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For release Tuesday 6 February 2007

Aussies starting to wake up from Super stupor New research shows we're taking control of our own futures.

Interest in our financial futures is on the increase, with 34 per cent of working Australians now having a good idea of their projected retirement income. This percentage has almost doubled since the same time last year, according to the 2007 AXA Retirement Scope study released today.

A study of over 11,000 people from 16 countries, AXA Retirement Scope revealed that Australians overall are beginning to take a more positive and active interest in their retirement futures.

AXA General Manager Sales and Marketing, **Adrian Emery**, said the study indicated a shift in attitudes among Australians towards understanding the importance of planning for their retirement early. However, there are still two thirds of working Australians who don't have a good idea of what their retirement income will be.

"The key for these Australian's is to have a plan and the good news is that seven in ten working Australians have already started to prepare for their retirement. And are doing so at an average age of 31 years old, almost a decade earlier than their retired counterparts, who began at 41. This is a significant breakthrough, as just two years ago Australians who were preparing for retirement did not begin to do so until they were 36 years of age," he said.

"Australians need to be aware that the best way to guarantee the retirement they dream of, is to take charge of their own future and seek quality financial advice."

Globally, Australians are equal first with Hong Kong residents when it comes to accepting individual responsibility for retirement financing.

Behavioural scientist and social expert, **Dr Stephen Juan**, agreed with AXA's findings, and said that, even beyond finances, the shift towards individuals taking control of their own futures is part of a broader trend in Australia.

"There's a feeling of anxiousness about what the future holds – which, for Australians, might be a result of interest rate rises, high petrol prices, or even water restrictions," Dr Juan said.

"To combat this uncertainty, Australians are becoming more informed and making intelligent changes to their life. They're starting to realise that it's going to be up to the individual to take care of themselves – for their retirement, their health, and for the environment too," he said.

When questioned over health concerns, Australians named stress as the number one factor threatening our health, followed by pollution, smoking, fast food and alcohol. These concerns have all increased significantly since 2006.

The research also showed a strong association between retirement income and quality of life. And while more than two thirds of working Australians believe the pension system will still exist when they turn 75, they aren't leaving anything to chance, with 87 per cent of working Australians believing that the individual is primarily responsible for their retirement income.

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Working Australians are currently saving an average of \$652 per month towards their retirement, ranking them the second highest retirement savers in the world just behind workers in the United States.

“It’s clear Australians are increasingly taking into account the ‘big picture’, and are looking for the best way to ensure all areas of their life are on the right track, including their health and finances but our concern is that they are still not doing enough. We’re spending more than we’re saving, and accumulating more debt than ever before,” Mr. Emery said.

The study showed 67 per cent of working Australians anticipate their current standard of living will remain or even improve after retirement.

“This is an alarming assumption for those Australians who have no financial plan for the future,” Mr. Emery said.

“And considering the new changes for both compulsory and voluntary superannuation contributions coming into effect this July, there really is no better time for Australians to seek advice and plan how to capitalise on this opportunity.”

Dr Juan said the research also suggests that Australians are quietly realising they’re retiring from work, not life.

“The Australian Bureau of Statistics projects that by the year 2050, the life expectancy of Australian males will have risen to approximately 93 years of age and to approximately 95 years of age for females.¹ If today’s working Australians retire at an average age of 62, as according to AXA’s study, that’s an awfully long retirement period to fund,” Dr Juan said.

“And an overwhelming majority of working Australians will continue the trend of splurging their savings to fund their ideal retirement, denying the next generation a healthy inheritance,” Dr Juan said.

Mr. Emery agreed that Australians are generally positive about their impending retirement, and look forward to funding travel or a hobby.

“And while Australian workers dream of an action-packed retirement filled with travel, hobbies and volunteer work, as the study suggests, these retirement options may not be possible if Australians don’t seek quality financial advice and actively plan for their future,” Mr. Emery said.

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

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¹ Australian Bureau of Statistics – 3222.0 – Population Projections, Australia, 2004 to 2101.
<http://www.abs.gov.au/ausstats/abs@.nsf/ProductsbyCatalogue/5A9C0859C5F50C30CA25718C0015182F?OpenDocument>



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Other key findings include:

- The great Australian dream of owning your own home is a reality for most Australians with two thirds of working Australians and four out of five retirees owning their own home.
- We're feeling good – 85 per cent of all Australians are feeling healthy.
- Almost all Australians are happy – less than one in ten working Australians reported to being 'not really happy' or 'not happy at all'.
- Australian retirees are among the heaviest retired users of the internet, ranking second after the United States.

- ENDS -

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

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AXA Australia has now been helping Australians provide for their financial future for over 100 years. AXA Australia is a member of the Global AXA Group, one of the largest financial services groups in the world with an enviable track record in meeting the superannuation, investment and insurance needs of 50 million customers worldwide.

With A\$82.34 billion funds under management, administration and advice (as at 31 December 2006) AXA Australia is a leading provider of wealth management and financial protection products and services through brands including Australian Casualty & Life, ipac and Summit.

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.