offering simple, step-by-step plans that eliminate guesswork and provide predictable peace of mind, you can meet this client where they are.
- **Win over a System Sceptic with transparency:**
  They tend to anticipate hidden catches, so lay out the fee structures, commission models and claim payment statistics upfront to show how advice gives them back control. For example, you can check out TAL's Reality Checker tool to give them real-world claims stats for people of their age and gender and the type(s) of cover they might be considering.
- **Meet the Weary Watchers where they are:**
  Their avoidance often comes from feeling let down by the system rather than disinterest. Low-stakes, easy micro-wins to slowly build their confidence and demonstrate tangible value.

Further learning

TAL / Risk Academy

Positioning and communicating life insurance – lessons from leading risk specialists:

Discover how effective communication can drive stronger decision making. Through practical tools and real-world insights, this course helps advisers have more impactful life insurance conversations with clients.

GO TO COURSE

INSIGHT #3

Tech, AI and the human advantage in giving advice

Australians are using AI platforms to inform financial decisions, but still trust humans to make them

Technology is helping democratise access to financial information, but access to information is not the same as confidence when making a decision using that information. Digital tools can help Australians find information and organise their financial lives, but they cannot fully account for the personal context, trade-offs and values that shape what is right for each individual.

Technology is building Australians' financial management, yet almost twice as many Generation Zs as Generation X put their trust in AI

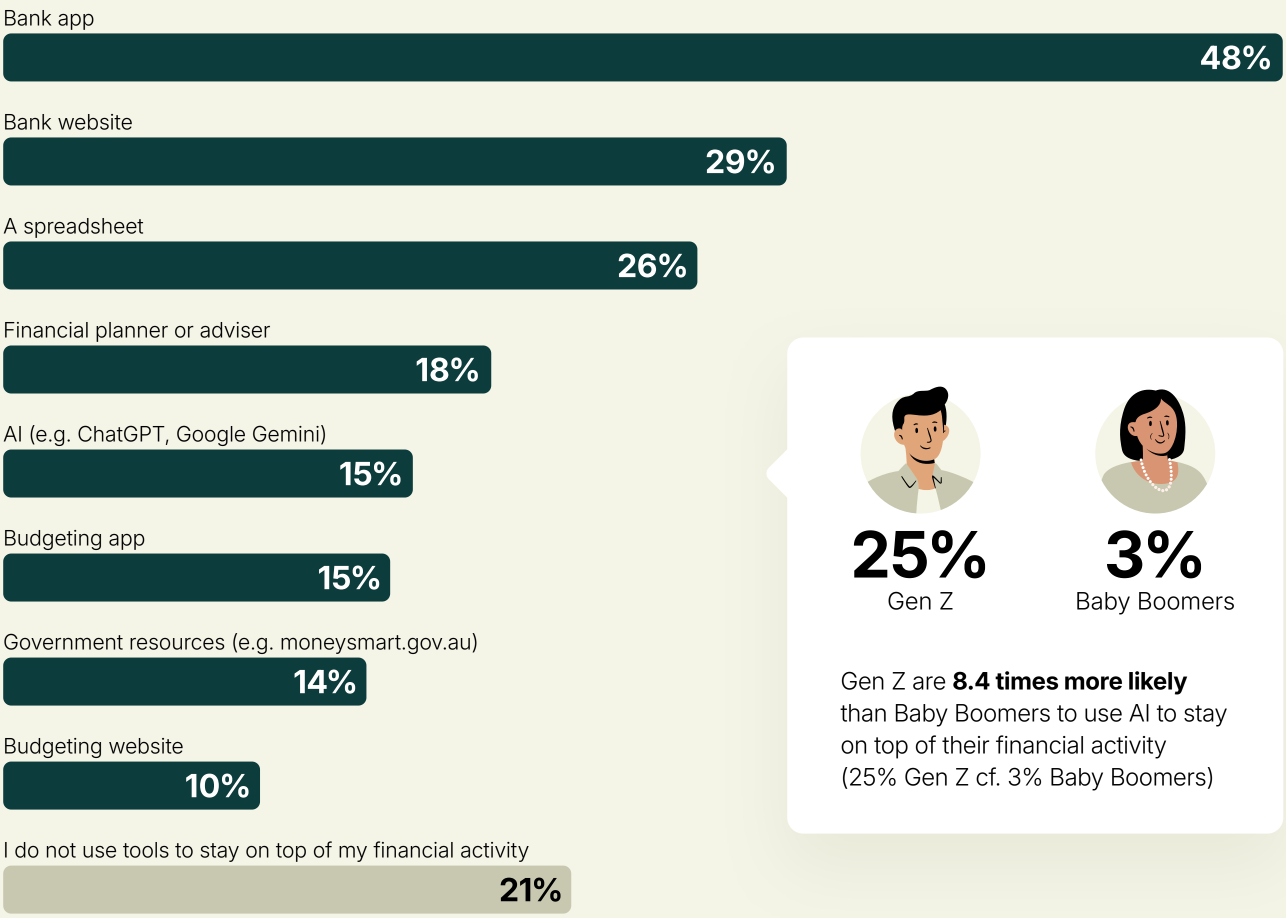
Almost four in five Australians use tools to stay on top of their financial activity (79%). Many are relying on their banks to support their financial management, with almost half (48%) using their banking app, while three in ten (29%) use a bank website to stay on top of financial activity. To a lesser extent, Australians use a spreadsheet (26%) or turn to a financial planner or adviser (18%). One in five (21%), however, aren't using any tools to stay on top of their financial activity.

While trust for AI is low overall, younger generations are much more likely to be trusting of AI. More than two in five Gen Z (47%) place extremely/very/high trust in AI followed by 44% of Gen Y. This compares to 24% of Gen X who place this same trust in AI and just 12% of Baby Boomers.

While a small proportion, some Australians are open to utilising AI to manage their money, with 15% or 3.1 million Australians already using AI to stay on top of their financial activity. With a higher trust for AI, it's unsurprising younger Australians are driving the use of AI to stay on top of their finances with Gen Z 8.4 times more likely than Baby Boomers to use AI to manage their financial activity (25% Gen Z, 23% Gen Y cf. 8% Gen X, 3% Baby Boomers). This raises concerns that AI is providing personal financial advice to Australians without the right safeguards to protect consumers if things go wrong.

Which of the following are tools you use to stay on top of your financial activity?

Please select all that apply



AI is useful for information, but less trusted for life decisions

Australians face a tension when it comes to using AI. Australians are beginning to use AI to support financial activity, but they remain cautious about relying on it for major decisions or product recommendations. AI may be increasingly useful for analysis and information, but Australians still distinguish between information and advice, especially when financial decisions intersect with life, family and security.

Despite almost 3.1 million Australians using AI (ChatGPT, Google Gemini etc.) to help manage their financial activity, it is a source of distrust for many. Two in five (42%) strongly or somewhat disagree they feel comfortable using AI to help them make major financial decisions as they recognise the 'false confidence' using AI can give. Despite this, more than one in five (22%) strongly or somewhat agree that they feel comfortable and 36% land in the middle, either slightly agreeing, or slightly disagreeing. Similarly, while most disagree that they would trust AI to recommend a financial product to suit their needs (38%), one in five agree (20%), however, the greatest proportion fall in the middle (42%).

