

Press release

A good retirement means no financial worries for 98% of people, enjoying hobbies & having a sense of purpose

A bad retirement means poor physical health for 92% of people, poor mental health and being financially cash strapped

August 29, 2019

Standard Life's most recent* survey of 1,000 adults reveals that most people's idea of a good retirement is financial comfort and security; being able to cover the essentials and pursue preferred activities without having to worry about money.

This is closely followed by time spent time enjoying hobbies, having a strong sense of overall purpose and perhaps surprisingly, spending time with family comes in fourth place.

What does a 'good' retirement look like? Top 5	Important or Very important
Financial comfort – being able to do the things I want to do without worrying about money	98%
Financial security – being able to cover the essentials without worrying about money	97%
Spending time enjoying your hobbies	96%
Having a strong overall sense of purpose	94%
Spending more time with family (children, grandchildren, siblings, cousins etc.)	91%
Continuing to learn and develop myself	89%

"In Standard Life we are focussed on people's Second Life i.e. their life in retirement not filled with dread but energy, passion and drive," said Sharon Smyth, Standard Life's head of marketing.

"We're generally fitter and healthier than previous generations. Our Second Life could last another 20-30 years and be immense fun," she said. "Provided of course you have saved enough, chosen the right investments and worked with a financial adviser to plan for it."

What does a 'bad' retirement look like? Top 5	Worrying or Seriously Worrying
Poor physical health e.g. difficulty walking, heart conditions	92%
Poor mental health e.g. Alzheimers, Dementia, loss of memory	91%
Being financially cash-strapped - unable to cover the essentials	91%

Loss of partner or spouse	87%
Insufficient interaction/contact with family	85%
Loss of self-identity	82%

The survey reveals over a third or just 36% of the private sector owns a pension. The average pension pot is €120,000 yielding an income of about €4,800 p.a. **. Assuming they can claim the maximum state pension of €12,956 p.a. this will yield a combined retirement income of almost €17,800 p.a.

“There is a big disconnect between what people want from their retirement and the actions they are taking to make it happen,” said Smyth. “Our research regularly shows people want to retire on about €35,000 p.a. but at best are saving about half that amount. We also know there’s a large cohort of people who want to start a pension but haven’t gotten around to it yet.”

Smyth’s top tips include:

- Talk to a family member/friend you trust on financial/pension matters so you can ask all your basic questions and get comfortable with the topic.
- At work, find out who is in charge of signing you up to a pension. Remember all employers, irrespective of size have to offer you access to a pension. In a smaller company it’s probably the accountant and in larger companies the HR department.
- If your employer is offering a percentage of your annual salary as a contribution towards your pension pot – sign up as fast as you can. Otherwise you could be leaving thousands of euro per year for your employer to use as they wish instead of watching your pension pot grow.

Ends

Notes for editors:

*These results are based on an independent online survey conducted by Research Plus Ltd on behalf of Standard Life Ireland of 1,000 Irish adults up to 12 August, 2019.

** This is based on a flat rate annuity of 4% for a 65 year old adult i.e. there is no CPI link and no spousal pension. Source: LCP August 2019 annuity rate table.

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