



EMBARGOED UNTIL TUESDAY 31 JANUARY 2006

Working Australians 'in the dark' about retirement income - AXA study reveals Australians are ignorant about retirement needs

Reality will bite hard when the 10 million or so working Australians¹ decide to quit the rat race and enjoy their retirement. The AXA Retirement Scope study released today has revealed that only 18 per cent of working Australians know their future retirement income.

A study of almost 7,500 people from twelve countries, the AXA Retirement Scope found that while 50 per cent of Australians were confident about maintaining their standard of living after retirement, they were largely unaware of the income required to do so.

AXA General Manager of Sales and Marketing, **Adrian Emery**, said the study showed it would be difficult for most working Australians to understand if they will be financially ready to retire by their ideal age of 54.

"Although the research indicates working Australians are starting to prepare for their retirement at 33, earlier than their retired counterparts, who began at 40 – many working Australians have not sought financial advice about retirement, or outlined a plan on how they will provide for their future after retirement," Mr Emery said.

The study shows Australians are more reluctant than any other country surveyed to be completely responsible for their retirement financing.

"It is becoming increasingly difficult to make the right choices about one's retirement without seeking quality financial advice. We feel Australians should actively plan for their future, rather than leaving it to chance," Mr Emery said.

Consumer and trends commentator, **Bernard Salt**, agreed that the AXA data represented an alarming gap between Australians' perception of retirement and the planning required to realise their retirement dreams.

"The AXA survey shows Australians want to retire earlier, be considered 'old' later and enjoy the same standard of living they afforded while working," Mr Salt said.

The study reveals that while Australians would like to retire at 54, most anticipate that they will not be able to do so until 62, almost a decade later than they plan and close to 50 per cent of retirees do so without having sought any financial advice.

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¹ Australian Bureau of Statistics - 6202.0 Labour Force, Australia , 12 January 2006



news release

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“It’s no wonder the majority of working Australians plan to draw on their savings after retirement rather than leaving something to the kids. Without quality financial advice and planning, Australians can’t possibly hope to afford the sea-change, the trip to Italy and leave a nice inheritance,” Mr Salt said.

The AXA Retirement Scope is a major benchmark study on retirement, measuring expectations and experiences of retirement in Australia and internationally.

Other key findings include:

- Australians believe they are ‘fit to work’ until 66 years of age and retirees don’t consider themselves old until they’re 79
- 87% of working Australians and 74% of retirees believe retirees should pay less tax than working people
- Over 80 per cent of Australians surveyed are satisfied with Australia’s healthcare service
- Australians are among the ‘happiest’ in the world – 95% of Australians responded as ‘happy’
- Australians are among the most ‘selfish’ when it comes to inheritance – only 23% of working Australians plan to maintain their savings to pass on to their children

- ENDS -

For more information, a copy of the full AXA Retirement Scope report or for an interview with Bernard Salt or Adrian Emery, please contact:

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Our commitment is to provide quality financial advice. Our professional financial advisers can help you to bring your plans to life with appropriate investment, insurance, retirement and superannuation solutions.