When it comes to feeling comfortable with professional financial advisers using AI, more than two in five Australians (44%) land in the middle, slightly agreeing or slightly disagreeing, while an even proportion feel more strongly, either agreeing (28%) or disagreeing (28%). The need for disclosure is much clearer however, with 69% of Australians strongly or somewhat agreeing that they would want to know whether the financial advice they receive comes from a human adviser or was generated by AI.

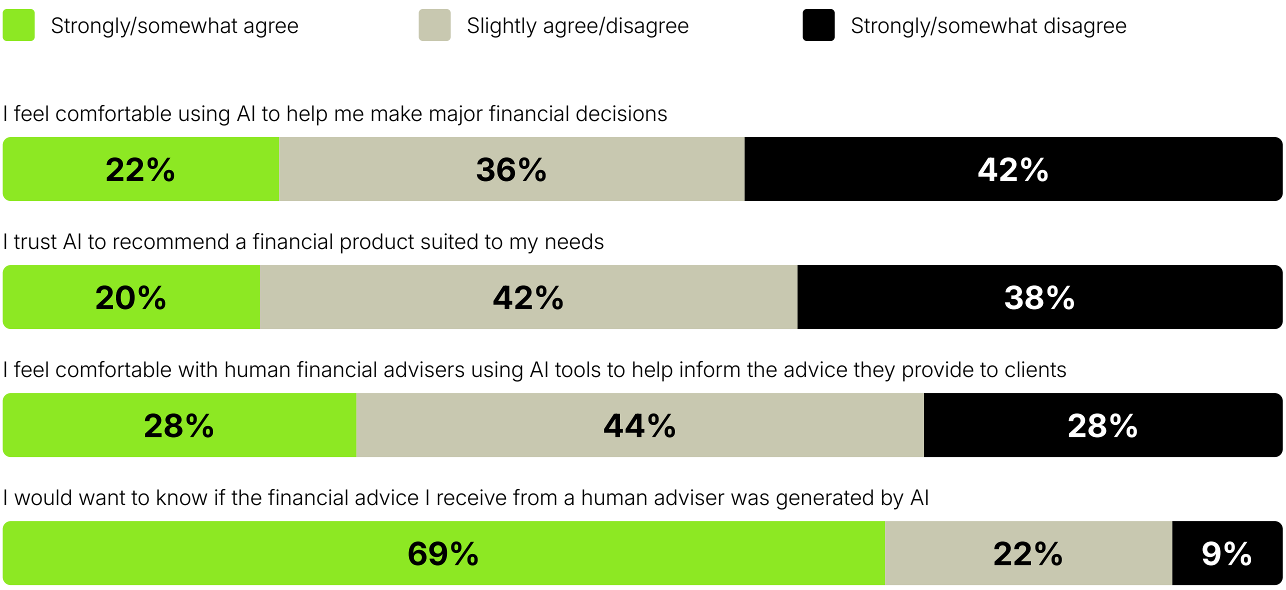
"I would trust it (AI) in terms of analytics [but] trusting it to tell me how to spend it, probably not."

Gen Z

"For general things, yes, I will trust [AI], but for any particular [finance] questions, based on my personal situation, not really... [I would] prefer to speak to an experienced financial adviser to discuss."

Gen Y

To what extent do you agree or disagree with the following statements about Artificial Intelligence (AI) and finances?



Professional financial advice produces trust, proving a human advantage in a tech-focused world

In an information saturated world, it can be hard to know where to turn and who to rely on for trusted advice and information regarding finances. Positively, Australians are willing to trust the professionals, as they are most likely to act on financial advice given by a paid, in-person financial adviser (42% extremely/very likely). This is followed by those who would act on advice given by family (33%), showing the importance of an in-person and personal connection. Three in ten (31%) are likely to act on advice by reputable finance authors, followed by online resources from financial organisations (25%) and friends (24%). Australians are least likely to act on advice given by influencers on social media (13%) or from an AI platform (18%).

This suggests the future value of advice will not come from being the gatekeeper of information. Technology can increasingly analyse data and surface options, yet Australians are saying they want to rely on professionals for the big financial decisions. The enduring advantage of human advice lies in understanding the person and the numbers — their life stage, family context, fears, goals and the trade-offs they are willing to make.

"An adviser I saw pushed me back onto the path of knowing that, right now [affording a house] is not possible for me, but if I continue what I'm doing, I'm going to eventually get there one day..."

Gen Z

Adviser insights

What advisers told us

Technology is empowering Australians to increasingly access information that might inform financial decisions. Advisers are seeing a new wave of clients, particularly younger generations, arriving at meetings having already used tools like AI, apps, and podcasts to build a baseline of financial knowledge and confidence. While AI is excellent for personalising information, it lacks the nuance required for high-stakes life decisions, relevant tax or policy knowledge and professional experience to guide personalised financial advice. Algorithms cannot account for human emotion, correct behavioural biases, or spot when a client is misunderstanding complex policy details (like medical disclosures). Advisers can help prepare Australians for a modern future by emphasising that their human advantage lies in trust, detailed financial literacy and emotional intelligence.

"We have more information at our disposal than ever before, but what I'm seeing is it leads to a lot of confusion and uncertainty, and we actually get a feeling of overwhelm. So that causes inaction... My role stands in cutting through the noise."

Life insurance specialist, QLD

"Those that listen to finance podcasts day in and day out... that's very general advice. Those that are chatting to ChatGPT... it's a good starting point, but are you asking the right questions?"

Financial adviser, NSW

"We are trained to recognise where biases exist, where people are being irrational... Helping them is around educating the client... They need to be expert trusters so that we can help them get there."

Financial planner, NSW

Strategic considerations

Be the lighthouse, not another wave:

Clients are arriving with more information than ever, and for many, that's causing a sense of overwhelm rather than confidence. In a storm of data coming from multiple sources, the value an adviser brings isn't to add to it, but to be the calm, clear and trusted partner that helps clients see the way forward – especially when the conditions are constantly moving.

Lean into EQ over IQ:

The biggest competitive advantage against technology is emotional intelligence. Double down on behavioural coaching, relationship mediation and empathetic listening.

Protect clients from their own blind spots:

Advisers are trained to spot the bias behind a bad decision, or a disclosure that's been missed or misread — something that's also covered under their Best Interests Duty. A chatbot has no such duty, mainly because no one is telling it to look.

Further learning

TAL / Risk Academy

Building an efficient, client-friendly needs analysis with AI:

Learn how a client-focused approach can make insurance needs analysis simpler and more effective. Discover practical tools and techniques that help clients better understand their options and make more confident decisions.

GO TO COURSE

INSIGHT #4

Shaping a holistic life

Wellbeing and peace of mind are driving how Australians approach security

Key to achieving a balanced and secure lifestyle for Australians is a focus on wellbeing. This ranges from supporting health factors to community and connections. For many Australians, their top hopes and fears focus on wanting their family to be financially secure if anything were to happen to them. In this context, protection is more than preparing for what might go wrong, it is also about creating the confidence to keep moving forward. For Australians trying to build a life with greater security, insurances like life insurance and income protection among others can act as a form of buffer that supports momentum when uncertainty feels high.

