

Number of young debtors declined in 2008

Hamburg, 14 January 2009 – Young people were less indebted in 2008. This is the result of the EOS survey on the social structure of debtors, which has been carried out annually by the financial services provider EOS since 1996. 1240 people who have failed to pay their bills despite repeated reminders or an enforcement order were questioned.

The proportion of debtors aged 25 or younger sank by 0.9 percentage points to 7.7 per cent, thereby reaching its lowest level since 1997. Klaus Engberding, EOS Group board member responsible for the Germany business unit, gave reasons for this development: 'In this age group, the positive trend on the employment market was the strongest factor.'

The proportion of socially deprived debtors among 25-year-olds or younger persons declined by 7.3 percentage points to 51.6 per cent. Individuals who are considered socially deprived are those in receipt of unemployment benefit and social security benefits, as well as job-seekers without financial support and prison inmates. In view of the economic situation as a whole, Engberding is expecting a reversal of this positive trend and an aggravation of the general economic conditions. Engberding: 'The changes in the economic situation are often not reflected in the unemployment figures until a few months later.'

The overall number of socially deprived debtors is rising again

Another finding from the survey of the social structure of debtors is that the proportion of socially deprived debtors increased again in 2008, having declined for the first time in five years in 2007. It grew last year by 0.7 percentage points to 53.5 per cent, which is still below the peak of 54.5 per cent that it reached in 2006. While a decrease in the proportion of socially deprived debtors in comparison to the previous year (down 0.9 percentage points to 58.7 per cent) was registered in Germany's eastern region, the proportion in the west has risen by 2.8 percentage points to 48 per cent.

The EOS Debtor Social Structure Survey

EOS DID surveyed 1240 people who paid their bills either only partly or not at all in 2008 despite repeated reminders or an enforcement order. The survey included questions on financial circumstances, the personal life situation and social status. The survey has been carried out annually since 1996.

The EOS Group

With around 3,500 employees in 20 countries, the EOS Group, a member of the Otto Group, is one of the leading financial services corporations in Europe. The 38 operating companies in the group are active in the information management, arrears management and receivables management segments and look after some 20,000 clients around the world – from banks and insurance companies, through manufacturing industry and the mail order segment, to public utilities, telecommunications firms and IT companies.

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