



## Media Release

Monday 25 January 2010

### DREAM OF EARLY RETIREMENT FADING SAYS GESB

Only one in four (25%) Australians expect to retire before they are 60 years of age, according to national research commissioned by GESB, the largest WA-based super provider.

GESB's research found that one third (35%) of Australians expect to continue working past 60, as they will not be financially prepared to retire. Residents of Tasmania are most likely to expect to retire by or at the age of 60 (54%), while residents of NSW are the least likely (45%).

GESB's research also revealed stark comparisons between age groups, with Australians aged 18-24 half as likely to expect to retire before they are 60 compared to those aged 45 plus and twice as likely to expect to continue working past 60 even if they are financially prepared to leave the workforce. *(See Notes to editors)*

Of those Australians who expect to continue working past 60, the research found just under half (44%) think they will continue to work full time and two thirds (70%) will continue to work in their current field.

Fabian Ross, Head of Wealth Management at GESB, said, "GESB's research reveals a shift in expectations. Australians may dream about early retirement, but they are increasingly realistic about their ability to achieve it."

Mr Ross said that preparing for retirement is as much about understanding the number of years you're likely to spend in retirement as it is about establishing when you want to leave the workforce.

“For the majority, building adequate retirement savings by the age of 65 continues to be a very demanding proposition and the dramatic rise in life expectancies during the past century has only increased this challenge<sup>1</sup>.

“Super providers need to help educate Australians to be realistic about how far the nine per cent employer contribution will go towards achieving their retirement savings target and provide them with easier access to information about contribution and investment strategies that suit their individual journeys to and lifestyles during retirement,” said Mr Ross.

## Ends

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### Notes to editors:

#### Most likely to retire by or at the age of 60

STATE	RANKING	PERCENTAGE (%)
TAS	1	54
SA	2=	53
NT	2=	53
WA	4	51
QLD	5	50
VIC	6=	47
ACT	6=	47
NSW	8	45

Source: GESB

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<sup>1</sup> Over the past century, male life expectancy at birth has increased by 24 years, from 55.2 years in 1901-1910 to 79.2 years in 2006-2008. Similarly, female life expectancy at birth has increased by 25 years, from 58.8 years to 83.7 years. The increase in life expectancy at birth reflects declining death rates at all ages. Australian Bureau of Statistics, 2008

### Expectations around retirement

RESPONSE	AGE	
	18-24 (%)	45+ (%)
Retire from work before 60	16	30
Retire at 60	36	19
Work as will not be financially prepared to retire at 60	24	39
Work even though will be financially prepared to retire	24	12

Source: GESB

1. GESB's findings were based on a survey of 1,200 people, which was weighted to be nationally representative of Australia's population by gender, age and location. The research was conducted by TNS on behalf of GESB in October 2009.

### 2. About GESB

GESB is the largest WA-based super provider with more than 313,000 members, representing nearly one quarter of the WA workforce, and over \$10.0 billion funds under management.

With more than 70-years of superannuation experience, GESB is ideally situated to provide members with a choice of superannuation and retirement products, access to financial planning and insurance coverage through super, combined with competitive fees and a wide range of member education, information and resources.

For further information visit [gesb.com.au](http://gesb.com.au) .

### 3. Industry ratings and awards

SuperRatings awarded GESB Super, West State Super and Retirement Income Allocated Pension its highest Platinum rating in 2010. This is granted to only the top 15% of the best 'value for money' funds, based on an assessment of investment returns, investment methodology, fees, administration and advisory services, as well as a robust, secure and proven governance framework.

Chant West awarded GESB Super, West State Super and Retirement Income Allocated Pension its highest rating in 2010, Five Apples, following an assessment of organisational strengths, investments, fees, insurance, administration, member services and employer services.

The Heron Partnership has also awarded GESB its highest rating in 2009, 5 Quality Stars, granted to only the top 25% of super products, based on an assessment of investment arrangements, insurance, ancillary benefits, communications and contributions.