Australians prioritise health and wellbeing

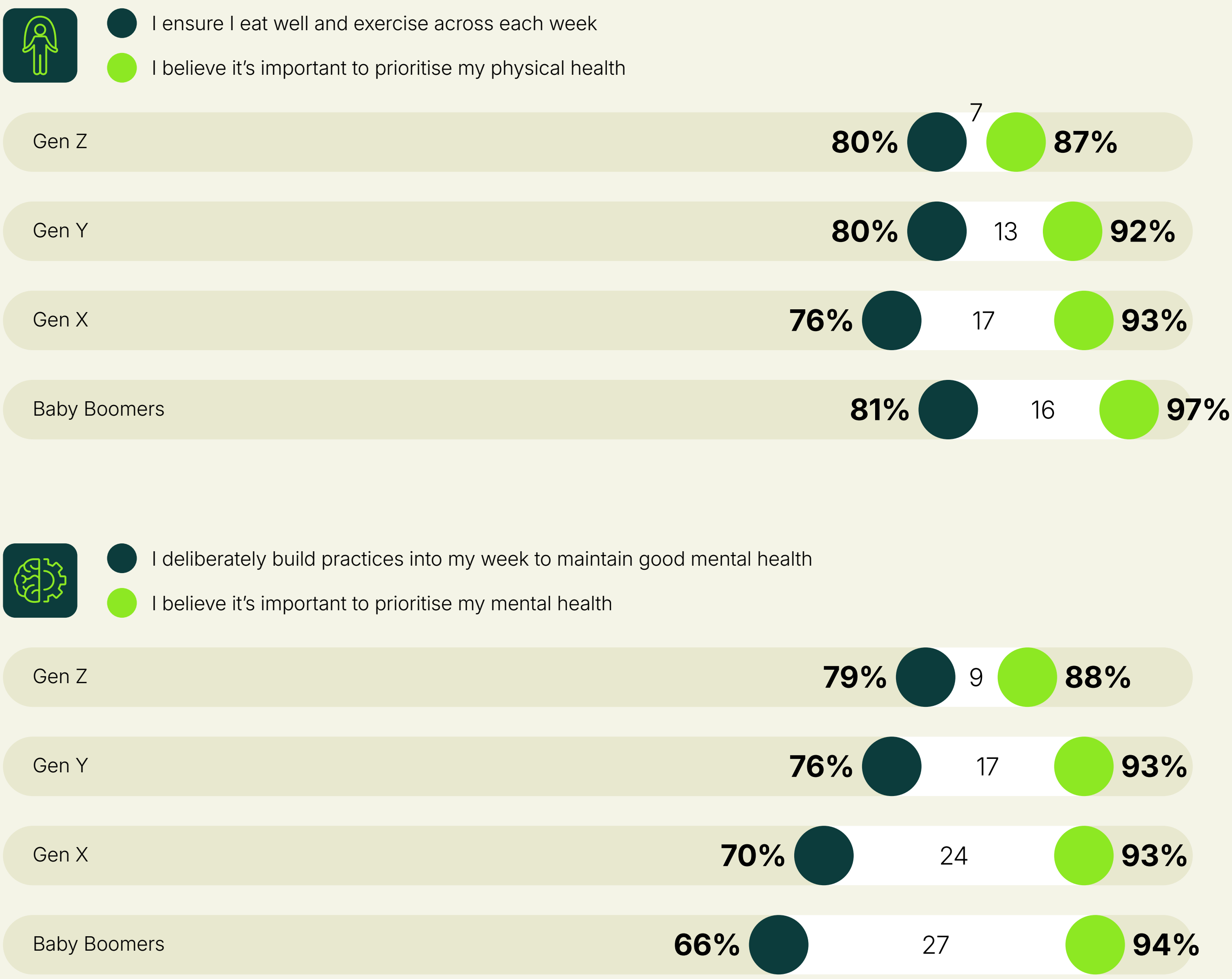
Australians are active in prioritising their health and wellbeing in life. More than nine in ten (93%) believe it's important to take a proactive approach to their overall health. Not lagging too far behind, four in five Australians (83%) actually do take a proactive approach to their health. In addition to this, Australians put their money where their mouth is, with two in five (42%) finding their household is spending more for health and wellbeing over the last 12 months.

Furthermore, an equal proportion of Australians believe it's important to prioritise their physical (92%) and mental health (92%). When it comes to execution, Australians are slightly more likely to find it easier to support their physical health through eating well and exercising across each week (79%), rather than supporting their mental health through building practices into their week to maintain good mental health (73%).

Younger Australians are more likely to find following through on their health priorities easier as they have a smaller gap between the proportion of those who believe looking after key areas of health is important and those who follow through with action. Younger Australians are also more intentional with building practices into their week to maintain good mental health compared to their older counterparts (79% Gen Z, 76% Gen Y cf. 70% Gen X, 66% Baby Boomers).

Younger generations are closer to closing the gap on their health priorities

% yes, definitely/yes, somewhat...



Protection supports resilience

While many are active in building protective forces around their health through their daily practices, some of the external supports that help provide resilience and peace of mind for Australians are less of a priority. For some, life insurance is seen as a protective factor to give them peace of mind. One in three Australians (32%) surveyed indicate they have life insurance. This is likely an understatement, given cover held inside super is often not well known or understood.

The main reasons Australians are prompted to take out life insurance is to protect their family (46%) or for peace of mind (44%). Interestingly having large debt is not in the top five reasons why people take out life insurance, whereas this may have been a more traditional reason in the past but in modern Australia, the peace of mind and protection of loved ones is what matters most.

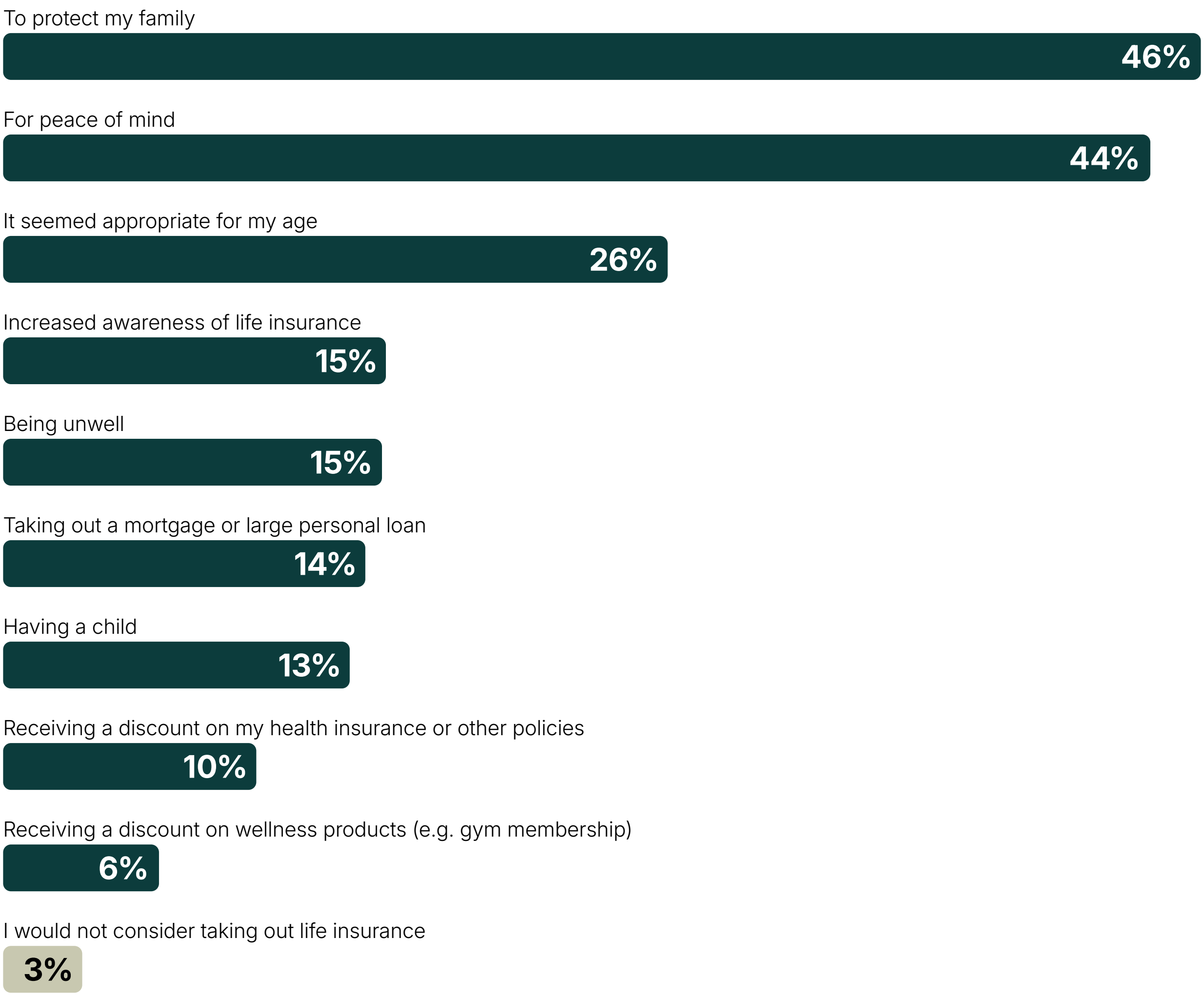
"I see the value in having insurance."

