
For immediate release

Retirement is dead: long live retirement

Standard Life and Reform reveal seismic shift in attitudes to retirement amongst baby boomer generation

4 February 2009

This morning at a Reform debate on 'The Death of Retirement', Standard Life published research demonstrating a transformation in attitudes to retirement amongst the baby boomer generation.

Discussed by a panel including Shadow Pensions Minister Nigel Waterson MP, John Lawson, Head of Pensions Policy at Standard Life, and Andrew Haldenby, Director, REFORM, the findings show that over 46 year olds are more ambitious for their work life, leisure time and personal relationships at retirement than any generation before. It proves that attitudes to retirement have transformed as the structure of the UK population has changed and people look positively to a future when they will be healthier, wealthier and live for longer.

Commenting on the findings, John Lawson, Head of Pensions Policy at Standard Life said: "Our research proves that baby boomers' attitudes to retirement have fundamentally changed and they are now more ambitious for this 'third stage' of their life than any generation before them.

"Currently, the way we discuss retirement inhibits these people making the connection between their ambitions and pension saving. Harnessing this excitement could present an answer for government and the financial services industry to the challenge of retirement planning rather than reinventing pension structures."

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Andrew Haldenby, Director, REFORM commented: "This debate shows there is clear support for the idea of an active retirement and the fact that people need to take more control. Government needs to do more to encourage that."

Nigel Waterson MP, Shadow Pensions Minister said: "Retirement should be less of an event and more of a process. We need to move away from the notion of pensions towards long term savings. It's all about flexible retirement. The US is ahead of the UK. With a 401k you can draw down more and in more ways. As a result, people save more, but they don't always draw down. The Standard Life research found that older people in retirement want to start new businesses. This is great and the kind of activity that should be encouraged."

The research findings include:

- Over half of 46-65 year olds plan to travel more in their long term future, rising to two thirds (66%) of those who are more affluent (from Financial Strategy Segments G and H*). In contrast, only 23% of their parents' generation planned to travel more at retirement
- A third of 46-65 year olds and of those from wealthy backgrounds hope to learn a new skill such as a new hobby or language in their long term future, five times as many as their parents at retirement
- Over half of all 46-65 year olds want to spend more time with those people most important to them in the future rising to 55% of those from FSS groups G and H. This compares to only a third of their parents generation
- For this generation, rather than retirement being when they stop work, two fifths (39.3%) of UK adults want to continue to be involved at work but on their own terms. This rises to

42% of 46-65 year olds who are wealthier. Only 15% of their parent's generation wanted to stay in some kind of work at retirement

- One in twenty baby boomers (5.1%) stated they hoped to embark on a new business venture in their long term future, rising to 7% of those who are wealthier. This is seven times the number from their parents' generation.

As well as having greater ambition for their future, research also shows that this generation expect to have more dependents than their parents. Two fifths (43%) of the 46-65 year olds in groups G and H expect to have one or more financial dependants when they retire, compared to just 26% of their parents' generation at retirement.

The findings are based on research commissioned by Standard Life and conducted by Lightspeed Research amongst a representative sample of 2,000 adults aged between 46-65 year olds and repeated with 1,000 46-65 years from Financial Strategy Segments G and H*. The latter group represent the wealthiest section of society and account for 6% of total UK population (2.8 million people in the UK).

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Notes to Editors

***<http://www.experianintact.com/content/uk/documents/productSheets/FinancialStrategySegments.pdf>**

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