

Press Release

November 16 2011

Unemployment driving young people into debt, warns charity

Responding to Office of National Statistics (ONS) figures showing that youth unemployment has reached more than one million, debt charity Consumer Credit Counselling Service (CCCS) has warned that rising unemployment is driving many young people into serious debt.

New figures released by CCCS show that more than a third (35 percent) of the nearly 6,000 people aged 18 to 24 who contacted the charity for help in the first six months of 2011 cited unemployment as the main cause of their debt problem. This proportion is significantly higher than the 23 percent of older clients of working age who attributed their financial difficulty to unemployment in the same period.

The charity is concerned that the rising number of young people out of work will mean that many will fall into financial difficulty in the coming months. A report commissioned by CCCS recently identified 186,000 households in the 18 to 24 age group as 'financially vulnerable', meaning they are already in financial difficulty or 'at risk' of falling behind.

Delroy Corinaldi, CCCS director of external affairs, said:

"With youth unemployment rising, an increasing number of under-25s are struggling to make ends meet. I am concerned that many young people who are out of work will fall into debt in the coming months.

“It is crucial that young people are made aware of the free advice that is available. Anyone who is struggling to cope should contact a debt charity such as CCCS for free help and support as early as possible.”

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Notes to editors:

1. Debt and the Generations, a report conducted for CCCS by the Financial Inclusion Centre think-tank, is available for download at http://www.cccs.co.uk/Portals/0/Documents/media/reports/additionalreports/Report_Debt_and_the_generations.pdf
2. CCCS's ethos is to help the “can't pays”, not the “won't pays”, and does not condone debt avoidance. CCCS always aims to help its clients pay back what they owe, in a realistic timescale and manner that is suited to each individual's situation.
3. CCCS is self-funding. Lenders share with the charity the benefit they receive from its operation, making a donation from the money repaid to them. This allows CCCS to retain its independence and ensure that its advice is always in the best interest of the client.
4. The CCCS free phone helpline 0800 138 1111 is open 8am to 8pm, Monday to Friday.
5. *CCCS Debt Remedy* is available at www.cccs.co.uk
6. Follow us on Twitter: @CCCSPressOffice

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