Gen Z

"It's your safety net, and you hope you never use it, but you need to have it because life changes in half a second."

Gen X

Why did you take out / would you consider taking out life insurance?
Please select all that apply



"If I was to die, I wouldn't want to leave a huge amount of debt for my wife or the kids... once I had savings and the level of debt had been paid down to a level where I was comfortable, that's where I made the decision that [life insurance] was no longer worth keeping."

Gen Y

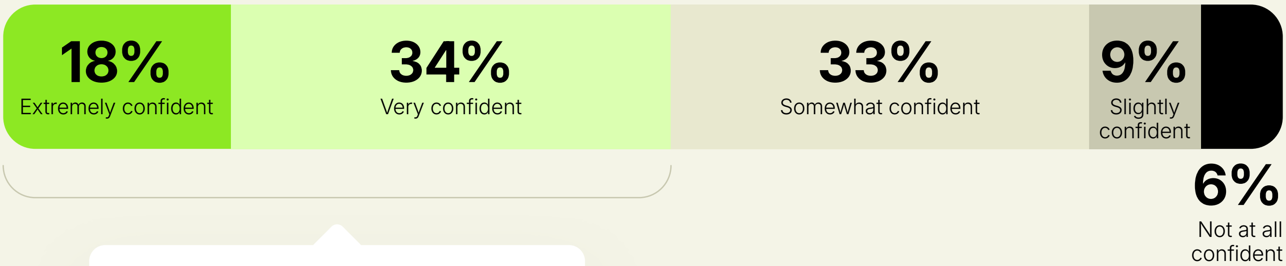
"Certainly, while I had a mortgage and young kids, I thought it was important that if I die, then my family, my wife and kids, would not have a mortgage hanging over their heads."

Baby Boomer

"If you've got family and debt, that's the most important piece... if you've got kids and you've got a mortgage, then to me, that's when you need the life insurance."

Gen X

How confident are you that your current level of coverage with your life insurance is enough to meet your needs?
Those with life insurance (n=640)



Half of insured Australians (52%) feel secure about their level of coverage.

Adviser insights

What advisers told us

Life insurance serves as a fundamental safety net, protecting family stability and buying mental peace of mind. Advisers note that the true value of insurance lies in the immediate relief it provides, allowing clients to sleep at night knowing their downside risk is managed. Cost-of-living pressures and rising premiums, however, create a significant financial barrier. Many Australians hesitate or view insurance as expensive, displaying a paradox where they willingly insure depreciating assets (cars, contents) while leaving their greatest asset, their earning capacity, completely unprotected.

"The biggest mistake that we see Australians make when it comes to considering insurance is they look into it when it's too late. After something happens and then they look into what potential default insurance they might have through their super fund or what their employer may or may not offer, which is arguably too late."

Financial adviser, NSW

"We will not buy a car and drive it out of the dealership unless it has insurance on it, because we go, 'what if we crash it?' But we don't view our body like that, or our ability to earn an income... Instead of just saying this life cover will pay out your mortgage, it's this life cover that will make sure your family can stay in their home. You have to try and make it tangible."

Life insurance specialist, QLD

"The education by different people in the media over the last 10 years has really changed... People are saying, 'Yes, you can build your financial future, but you must protect your income. This is a non-negotiable.'"

Insurance specialist, VIC

Strategic considerations

Make it real, not abstract:

A premium feels like a cost until it's tied to something tangible - the family staying in their home, money in the bank before a crisis hits. That's what turns insurance from a line item into something worth having.

Confidence isn't the same as coverage:

Half of insured Australians feel confident their cover is enough, but that's a gut feeling, not a calculation. A proper needs analysis is what actually tells you whether it matches what's really at stake for a client - not how they feel about it.

Solve the affordability barrier through the conversation, not the product:

When premiums hit a financial wall, the answer isn't a fixed menu of structuring options - it's helping clients understand the trade-offs they're willing to make. Ongoing advice, not a one-off product decision, is what keeps cover meaningful and aligned to their needs over time.

Focus on 'sleep equity':

Frame insurance as an enabler of living well today, not just cover for what might go wrong - it's part of building the resilience to keep moving forward.

Further learning

TAL / Risk Academy

Seeing insurance through the client's eyes:

Help clients see insurance as a personalised part of their financial plan. This session explores how clear communication and expectation setting can create a more transparent, trusted path to financial protection.

GO TO COURSE

INSIGHT #5

Work and retirement redefined

Australians are redefining retirement as ‘life after full-time work’, but still mostly lack the plans

The concerns Australians have around current work arrangements and their future retirement planning highlight why financial security is so central to Australians’ satisfaction and goals. The challenge is not simply about earning more, but building enough confidence and resilience through building wealth and protecting it to withstand uncertainty today and into the future.

Work, income and wellbeing are intertwined

Work makes up a meaningful proportion of life. It can be a key source of joy, purpose, community, progress and stress. Approaches to work and employment also differ, where for some, work is about a fair day's work for a fair day's pay, while for others, it's about amplifying impact, or about finding purpose or satisfaction from a given career.

Unfortunately, for a quarter of Australian workers (26%), they find their work has a negative impact on their mental health (strongly/somewhat agree). Younger workers are most affected by negative mental health because of their work (29% Gen Z, 27% Gen Y, 23% Gen X, 16% Baby Boomers).

