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Retirement today and tomorrow - Research reveals expectations could be off the mark

Australian workers' expectations of retirement are far different from the reality they face, according to the 2007 AXA Retirement Scope study released today.

The research found that workers' perceptions of their ideal retirement and how they will achieve it, differ greatly from today's retirees.

The AXA study of over 11,000 people from 16 countries found that while working Australians believe the ideal retirement age is 56; they expect they will actually retire six years later, at 62.

However tomorrow's 'retirement' will be very different from that experienced by today's retirees, namely in the areas of employment, lifestyle and relationships.

The research revealed that over 60 per cent of working Australians expect to hold a job in retirement, however less than 10 per cent of retirees are currently working.

AXA's General Manager Sales and Marketing, **Adrian Emery**, said AXA Retirement Scope shows that when it comes to retirement, times are definitely changing.

"When asked how they fund their retirement, 52 per cent of workers said that superannuation would be their major source of income. Meanwhile 27 per cent of today's retirees currently rely principally on super, and over half depend on a government pension for the majority of their income," Mr. Emery said.

"The research also showed that on average, working Australians believe they would be 'fit to work' until 67 years of age, and believe they are not 'old' until 73, while today's retirees, having experienced retirement, don't see themselves as old until 79," Mr. Emery said.

"Interestingly, over 90 per cent of workers and retirees consider those aged over 65 would make good employees."

Behavioural scientist and social expert, **Dr Stephen Juan** said the research shows Australians are optimistic about their futures and are actually the least fearful of retirement in the world.

"Change is definitely here but Australians seem to be positive when facing it. This year's data revealed an 8 per cent increase in positive associations of retirement," Dr Juan said.

"It's still seen as a happy time; for family, friends and pursuing hobbies."

While more than half of today's workers plan to travel in their retirement, the reality may tell a different story as only 26 per cent of today's retirees do so.

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“The results suggest that a future of globetrotting grandparents may eventuate, but Australians’ strong desire to spend time with family and friends, volunteering and keeping fit may keep them grounded,” Dr Juan said.

The research also showed that among workers there is a much greater acceptance toward plastic surgery as an option to improve one’s looks, not only in Australia but internationally, but Australian retirees were less positive.

“Retirees still see plastic surgery as being in the domain of the rich and famous but for working Australians, perhaps greater life expectancies dictate that maintaining one’s looks is becoming accepted as a viable option,” Dr Juan said.

Dr Juan also saw interesting changes in the relationship between retired parents and their children, noting that Australians have strong views on the best ways to support parents in retirement.

“The research suggests that workers who think they should support their parents in retirement, believe it should not be materially or financially, but rather through regular visits,” he said.

“This is quite different to many Asian countries surveyed, where giving money and possessions to grandparents in particular is more accepted... 93 per cent of Hong Kong workers support their parents financially.”

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:

- 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.
- Only 34 per cent of workers have a good idea of what their future retirement income will be.
- 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.

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

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