"My industry does see a lot of burnout amongst healthcare workers. Although there are times when it can obviously be very sad, you speak to people and they come to you and they're so appreciative and thankful and that's a really nice, uplifting thing. So, I think it's both [a mix of positive and negative mental health impacts.]"

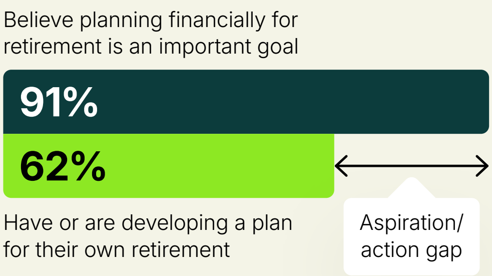
Gen Z

From retirement to re-hire-ment

In an age where people are living longer, workforce contributions are looking different as Australians age. Financial advisers highlight a trend where expectations and reality are less likely to marry up today when it comes to retirement. Many reflect on stories of clients who had plans for retirement meaning they phase entirely out of the workforce, however, upon reaching that point, some Australians find themselves preferring to take a different approach and actually remain in the workforce in new and various capacities. In fact, almost three in ten Baby Boomers (28%), aged 62-80 - the majority of whom have reached retirement age – remain employed in some capacity.

While it's important for Australians to have a plan and goals to work towards for their retirement, holding these loosely will be beneficial as retirement reality sets in. Positively, 91% of Australians believe planning financially for retirement is an important goal. Despite this, fewer Australians (62%) actually have or are developing a plan for their own retirement.

The retirement aspiration/action gap



"We often don't use the word retirement, but rather life after full-time work. Clients are maybe cutting back... but all of a sudden realise that if they stop working at 65 and they live for the next 20 or 30 years, it's a long period of their life to not have a plan for."

Private wealth adviser, NSW

"It took me a while to learn it's the people who retired early... they go away, do the big travel thing and that becomes the reset, and they go back to work because they go, 'Well, what am I going to do for the next 20 years?'"

Insurance specialist, VIC

Economic pressures are reshaping how Australians view job security and side hustles

Amidst the changing economic and technological landscape, one in three Australian workers (34%) are concerned about their future job security. Some are responding by diversifying to future proof and considering multiple jobs. While few currently have multiple jobs (5%), three in ten (30%) are extremely or very likely to consider working multiple jobs to supplement their income. The eastern states are most likely to take up multiple jobs to supplement their income (33% NSW, 32% Qld, 30% Vic cf. 27% SA, 23% WA).

"Being a single mum, I lost more than half my income. My ex-partner was the breadwinner and I have three little people that need my money. So unfortunately, one job, it just doesn't cut it for me anymore."

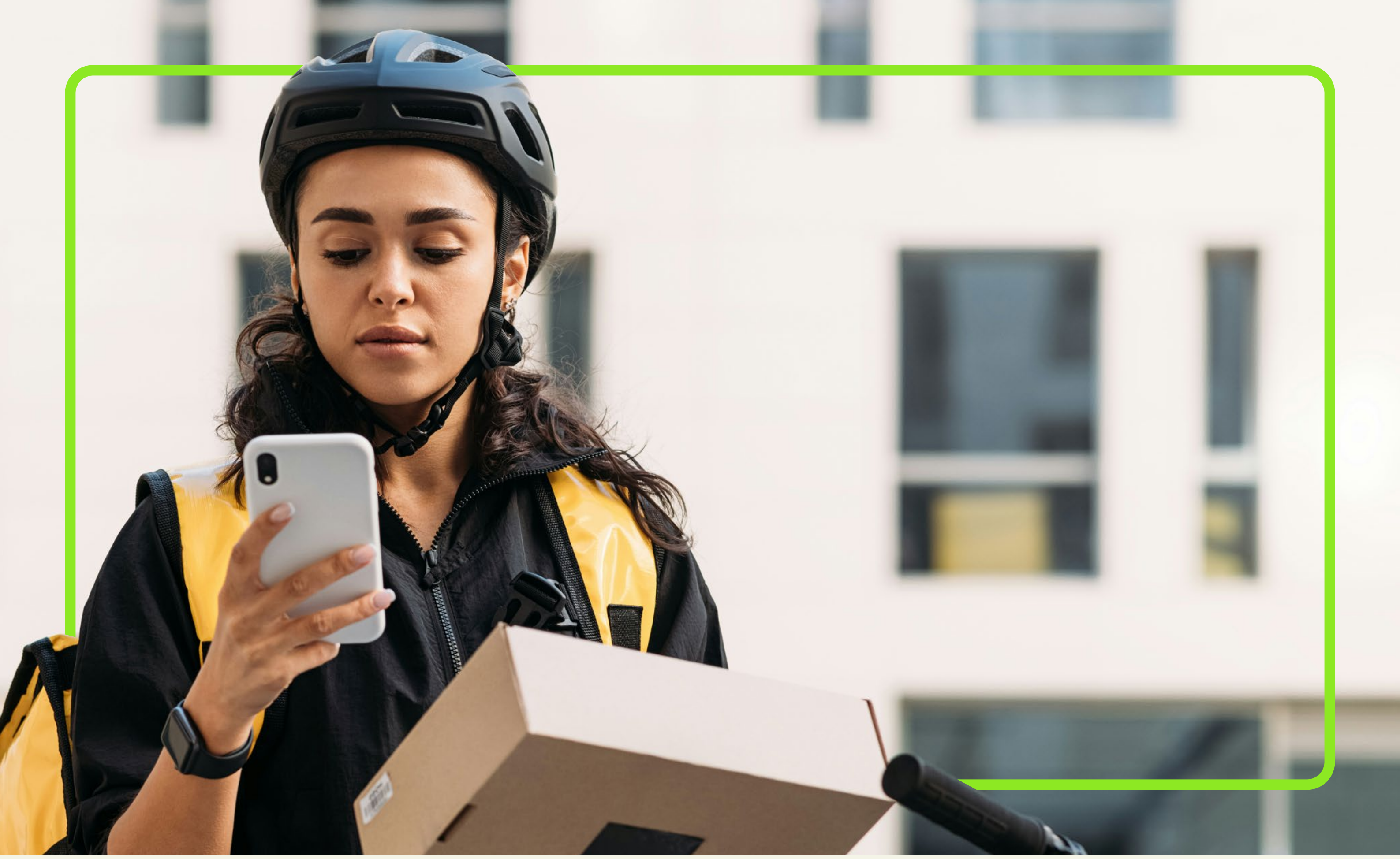
Gen Z

"I've got my main source of income, which is just my employment. And then I've got a side hustle that we're building up at the moment."

Gen Z

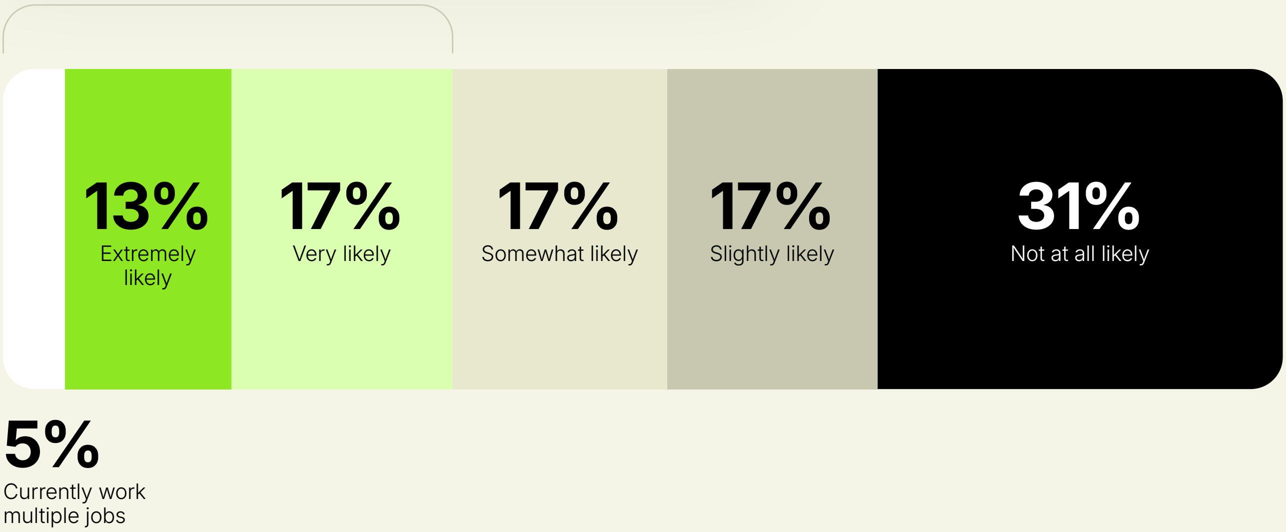
"I do extra work outside of my full-time job. Doing food deliveries, etc. Just to try and help make ends meet. I need it unfortunately."

Gen X



How likely would you be to take up multiple jobs to supplement your income?

More than one in three Australian workers (35%) either already work multiple jobs or would be at least very likely to.



Adviser insights

What advisers told us

Work and retirement are undergoing a complete structural shift. For modern Australians, work is deeply tied to personal identity and mental health, making the traditional cliff-edge retirement at a certain age virtually extinct. Economic pressures, inflation and longer life expectancies mean clients are accepting that they will work longer—often into their 70s.

Advisers frequently see early retirees re-enter the workforce ("re-hire-ment") after realising that endless leisure lacks purpose and structure. At the same time, intergenerational wealth transfers are creating intense relational stress. Clients want to help their children enter a hostile property market, but worry about funding their own long lives or triggering family disputes over inheritance.

"The clients I've spoken to in the last year are accepting that they have to be working to 70 or 75. And they're the clients at 50, 55, 60, that I'm having conversations with."

Financial planner, NSW

Strategic considerations

Rebrand retirement as "life after full-time work":

Clients are increasingly stepping down in phases, consulting or taking a career break rather than stopping in one day. Plans need to flex around that reality, not lock in a single retirement age.

Plan for purpose, not just capital:

Stopping work can leave a gap that money alone doesn't fill. Helping clients think through what life will look like and even discussing some of the more challenging aspects like the mental health impacts of stopping work can make all the difference.

Look beyond a client's current circumstances:

Today's situation is a snapshot, not a forecast. With three in ten Australian workers extremely or very likely to consider an additional income source, advice needs to hold space for how things might change, not just where a client sits right now.

Plan for a longer horizon:

Stress-testing financial plans against extended longevity and cost-of-living inflation helps clients see how working longer, even part-time, adds up to real long-term security.

Further learning

TAL / Risk Academy

Are you aged care ready?:

As Australians redefine what work and retirement looks like, understanding the evolving aged care landscape is becoming an essential part of retirement planning. This session explores the demographic trends shaping demand for aged care, unpacks the key costs and funding options associated with residential care, and examines the role of finances in accommodation decisions.

GO TO COURSE

Modern Australia Confidence Index

Why the Modern Australia Confidence Index?

The Modern Australia Confidence Index (MACI) measures how Australians prepare for and perform amidst the major trends shaping life in modern Australia. The Index explores how people think, feel and take action across the five pillars of life.

The Modern Australia Confidence Index is a strategic and robust tool built in response to the insights explored in this report that are shaping the future of life, finances, technology, community and wellbeing. This new tool provides a single score from 0-100 that enable TAL and McCrindle to track nationally each year how Australians think, feel and act across the five pillars that shape their sense of confidence, security and wellbeing.

What the Modern Australia Confidence Index measures

The MACI consists of five pillars, each of which produce a score of 0-100, reflecting the key pillars of life that shape how a person feels, thinks and acts in modern Australia.
The five pillars in the MACI include:

Health and Wellbeing

This measures how Australians approach their holistic health including their physical and mental health.

Aspiration
Action

Society and Culture

This explores Australians' civic engagement from supporting those across the world, to their experience with Australia's identity.

Aspiration
Action

Financial Wellbeing

This explores financial future readiness and foundations to improve financial knowledge.

Aspiration
Action

Digital Life

This explores how Australians approach new technology, online safety and boundaries in their digital engagement.

Aspiration
Action

Personal Connections

This measures the connections between Australians and their friends, family and wider community.

Aspiration
Action

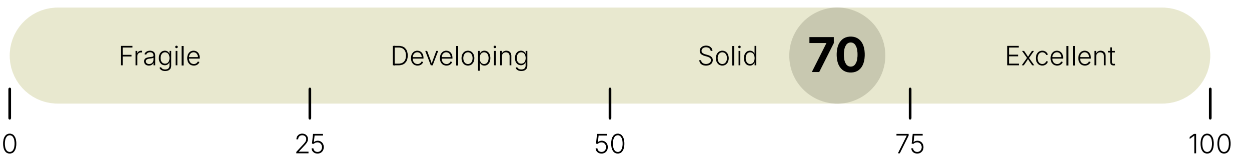
Each pillar is made up of three paired measures of aspiration and action. Aspiration captures what Australians value or believe is important. Action captures the extent to which those beliefs are reflected in everyday behaviours. Understanding the 'say-do' gap enables deeper behavioural profiling, helping the financial sector move beyond information delivery to support that actually transforms how Australians engage with their financial lives.

Aspiration outperforms action in this year's Modern Australia Confidence Index

The 2026 Modern Australia Confidence Index score is 70, indicating a fairly solid and quite positive outlook across the five pillars of Australian life. The more important finding in the inaugural year, however, is not the overall score; it is the consistent gap between aspiration and action and the ranking of each pillar. Cutting the Index by key cohorts such as income brackets and the different trust–risk personas helps to further drive home what matters for advisers.

Health and Wellbeing records the highest overall score at 75, while Personal Connections records the lowest at 66. The Financial Wellbeing pillar has the largest gap, with an aspiration score of 79 and an action score of 61, creating an 18-point difference. This suggests Australians place a high value on financial wellbeing, but many are finding it difficult to translate that priority into behaviour that builds confidence, control and security.

MACI overall



Despite strong scores on the Modern Australia Confidence Index, many struggle with translating aspiration into behaviour

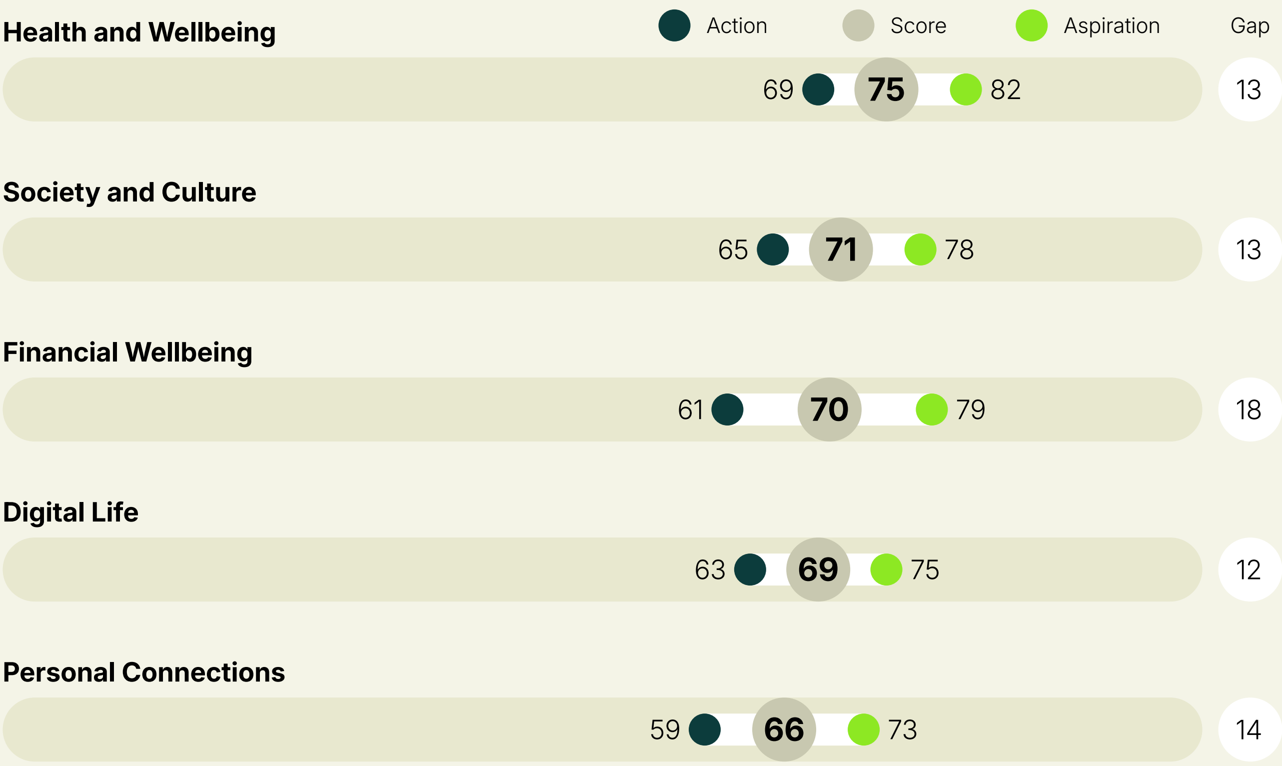
This gap does not suggest Australians lack aspiration, awareness or intent. Rather, it points to the difficulty of turning what people know and value into action with confidence amid competing pressures, uncertainty and complexity.

In this context, the challenge is less about helping Australians get ready for the future and more about helping them navigate it: knowing who and what to trust, making confident decisions and building momentum over time.

What this means:

The MACI provides the organising thread for the report. Financial security, trust, technology, protection and work are not separate issues. They show how Australians are trying to move from information and intent to confidence and action. This creates a clear role for organisations that can help people make decisions, build resilience and protect the life they are trying to create.

MACI by pillars

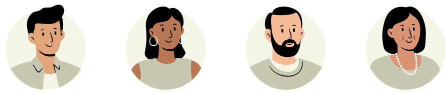


A stronger financial position correlates with a higher score on the MACI

Interestingly, results are quite similar across the generations, reflecting how each of these pillars have a similar impact on all stages of life (70 Gen Z, 72 Gen Y, 69 Gen X, 70 Baby Boomers). Similarly, people across Australia have shared outcomes, with all states aligned in their scores (71 NSW, 71 Vic, 70 Qld, 70 SA, 69 WA).

There is, however, a demographic difference between high income earners and low income earners. Those in the highest household income bracket (top 20% of households) have the highest score in the Index, while those in the lowest household income bracket score lowest (74 first bracket, 73 second bracket, 70 third bracket, 67 fourth bracket, 63 fifth bracket).

The generations score similarly on the MACI:



70	72	69	70
Gen Z	Gen Y	Gen X	Baby Boomers

Income brackets

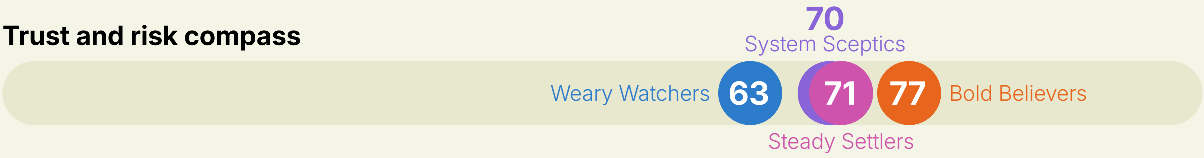
5th bracket (lowest income)	1st bracket (highest income)
63	74

	Action	Score	Aspiration	Gap
Health and Wellbeing				
1st bracket (highest income)	72	77	83	11
5th bracket (lowest income)	62	70	79	18
Society and Culture				
1st bracket (highest income)	69	74	79	10
5th bracket (lowest income)	57	66	75	17
Financial Wellbeing				
1st bracket (highest income)	70	76	82	13
5th bracket (lowest income)	42	57	72	30
Digital Life				
1st bracket (highest income)	67	72	77	10
5th bracket (lowest income)	55	63	71	16
Personal Connections				
1st bracket (highest income)	63	70	76	12
5th bracket (lowest income)	49	58	67	18

Approach to life using trust and risk compass also influences MACI scores

When looking at the MACI through the lens of the trust and risk compass, Bold Believers score the highest in the Index (77), reflecting bold ambitions and bold pursuits. This is followed by Steady Settlers (71), showing the high trust approach can lead to better outcomes in the MACI. System Sceptics follow closely behind, scoring 70, showing how pulling back in some areas, while pushing ahead in others results in an Index score aligned with the broader public. Weary Watchers, however, score the lowest at 63, reflecting their more conservative approach to life.

Trust and risk compass



Health and Wellbeing

	Action	Score	Aspiration	Gap
Bold believers	77	81	85	7
Steady Settlers	69	76	82	13
System Sceptics	70	77	84	15
Weary Watchers	61	69	78	17

Society and Culture

	Action	Score	Aspiration	Gap
Bold believers	75	78	81	6
Steady Settlers	67	74	80	14
System Sceptics	60	68	76	16
Weary Watchers	54	63	72	18

Financial Wellbeing

	Action	Score	Aspiration	Gap
Bold believers	72	77	82	10
Steady Settlers	59	70	80	21
System Sceptics	63	72	81	18
Weary Watchers	50	63	75	25

Digital Life

	Action	Score	Aspiration	Gap
Bold believers	73	76	79	6
Steady Settlers	63	69	76	13
System Sceptics	61	68	76	15
Weary Watchers	54	63	71	17

Personal Connections

	Action	Score	Aspiration	Gap
Bold believers	71	75	80	9
Steady Settlers	60	67	74	14
System Sceptics	58	65	73	15
Weary Watchers	48	57	66	17

Protection provides confidence

Similar to how the trust and risk compass demonstrates different outcomes for the Index, those who take a proactive approach to protecting themselves and their families through life insurance also score higher in the Index. Those who have life insurance score 76 in the MACI, while those without score 68. Most notably, the highest gap is the key pressure point for all Australians: Financial Wellbeing.

Life insurance

Without life insurance	68
With life insurance	76

Health and Wellbeing

	Action	Score	Aspiration	Gap
With life insurance	75	79	83	9
Without life insurance	66	74	81	15

Society and Culture

	Action	Score	Aspiration	Gap
With life insurance	70	75	80	10
Without life insurance	62	69	76	14

Financial Wellbeing

	Action	Score	Aspiration	Gap
With life insurance	71	77	83	12
Without life insurance	56	67	77	21

Digital Life

	Action	Score	Aspiration	Gap
With life insurance	70	74	78	9
Without life insurance	60	67	74	14

Personal Connections

	Action	Score	Aspiration	Gap
With life insurance	68	72	77	10
Without life insurance	56	63	71	15

Conclusion: the future of modern Australia

The Modern Australia Confidence Index shows Australians are learning, preparing and taking action to withstand the uncertainty, risks and shocks coming at a greater pace than ever before. They are engaged, learning, adapting and using new tools to manage the complexity around them. But information alone is not enough to create confidence or progress.

The opportunity for organisations supporting Australians is to help them navigate, not simply prepare. That means building trust, making decisions easier, recognising the human context behind financial choices, and helping people turn knowledge and good intentions into meaningful action at earlier life-stages while also preparing for life after work.

In a world increasingly shaped by artificial intelligence, the organisations and advisers who create the most value will not simply be those with the most information. They will be those who understand people best and empower human flourishing in modern Australia.

Methodology

Online survey

The Understanding Modern Australia report is the collation of quantitative and qualitative data. The quantitative data has been collected in an online survey. The survey was completed by 2,005 Australians aged 18 to 80, reflecting a representative sample across generations, gender and location. The survey was in field from the 28th of April to the 8th of May 2026.

Focus groups with the generations and interviews with advisers

In addition to the online survey, focus groups and interviews were also conducted to provide further insight into the results. Quotes are provided throughout the report, attributed either to an adviser, or focus group participant. Four focus groups were conducted with each of the generations in June 2026. The groups represented the following cohorts:

Gen Z
Age 18 - 31

9 participants

Gen Y
Age 32 - 46

9 participants

Gen X
Age 47 - 61

9 participants

Baby Boomers
Age 62 - 80

9 participants

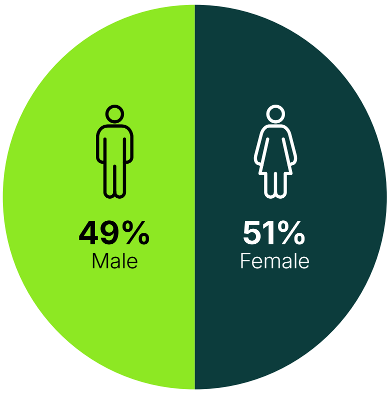
Interviews were completed in July 2026 with 9 financial advisers to understand their perspectives on modern Australia and how these results might impact their work.

Graphs and rounding

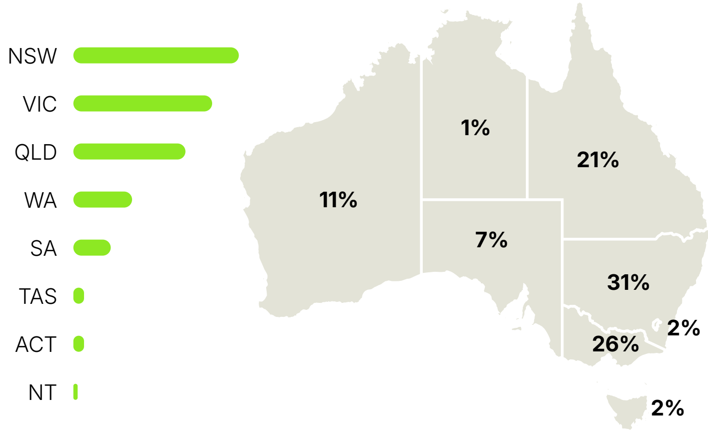
Data labels on the graphs in this report have been rounded and may, therefore, sum to 99% or 101%. Any calculations where two data points have been added are based on raw data (not the rounded data labels on the graph) which have then been rounded once combined.

Demographics

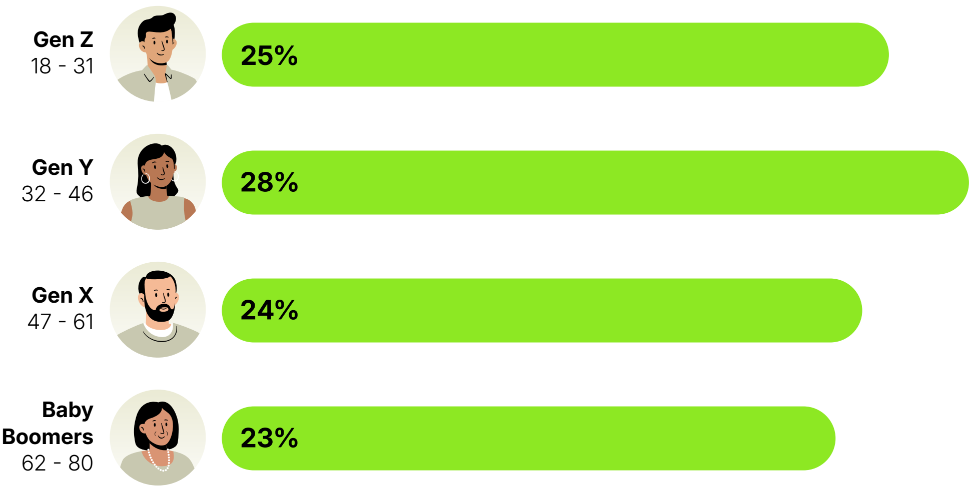
What is your gender?



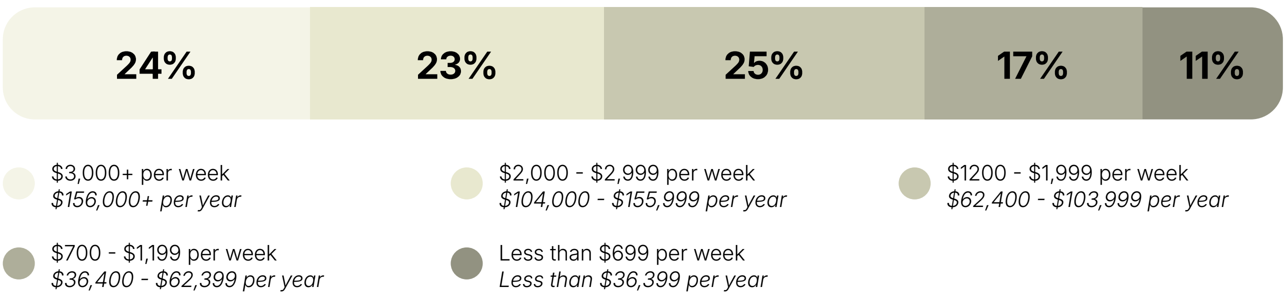
Where do you usually live?



What age will you turn in 2026?



Which of the following best represents your household's combined gross annual income?



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